

EIR

Executive Intelligence Review

May 14, 1985 • Vol. 12 No. 19

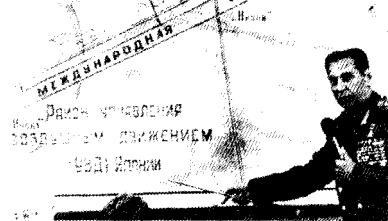
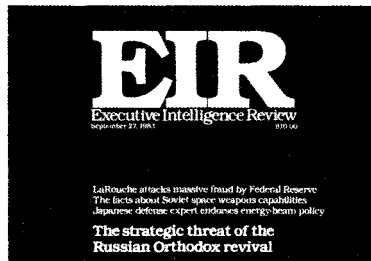
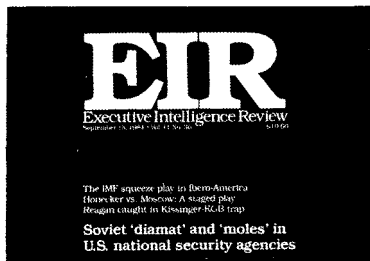
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The continuing hoax of 'artificial intelligence'
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The shocking truth about Simon Wiesenthal

**Kohl-Reagan alliance
under attack by Moscow**



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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 1010-16th N.W., Washington, D.C. 20036 (202) 955-5930

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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To Post Master: Send all address changes to EIR, 1010-16th N.W., Washington, D.C. 20036 (202) 955-5930

EIR

From the Editor

The future of the Western Alliance “after Bitburg,” highlighted in this week’s cover picture, will depend on escalating the policy intervention *EIR* has been making into Washington and other world capitals. Those of you who are regular readers know that there is no exaggeration in this statement.

That is why we have featured Lyndon LaRouche’s major writings on the theoretical questions behind policy in the last several issues, and will continue to do so. Issue No. 18, which came out the week of the Bonn economic summit, contained LaRouche’s article on “The role of economic science in projecting pandemics.” This week we publish his “The continuing hoax of artificial intelligence,” accompanied by ten illustrations, prepared by the editor of the German *Fusion* magazine, Dr. Jonathan Tennenbaum, and artist Alan Yue, presenting LaRouche’s discussion of hyperbolic “horn” functions in the triply self-reflexive universe.

The following week will feature an explosive article by LaRouche entitled, “The looming extinction of the ‘white race’: the continuing legacy of the 1815 Treaty of Vienna,” which proves, through demographic charts and historical analysis, the following conclusion: “ ‘The Great White Race’ thus faces extinction, chiefly because of that which causes the affected nations to be ruled by those who believe that ‘The Great White Race’ exists. If we do not free our nations from the rule of those families which have brought this curse upon us all, our civilization will vanish from this planet, as Sodom and Gommorrah before us. A nation which tolerates a President Jimmy Carter, the poor man’s Emperor Nero, is a nation which thus signals a great degree of decay in its moral fitness to survive.”

Nora Hamerman

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Repeatedly arrested by the Nazis during the war, he always miraculously escaped the death meted out to other Jews. Joe Brewda reports who this celebrated "Nazi-hunter" really was, and is.

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President Reagan and Chancellor Kohl meeting at the White House in March 1984. UPI

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The outcome of President Reagan's current trip to Germany, as of this writing, is a strengthening of German-American relations and of the Western alliance, at least temporarily.

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Two million person rally rebuts Volcker, IMF

by Salvador Lozano

“No to the IMF: National sovereignty comes first,” was emblazoned on the enormous banner at the head of the march of 2 million workers which took place in Mexico City on Labor Day, the First of May. The slogan was signed by the Congress of Labor, which comprises all the major trade union centers of the country.

The May Day rallies, not only in Mexico but in Argentina, Colombia, Peru, and elsewhere, marked a milestone in the political fight against the International Monetary Fund which was initiated by the Schiller Institute with its worldwide mobilization the weekend of April 13. The May Day show of force means that the labor movement of the Americas is getting ready to turn the smoldering resentment against the IMF’s “loan conditionalities,” which are killing whole populations, into political power to end the IMF dictatorship over all sovereign nations—including the United States.

- The three main labor organizations of Colombia made the battle against the IMF the central feature of their demonstration.

- The leaders of the main labor groups in Peru supported the Schiller Institute’s appeal to make May Day a continent-wide mobilization against the IMF and drug-trafficking.

- In Argentina, the General Confederation of Workers began on April 30, in Rosario, with a rally of 25,000 trade unionists, the series of mobilizations which were planned to combat the submission of Raúl Alfonsín’s government to the International Monetary Fund. Saúl Ubaldini, one of the four general secretaries of the CGT, called for defense of the sources of work, production and wages, to fight the “financial fatherland,” and “the always untouchables,” and to probe “the illicit [parts] of the foreign debt.”

Moreover, Colombian labor, speaking through Jorge Carrillo, president of the Union of Workers of Bogota and Cundinamarca, pulled the rug from under “Third Worldists”

who justify the IMF’s conditions only as long as they are also applied to the United States.

“It is not a question today of saying, ‘since the International Monetary Fund is destroying the economy of our nations in Latin America, then let’s go demand that the Fund’s conditions be applied too to the United States,’ as some people here have proposed. The Fund’s conditions would cause the workers of the United States the grave problems we are suffering from. What we must demand is that the United States withdraw its backing from the International Monetary Fund,” he stated to the crowd of 20,000 people that gathered on May Day in the square in front of the Interior Ministry in Cundinamarca.

Four days earlier, the drug-linked ex-President Alfonso López Michelsen, proposed that some countries band together to force the United States to accept IMF conditions (something such figures as James Baker III and Paul Adolph Volcker are already taking care of).

Paul Volcker, enforcer

Federal Reserve chairman Volcker himself flew to Mexico on April 26 to inform the United States’ hemispheric allies that they would receive no reprieve from International Monetary Fund death sentences against their economies, as long as he had any say in U.S. policy. “Frankly, I would be a bit shocked by a political dialogue” seeking to ameliorate the debt burden in the continent, he told a Mexico City press conference. “I think that there is already a process which has produced favorable and reasonable results not only in Mexico, but also in other countries.” If any nations do move toward new debt talks, it would be “disturbing to the private financial markets where decisions regarding creditworthiness must be made daily,” he threatened.

Volcker’s insolent statements, coming after a private

meeting with Mexican President Miguel de la Madrid, set off a wave of outrage. Volcker's statements were "blind and irresponsible," wrote Iván Molina Ochoa in the Mexican government-owned daily *El Nacional* on April 28. To Volcker's insistence that no new lending to the region be forthcoming from international banks, Molina responded, "This is nothing less than the core of the U. S. plan to induce recessions [in Ibero-America] from abroad and with it prepare the path for economic occupation, as partners, of the most important debtor nations."

Molina charged that Volcker wants to force Ibero-America to "accept foreign investments." Our alternative is to establish "a common productive region with a common market and perhaps even a common currency," he concluded.

Volcker was trying to crush any possibility of resurgence of Ibero-American joint action against the IMF and for debt relief. As he arrived in Mexico City, the Presidents and foreign ministers of the eleven major debtor countries of the continent, grouped in the loose confederation of the Cartagena Consensus, called on the ambassadors of the "Big 7" OECD nations, to deliver an appeal for new debt talks to the Bonn economic summit.

The IMF and the transnational banks have maintained their balance sheets at the cost of "a drastic contraction of living standards of our people," said the letter, over the signature of Uruguayan President Julio Sanguinetti. "It would be a grave error to believe the debt problem has been solved." The mid-April meetings of the IMF and World Bank in Washington made "no significant progress" in dealing with the problem, the statement added. Continuing high real interest rates, declining commodity prices, and net transfer of resources out of the continent, must be corrected. "We must grow our way out of debt problems," by reactivating the economies rather than implementing further austerity.

The case of Argentina is illustrative. Monthly inflation is at 30%, and monthly interest has also just gone up to 30%. But after a meeting of the cabinet held on April 13, a presidential spokesman announced that another ratchet of "severe" austerity is "imminent." Businessmen must prepare to accept new "fiscal oppression," the spokesman said, and workers should "renounce in part their wage aspirations." The announcement came at a moment when the minimum monthly wage is enough to allow a working class family, with luck, to live through one week.

One business leader put it, "The government promised to wipe out the profits of what was called during the military trial 'the financial fatherland,' but this concept of the country continues, because while the speculators are making money, the real businessmen cannot make profits, the workers only get low wages and mass layoffs, and high inflation is a symptom of the breakdown."

Labor declares war on IMF

Volcker's choice of Mexico for his debtor-bashing excursion was calculated. Mexico City was the site, April 17-

19, of the XI Continental Convention of the Organización Regional Interamericana del Trabajo (ORIT), representing more than 32 million workers, which declared war on the IMF and warned that "generalized moratorium may be the only way out for our countries," if the choice is between "saving the creditor banks or rescuing the population of Latin America."

The declaration came after April 13 rallies across the continent against the IMF inspired by the Schiller Institute, which involved many of the same labor union leaders, and set the stage for the outpouring of anti-IMF sentiment at May Day rallies. Concluding the ORIT meeting, Fidel Velázquez, leader of the Confederation of Labor of Mexico, ratified the call and added that "we need a meeting of debtor nations which will allow us to counter the influences which the creditors and international economic organizations have over them."

Volcker's insults tend toward transforming the anti-IMF ferment now exploding in Ibero-America, into an anti-Americanism which benefits only the Soviet Union.

Peru: no colonialist prescriptions

Concerted anti-IMF action by Ibero-American governments has been stalled: The Argentine government has made a deal with the International Monetary Fund to impose the austerity policy followed by the former military regime, under the aegis of the "always untouchables," such as the perverted ex-minister of finance, José Martínez de Hoz, which can only produce the same devastating results. Brazil is in limbo, in the wake of the death of its President-elect, Tancredo Neves, and Mexico is paralyzed.

But, as a result of elections two weeks ago, Peru may be able to catalyze anti-IMF motion. "Peru will pay its foreign debt without the IMF," Peruvian president-elect Alan García told the Chilean daily *La Tercera de la Hora* April 26. "We can't apply colonialist prescriptions in our economies." García was elected April 14 in a vote in which only 4% of the population backed the pro-IMF policies of Peru's existing government. García said the choice facing Peru was to pay or to eat. "We will not follow the IMF's demands," he said, because "Peru needs to consume food. A Peruvian eats 20 kilos of fish per year, when he should eat 60-70 kilos like the Japanese. He consumes 29 kilos of rice, when he could eat 50, or the 150 kilos of a Chinese. Our agriculture is underutilized, therefore we will not follow the IMF demands."

García has mooted that his first choice for foreign minister is Carlos Alzamora, the career diplomat who presided over the Latin American Economic System (SELA) in 1982-1984, when SELA spearheaded a continental drive for debt moratorium and renewed economic growth. Picking up one of the central efforts of SELA, and a recommendation of Lyndon LaRouche's influential *Operation Juárez* economic-strategic proposal, García said Ibero-America needs a common market to withstand trade-war pressures from international creditor institutions.

The West is technically bankrupt

by Kathy Wolfe

"We are ending once and for all the idea that credit is a sovereign instrument, regulated by individual countries. Credit is to be regulated and directed according to international arrangement and in no other way. . . . The United States will soon begin to be treated like a developing-sector country."

—Martin McLoughlin

Aide to World Bank President Robert McNamara
July 7, 1982

There has been a great deal of talk about the possible bankruptcy of the United States, but no one until now has dared to compile the actual financial statistics of U.S.A., Inc. Here compiled, the figures show that the United States now has a debt so large that the mere debt service (a small percentage of principal and interest) upon it cannot be paid out of current profits of U.S. production.

That is the literal, technical definition of bankruptcy.

Moreover, this situation has been *deliberately created* by Paul Volcker and his supporters in the present administration, including Donald Regan and James Baker, who seek to put the United States, like a Third World debtor, under an International Monetary Fund "surveillance" program.

Over the past ten years, the United States has bankrupted not only itself, but the entire Western alliance. As of the end of 1984, the United States had a debt of \$6.7 trillion. The interest and principal payments on this amount were over \$1 trillion per year. For the world as a whole, debt is just over \$20 trillion (**Table 1**).

Of the industrial nations' total of \$16.3 trillion in debt, the balance is made up of \$5.5 trillion from Western Europe, and \$3.4 trillion from Japan. Approximately \$3.8 trillion is the portion of the thus-estimated world debt held by the so-called developing sector—that is, somewhat less than 19% of the whole.

Of this, only \$500 billion (of countries appearing in the tables) is Third World foreign debt, an almost irrelevant sum considering the magnitude of the whole.

The interest on the total world debt is \$2.4 trillion, if one assumes a 12% interest rate; assuming a debt maturity of eight years, then one-eighth of the debt must be repaid every eight years. On \$20 trillion, that comes out to \$2.5 trillion in debt repayment. *Total debt service—interest and principal repayment—is \$4.9 trillion globally, greater than the mon-*

etary value assigned to the industrial output of all the nations of the West combined.

The United States is the world's biggest foreign debtor by far. The foreign debt figures for the United States, which are official figures reported by the U.S. Treasury Department, show that the U.S. foreign debt of \$850 billion at the end of 1984 was more than four times that of decrepit Great Britain, its nearest competitor, and eight times that of the feared Mexican and Brazilian foreign debts.

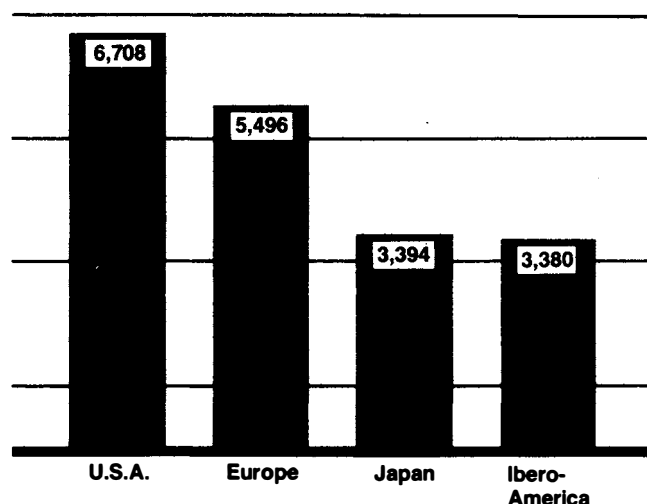
The much-feared Latin American debt pales into insignificance next to this. Ibero-America's foreign debt, \$295 billion for the four largest debtors, \$380 billion for the continent as a whole, is one-quarter of the U.S. foreign debt.

The figures, which any honest journalist could have compiled years ago, show that the IMF's screaming about Third World balance-of-payments deficits is a complete hoax. By

FIGURE 1.

U.S. debt is double that of Ibero-America

(Total domestic & foreign debt in billions of U.S. \$)



Source: EIR Spring 1985 Quarterly Economic Report.

attaining foreign debts of \$100 billion or so, much decried in the financial press over the past five years, Mexico and Brazil have merely presumed to join the ranks of once-industrial countries such as Britain (\$189 billion), Canada (\$152 billion), and France (\$87 billion). Even these figures for advanced-sector debt, published by the Bank for International Settlements, are very understated, because they do not include trade credits, which are included in Third World debt figures.

If trade credits were included, France and Germany might well have foreign debts of over \$100 billion each.

The U.S. bankruptcy. . .

Of the total debt service and retirement, about 36% will fall to the account of the United States, in excess of \$2 trillion. Of this, \$500 billion has to be serviced and rolled over every quarter: A paper amount in excess of the deflated total of the goods-production segment of annual Gross National Product,

must be serviced every quarter.

The annual service and retirement requirement is thus four to five times the deflated-dollar goods-production component of GNP. Or: On the U.S. side alone, four-fifths of the amount required in debt service and retirement alone, another nearly 1.7 trillion paper dollars, is unmoored from the physical economy and its diminishing wealth-producing capacities. That amount (for service and retirement alone) is *unsecured*.

Taking the United States as a case study, the non-existence of the Volcker recovery is seen most clearly by the fact that the U.S. workforce has replaced the Third World as the biggest debtor to the U.S. banking system, with over \$2,175 billion in household debt, compared to the entire Third World debt of some \$500 billion. The total U.S. household debt outstanding has doubled since 1977, the last year of stable

postwar interest rates in the United States (Table 2).

The U.S. consumer used to be a net provider of funds to the banking system in the form of deposits, the which consumers gave to the banks at a much lower rate than the banks made loans back out to consumers. Much of the money would be loaned by the banks to the Third World. This has now shifted dramatically. Since 1982, a huge reversal in the global flow of funds has been organized. Entire chunks of the Eurodollar market are being brought back home, and loaned, no longer to the Third World, but to U.S. consumers.

In 1983, there was a total shutoff of U.S. and other banks' foreign lending. According to a Feb. 25, 1985 Salomon Brothers study, since 1983, for the first time since the war, American banks, instead of lending net funds abroad, are making net withdrawals of funds from abroad, sucking the Euromarkets into the United States. Total U.S. banks' new foreign lending fell from \$111 billion in 1982 to \$25.4 billion in 1983—to a mere \$300 million for all of 1984. The year 1984 might even have been the first in which net U.S. bank foreign loans actually fell, says Lawrence W. Cohn at Dean Witter.

In 1972, the U.S. goods-producers' wage bill of \$196.4 billion current dollars slightly exceeded the estimated debt-service requirements on total consumer indebtedness at \$178 billion.

By 1984, the consumer debt-service yearly bill had risen to \$780 billion, dwarfing even the nominal industrial wage bill of \$492.3 billion. The \$780 billion service requirements on consumer indebtedness alone, inside the United States, is three times the scary total of Ibero-American foreign indebtedness, and the principal on \$2,175 billion is about 10 times the Ibero-American foreign debt. Yet, the consumer side represents only about half of total U.S. domestic indebtedness.

. . . Dwarfs Third World debt

The figures demonstrate what *EIR* has said since Britain's May 1982 Malvinas War against Argentina: that the current financial crisis is not a "Latin American debtors' crisis," but a bankers' crisis. As the figures show, the banks, using the Malvinas War as an excuse, made a one-sided decision to single out Ibero-American debtors and to pull the plug on them, to use the debt as a weapon to force these nations to reorganize their internal economies, halt development, and place them in IMF receivership.

The countries did not go bankrupt; in fact, Argentina and Mexico "were perfectly viable debtors," as one IMF official put it at the time. "But the banks have made a decision to cut off credit against every nation, bankrupt or viable, until they come to the IMF" and submit to the Fund's "conditionalities."

This can be seen quite clearly from foreign lending to Mexico and Argentina, which rose sharply throughout the 1970s, into the second quarter of 1982, then actually fell between June and December 1982 (Table 3). As *EIR* documented in a study published in our Dec. 13, 1983 issue, this was a unilateral lending decision taken by the Ditchley Group

TABLE 1
Total world debt
(Billion \$US)

	Domestic	Foreign	Total
North America			
United States	5,858	850	6,708
Canada	552	152	704
Total	6,410	1,002	7,412
Europe			
France	834	87	921
West	1,292	77	1,369
Germany			
Britain	418	189	607
Italy	869	55	924
Spain	350	31	381
Netherlands	310	16	326
Switzerland	260	15	275
Europe total*	5,005	491	5,496
Asia			
Japan	3,291	103	3,394
Korea	100	25	125
India	128	3	131
Philippines	50	30	80
Indonesia	50	20	70
Total	3,619	181	3,800
Ibero-America			
Mexico	714	100	814
Brazil	1,143	100	1,243
Argentina	602	45	647
Venezuela	300	40	340
Big 4	2,759	295	3,044
Total*	3,000	380	3,380
Grand total	18,034	2,045	20,088

*Includes nations other than those listed.

Table 2

U.S. debt, domestic and foreign

(Billion US\$)

	1972	1976	1980	1981	1982	1983	1984
Total	2,046	2,906	4,606	5,043	5,433	6,034	6,708
Foreign	\$162	200	330	487	619	750	850
Domestic	1,884	2,706	4,297	4,556	4,814	5,284	5,858
Household		1,044	1,654		1,741	1,938	2,175
Mortgage		635	1,101		1,101	1,204	1,334

TABLE 3

Ibero-American foreign debt

(Billion US\$)

	1976	1980	1981	6/82	1982	1983	1984
Mexico	22.8	54	70.0	86.2	82	97	100
Brazil	29.6	61.1	70.0	78	84	92	100
Argentina	5.1	31	35	39	37.7	46.7	45

TABLE 4

Ibero-American domestic debt and debt service

(National currencies)

	1972	1976	1980	1982	1982	1983	1984
Mexico (bn)							
Total	625	875	2,437.5	3,730	8,517.5	12,810	17,500
Interest	75	105	675	1,238	4,889	6,789	8,470
Debt service	150	210	968	1,686	5,877	8,326	10,570
Brazil (bn)							
Total	194	235	8,470	16,657	35,956	97,374	132,846
Interest	31	77	2,998	14,775	39,552	163,588	255,064
Debt service	52	103	3,981	16,657	43,866	175,273	265,692

TABLE 5

Foreign debt and industrial output

(Billion US\$)

	1972	1976	1980	1981	1982	1983	1984
Mexico							
Debt	23	54	70	86	82	97	100
Cement (mn mt)	8.8	12.7	16.4	18.2	19.3	17.0	18.1
Autos (thousand)	170	229	316	369	324	226	241
Brazil							
Debt	29.6	61.1	70	78	84	92	100
Cement (mn mt)	11.4	18.7	25.9	24.9	25.4	20.9	18.5
Autos (thousand)	437	527	629	605	686	576	515

bankers' cartel, which was formed in London in May 1982 for the specific purpose of cutting off credit to Ibero-America.

After December 1982, not a single "new money" loan has gone to any of the nations of Ibero-America. The entire, and huge, rise in the debt of these countries since December 1982, has been due to the countries' having to borrow more in order to pay their \$10-13 billion annual interest bills—the borrowings themselves at 13% interest!

Meanwhile, the total cutback in international lending forced these countries to massively expand their internal debt structures just to stay alive (**Table 4**).

The process of destruction of these countries' imports was the kind of economic austerity that the IMF and the banks who cut off the loans were really after. Brazilian, Mexican, and Argentine imports were cut \$5-10 billion a year, per country, for each of the years 1982, 1983, and 1984, until each had swung from a \$5-10 billion annual trade deficit to a \$10-15 billion annual trade surplus.

In fact, regarding production in these countries, it is possible to assert that prior to 1982, the year that what is called "the debt crisis" was being unleashed, these developing-sector nations were outperforming the decrepit advanced sector.

Though Mexico and Brazil registered higher growth than did India in the production of raw steel and cement, for

example, the growth of all three has to be contrasted with the concomitant declines in the advanced sector.

India is exemplary. In 1972, that country produced about 17,000 tractors, against the 220,000 produced in the United States. By 1982, India was producing 68,000; the United States was producing 67,000! India's economy was being developed to meet a national commitment to produce food for the population. Such efforts were matched by attempts to build up industry and infrastructure in the cited countries, and elsewhere.

Table 5 shows that production in the Third World was actually strangled by the rigged debt crisis.

Mexico's cement production rose spectacularly, from 8.8 million metric tons in 1972 to 19.3 million metric tons in 1982; that same year, the debt plug was pulled, reducing Mexico's foreign debt as bankers pulled in credit, from \$86 billion in June 1982, to \$82 billion in December 1982. Mexican cement production plummeted thereafter, in 1983 to 17.028 million metric tons, and never recovered fully in 1984, coming in at only 18.1 million metric tons. Similarly, Mexican steel and auto production peaked in 1981, fell sharply in 1982, and never recovered.

If physical output alone were a criterion in these matters, the currencies of these nations would have appreciated against the dollar, and against the currencies of other advanced-

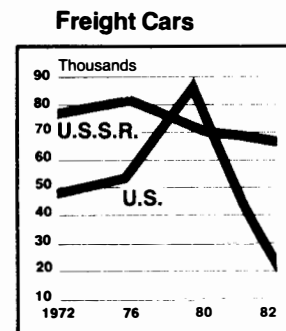
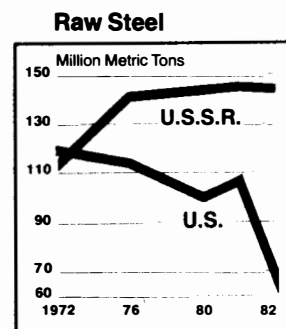
The Recovery That Never Was

Find out what the White House should know . . . but doesn't

The EIR Quarterly Economic Report, prepared under the personal direction of Lyndon H. LaRouche, Jr., presents a devastating picture of the current economic crisis—a crisis with profound implications for the national security, as Moscow is only too well aware. The study demonstrates:

- Unless President Reagan replaces his present, foreign and domestic, monetary and economic policies, the U.S. economy will continue to describe an accelerating downward trend in output of goods and in balance of trade.
- The potential for a 1931-32-style deflationary blow-out or new skyrocketing of dollar exchange-rates, is approaching certainty. Either alternative would be associated with an acceleration of the rate of collapse of goods-output in both the world market and the U.S. economy; under either alternative, the federal budget deficit would soar.

For information about the Quarterly Report and a new feature, EIR's 1985 statistical yearbook, please contact your local EIR representative or Richard Freeman, EIR News Service, P.O. Box 17390, Washington, D.C. 20041-0390.



sector nations, perhaps to the present day. They were increasing the productivity of their economies, while the so-called advanced-sector nations were sliding into decline.

In fact, the production figures should hike Ibero-American currencies, in real terms, way up against the dollar. The dollar's artificial exchange rate against Third World currencies has been massively rigged, in order to force the Third World nations, when paying their debts, to ship 10-20% more produced commodities, such as steel and food, by volume, to the United States and other industrial nations, in order to earn the same amount of foreign exchange.

NATO-area bankruptcy

Table 1 is suggestive of the buried disaster of domestic debt, especially throughout the advanced industrial sector. The much feared \$295 billion foreign debt of Ibero-America's Big 4, for example, is only 10.7% of their \$2.76 trillion domestic debt, and only 5% of the domestic debt of the United States alone.

The domestic debt of the United States, according to the Federal Reserve's own "Flow of Funds" figures cited here, mushroomed from \$1.8 trillion in 1972 to \$5.86 trillion in 1984.

In most cases, the internal debt-bubble piling up inside countries, especially in the advanced sector, is shockingly large. The rate of growth of domestic debt in France and Germany, in their own currencies, is mushrooming, from DM985 billion to DM2.9 trillion in Germany during the 1972-84 period, for example. These countries have expanded debt in an attempt to keep their economies afloat, printing domestic money to make up for huge amounts of flight-capital being looted from them through the dollar exchange rate.

It is also clear that West Germany, France, and Italy, for example, have domestic debts more than ten times their foreign debts, and the United States comes close.

The growth in domestic debt in Ibero-America, it turns out, is far more important than that of their foreign debt. This debt can be almost entirely blamed on the manipulation of the dollar exchange-rate.

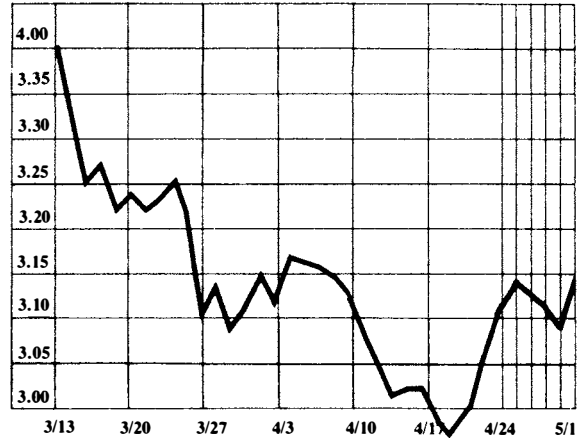
Most ominous, the figures show that the current debt service of \$4.9 trillion cannot be paid out of current world production. The domestic interest bill of, for example, France for 1984, at FF543.6 billion, is almost as large as the country's industrial wage bill of FF654 billion. The entire annual debt service bill in France, assuming 8 years average repayment of principal (i.e., 12% of principal repaid annually plus interest) rose from FF199 billion in 1972 to FF1.1 trillion in 1984, twice the country's industrial wage bill.

If the industrial workforce cannot produce enough goods, even in inflated currency, to meet the debt service, then the difference is being made up by the banks printing money, and lending out more to pay standing debt-service obligations.

Currency Rates

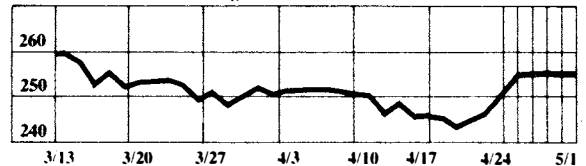
The dollar in deutschmarks

New York late afternoon fixing



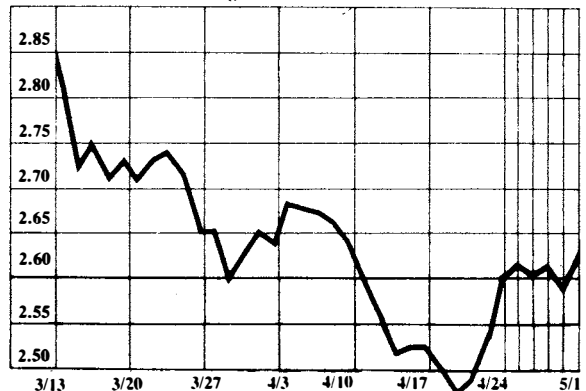
The dollar in yen

New York late afternoon fixing



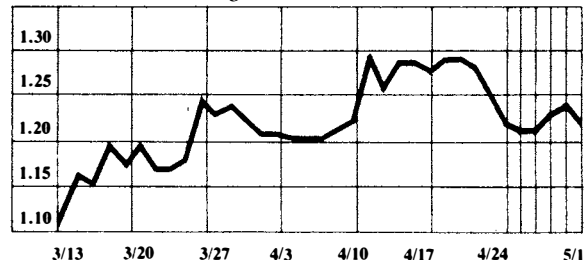
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



Brazil: The IMF's negotiating terms

by Silvia Palacios

On the afternoon of April 26, like a bolt from the blue, the director of the foreign department of Brazil's central bank, Sérgio Silva de Freitas, was suddenly fired. It was the opening shot of a campaign to downgrade the prestige of a nationalist political grouping which opposes the conditions being demanded of Brazil by the International Monetary Fund, the grouping headed by former Vice-President Aureliano Chaves, who is considered at present the strong man of the government of President José Sarney.

This is the first counterattack by the International Monetary Fund to three actions which the new government of the republic of Brazil has taken as a minimal defense of its sovereignty. The measures were:

- The public denunciation by Freitas of the recessionary policy of the international financial institutions and the policy of high interest rates of U.S. Federal Reserve chairman Paul Volcker at the Assembly of Governors of the Inter-American Development Bank (IADB) in Vienna.
- The prohibition against IMF bureaucrat Ana María Jul meeting with whatever ministers she wanted on the pretext of seeking "technical information."
- Moves to put the firm Brasilinvest, where the European oligarchy has been putting the proceeds of its shady business deals, under court receivership.

In the speech which Freitas made in Vienna, which was virtually blacked out and only made public in its entirety the day after he was fired, he said that: "A country like Brazil which still has an enormous social deficit, is sending to the developed world 4% of its GNP. . . . I doubt that economic growth can continue if this enormous transfer of resources abroad keeps going on." He added, "Why must the nations with traditional ties to the United States, grouped in the Western world, and with grave social problems, pay a part of the bill of the discrepancy between the American budget and its monetary policy?"

Silva de Freitas is a conservative who comes from the business sector. According to information made available to

EIR, when he was named to a position in the Central Bank—only seven weeks ago—he made a study of the problem of the foreign debt and reached the conclusions that he laid out in Vienna.

He is now replaced by the hard-line technocrat Carlos Eduardo de Freitas, a career functionary in the Central Bank.

If the Committee of Creditor Banks of Brazil was alarmed at Silva de Freitas' speech, the IMF's reaction to the treatment meted out to Ana María Jul, "the iron lady" of its South American sector, was no less extreme. She showed up in Brazil at the beginning of April; the new government, however, immediately forbade her traditional pilgrimage in search of economic information, activity in which she formerly engaged in with the same casualness she might adopt in her own living room—from the presidential palace at Planalto down to any ministerial office she wished. For her work, she was told, she only needed the information available at the central bank, and to be precise, in the department directed by Silva de Freitas.

The placing of Brasilinvest in government receivership—its president, Mario Garnero, according to *EIR*'s sources, is not unaware of the methods often used to launder money from the illegal drug trade—directly affected the business interests of former Secretary of State Henry Kissinger and George Shultz. Along with Shultz, former U.S. Treasury Secretary William Simon's name appears on the list of founders of Brasilinvest. Simon is a member of the board of directors of Kissinger Associates, the most important consulting company of the banks holding Brazil's foreign debt.

Plainly, the IMF demanded the resignation of Silva de Freitas in order to hold back the process of investigating Brasilinvest and the more general illegal operations of banking groups linked to international interests—as the precondition for re-opening negotiations on \$45 billion in Brazilian debt. The agreement must be concluded at the latest in the first week of June, and this is being urged by the president of the central bank, Antonio Carlos Lembruger. According to the president of the Federal Reserve Bank of Boston, Frank Morris: "I had breakfast with Lembruger and he assured me that the accord with the IMF and the banks must be concluded at the end of May."

The new republic led by José Sarney da Costa, has gotten itself into a real mess by giving in to the IMF's pressures in the first skirmish. The IMF, in turn, now feels strengthened in its bargaining position, enough to try to impose the solution of Henry Kissinger: trading unpayable debt for assets in major state enterprises, and at the same time, holding back investment in the large Brazilian infrastructural projects.

To carry out this scheme—"You can't pay your debts? Give us your country instead"—the IMF requires the destruction of all nationalist political forces. That is what lies behind the campaign to oust political figures inside the government and state firms who show any sign of opposition to IMF programs. The war has only begun.

State Department's freeze on food aid to Sudan will kill millions

by Mary Lalevée

The U.S. State Department and its Agency for International Development (AID) have frozen emergency food shipments to Sudan, citing the "logistical difficulties" that stand in the way of delivering the supplies to their destination. While Sudan's new military leader Gen. Siwar ad Dahab warned April 21 that one million children could die in the next weeks, of starvation and epidemic disease, stockpiles of U.S. grain are standing useless, behind barbed-wire fences in the city of Kosti. Only 5,000 tons of a scheduled 125,000-ton grain shipment, due to arrive between April 1 and May 18, actually made it to Kordofan province, for transshipment to the province of Darfur where the crisis is most acute.

The State Department, rather than applying American know-how to overcome the difficulties encountered, and running a Berlin-airlift-style operation, has chosen to let Sudan starve, blaming this on a five-week interruption in rail traffic to Darfur. The State Department is charging the new government in Sudan, which took power in April in a coup against former President Gaafar Numayri, with blocking the transport of U.S. grain.

But this is just an excuse; the State Department's genocide policy is deliberate. George Shultz's State Department is backing to the hilt the austerity "conditionalities" of the International Monetary Fund (IMF), which ruined Sudan's agriculture in the first place. State Department policy is still governed by the Carter administration's *Global 2000* report, which insisted on eliminating half of the world's population by the year 2000.

We present here an outline of the process by which Sudan was transformed, in a few short years, from a potential breadbasket for the region, to an epicenter of ecological and biological holocaust.

The end of the 'Great Projects'

In the 1960s and 1970s, major irrigation schemes were begun, to extend Sudan's arable land. The most important was the Jonglei Canal project, a 175-mile canal bypassing part of the Nile that winds through the Sudd, where huge

quantities of water evaporate. There was talk about the country becoming "the breadbasket of the Middle East," and it could have: Sudan has 40% of the potentially cultivable land of the Arab world, and is strategically situated to supply Africa with food. Projects were considered to double grain production, raise meat output by 140%, and raise sugar output still further to provide a large proportion of the imported food requirements of the Middle East.

But in 1978, Sudan began to run into financial difficulties: The increased price of oil, and falling exports of cotton due to reduced demand for textiles, meant that ever-increasing proportions of export revenues were being spent on oil. Debt service became a problem, and ever-increasing interest rates increased the debt.

So, in 1978, Sudan went to the IMF for help. The IMF laid down its conditions: First, the government had to cancel large-scale development projects. In 1979 a three-year "stabilization" program began, and the IMF called for cutting food subsidies, a ceiling on public-sector borrowing, and currency devaluations. Commercial banks waited for IMF approval before making any loans.

In 1980, the World Bank moved in, with the following orders:

- 1) Redirect priorities away from massive development projects in the south and west (the poorest areas).
- 2) Improve irrigation in the east, for example, the Jezira, to increase production of the cash crop, cotton.
- 3) Get back to cotton and stop diversifying (stop attempts to produce food for Sudan's population).
- 4) Improve management in marketing and pricing mechanisms of cotton.
- 5) Increase attention to irrigation for foreign exchange and exports.

It is the IMF and World Bank's concentration on cash-crop production (in this case, cotton), their refusal to finance desperately needed large-scale infrastructure projects, and insistence on debt repayment as a first priority, that created the present disaster.

Then the environmentalists started a massive campaign against the Jonglei Canal. The World Wildlife Fund and the Society for Endangered Peoples in West Germany, issued statements in October 1983 attacking the ambitious plans for the canal. The development scheme would destroy the swamp, they protested, where lots of wild animals lived!

Rebels in the south attacked installations near the project, and work on the almost completed canal ceased in December 1983.

Implementation of further IMF demands in January 1982 led to widespread rioting and unrest. Slogans on placards of demonstrators in Khartoum read, "We will not be governed by the IMF." Unfortunately, however, the government went ahead and cut subsidies, increasing the price of sugar by 62%, devaluing the currency, and cutting the budget.

In 1983, the price of gasoline was increased 70%. Exports in 1983 were \$670 million, all of which would be consumed by imported oil, wheat, sugar, and medicine, leaving a balance of payments deficit of \$1 billion. The budget planned \$382 million in debt service payments in 1983, more than half of the export revenue.

The 1984 budget was another IMF budget, cutting expenditure and staffing in the health and education ministries. In October, the currency was devalued by 14.4%. Debt service was now equal to all export earnings.

In 1984, Sudan was in arrears on repayments of debts, and so the IMF suspended its standby arrangement, whereby Sudan would have been able to draw \$90 million. The IMF action set off a chain reaction against Sudan, that one banker said would "doom" talks about rescheduling Sudan's foreign debt, now, one year later, at \$9 billion. "The so-called Paris Club of creditor nations won't meet without an IMF plan in place; nor will private creditors renegotiate without the IMF plan."

What was the United States doing? **George Shultz's State Department also froze aid,** only delivering \$44 million of the promised \$225 million in 1984, pressed Sudan to implement further IMF austerity measures, and additionally to sell off state-run industries to the private sector.

Famine was spreading throughout East and Central Africa, due to drought and lack of development, especially lack of irrigation; secessionist movements in Ethiopia were fighting government troops; in Chad, Libyan-backed rebels were fighting the government in a civil war. The result: 1.5 million refugees fled into Sudan, homeless, starving, suffering from all kinds of diseases. A sleeping sickness epidemic began to ravage the south of the country, with high fatality rates. Cholera and other diarrheal diseases were reported to be reaching epidemic levels.

In December 1984, the U.N. Food and Agriculture Organization included Sudan for the first time on its list of African countries facing "food emergencies." According to their figures, the production of the staple crop, sorghum, fell 39% in 1984. The FAO calculated that Sudan would need 650,000 tons of emergency food aid. United Nations

officials estimated at the beginning of March that "5 to 7 million people risk starvation." Grain stocks were dwindling, and the prices of sorghum and millet had soared.

The effect of the cuts in economic aid was immediate: Fuel supplies could not be imported, food and other goods could not be transported. Factories were closed for lack of fuel, raw materials, and spare parts. The gasoline ration was cut from four to two gallons a week, while the lack of diesel fuel immobilized all public transport in February. Residents had to line up for more than four hours for bread.

The introduction of Islamic law into Sudan in September 1983, with its brutal penalties not only for crime but for opposition to the Numayri regime, kept protest muted at first. The IMF and World Bank certainly approved the introduction of Islamic law; it would make it easier to implement austerity. The application of the law was ruthless: More hands and feet were cut off in the 18 months of Islamic law in Sudan than have been cut off in 50 years of Islamic law in Saudi Arabia, the heart of Islam!

The IMF turns the screws

In February and March 1985, pressure mounted on President Numayri to introduce even more savage IMF measures. There was a 48% devaluation of the currency in February, to meet IMF demands. Arrears of debt repayment to the IMF were then \$110 million and were increasing at \$10 million a week.

On March 3, Vice-President George Bush visited Sudan, and reportedly ordered President Numayri to implement the remaining IMF austerity measures, cutting subsidies on essential items like gasoline and bread. \$114 million in aid to Sudan was frozen by the United States, until Numayri gave in to IMF demands.

Numayri acceded: shortly before his departure on an official visit to the United States on March 27, the price of gasoline and diesel fuel was increased between 60% and 70%, and the price of bread went up 33%. Demonstrations erupted on March 27, with slogans such as "Down with the IMF, Down with the World Bank." Later, the chants turned to "Down with America," as the United States was seen supporting the austerity policies of the IMF.

Still, the State Department was not satisfied. After Numayri met with President Reagan on April 2, the United States released only \$67 million, two-thirds earmarked for oil payments; the \$114 million in FY1985 aid remained frozen.

A general strike was called on April 3.

On April 6, following days of violent demonstrations, the army took power, and General ad Dahab became the new ruler of the country. His first action was to repeal the price rises. In his first press conference, he said that the new government had two crucial tasks: to reconcile north and south, and to remedy the situation in which between 4 and 7 million Sudanese were in danger of starvation.

For this, international assistance, particularly from the United States, will be indispensable.

Mortality rates soar from cholera epidemic

The following interview with André Dodin, general secretary of the Society of Exotic Pathology, and professor at the Pasteur Institute in Paris, was conducted by Mary Lalevée on April 26. The interview was translated from the French.

EIR: Could you explain what the present epidemic situation is in Africa? We have heard a lot about the epidemic of cholera in Somalia. Is this a new phenomenon?

Dr. Dodin: It is something entirely new. That is, cholera has only existed in Africa for 10 years. Since the first appearance of cholera in 1817, and up until 1970, there had been no cholera in Africa, or only in the ports, never in the interior. Then cholera arrived in Africa in 1971. It ravaged Guinea, Mali, the region of Chad and Niger, then it emigrated north, toward the Maghreb and Dakar. It spread south of the Equator, appeared in Abidjan, in Zaire, also in East Africa, Zambia, Nairobi, Mozambique; even in South Africa there were epidemics. That was up until 1980, and it was thought then that perhaps cholera would disappear spontaneously. However, it did not disappear; it reappeared last year and this year all over Africa. It has exploded in the form of new epidemics, 13 years after the first outbreaks, and these epidemics have caused many deaths.

EIR: How many people are suffering from cholera today?

Dr. Dodin: It's impossible to say exactly how many. There have certainly been several million people affected. Up till recently, there was a low mortality rate. Before 1980, mortality was 1-2%, but from 1980 until now, 1985, mortality has been much higher, in the range of 10-15%.

EIR: What is the reason for that?

Dr. Dodin: I think the reason is simple. Living standards in all the Western countries have fallen, and this has had consequences in Africa. And additionally, there have been wars. Cholera is always transported by soldiers, like in the war between Somalia and Ethiopia, or in Chad. When you have armies fighting, cholera is never far away. This is because of the deterioration of living standards, the lack of correct food,

the lack of clean drinking water, and because there is no hygiene.

EIR: Isn't cholera one of a whole group of diarrheal diseases?

Dr. Dodin: It is one of a group of gastroenteritic diseases. Diarrhea is the most severe problem in Africa. The volume of diarrhea in the world, Africa, Latin America, is equivalent to one week of rain in France. And out of that week, Africa counts for at least five days—an enormous amount of water.

EIR: What are the implications for the health of children?

Dr. Dodin: Children die of diarrhea, of severe diarrhea. The WHO [World Health Organization] advises oral rehydration, distributes packets of salt which are added to water. For light diarrhea—which would, associated with malaria, end in death—this oral hydration usually saves people.

EIR: This implies that people have to have clean water.

Dr. Dodin: There would be no diarrhea if people had clean drinking water. An enormous number of people have no water, and even more have no controlled drinking water.

EIR: Do you have any figures on the number of children who die from these kinds of diseases?

Dr. Dodin: No, there are no official figures. Only the WHO risks giving figures for Africa. Official figures are necessarily wrong and incomplete. You can't give figures for deaths in villages, where there is high mortality. There are no records kept.

EIR: There is a conference on epidemics taking place in Abidjan. The number one killer of children under five years old in West Africa is reported to be measles.

Dr. Dodin: It is not measles by itself, but measles and malaria. It is the association of the two, or measles in association with starvation. Measles is only dangerous in association with starvation and lack of hygienic conditions. But it is true that measles kills enormously. Starvation plus measles, measles plus malaria—that kills.

EIR: What are the other major epidemics?

Dr. Dodin: There is an epidemic of meningitis, which regularly appears along a "meningitis belt" which goes from Ethiopia and Sudan to the region of Dakar (Senegal), including Chad. There are cerebro-spinal meningitis epidemics there every year, although there is a vaccine which appears to be effective. But it can't be done everywhere, because the vaccine must be kept cold during its transportation, and secondly because not everyone can pay for the vaccine. It's expensive, and the WHO can't distribute it everywhere.

Then there is malaria, which is the large epidemic. There is bilharzia, which doesn't kill, but debilitates children remarkably. It slows growth. Bilharzia is due to parasites, which lay eggs, made of protein and nucleo-protein. These

nucleo-proteins and proteins take food from the child, divert the food for their eggs. This causes denutrition and starvation.

There are two epidemics in Africa, one that is as widespread as here in Europe: traffic accidents. The second is malnutrition, the disease of kwashiorkor. It is just incredible, that in 1985 children still die of kwashiorkor, die simply of hunger and thirst. This does the advanced countries no honor. We can sell arms, but we are incapable of providing water.

EIR: Has there been a deterioration of the situation in the last 10-15 years?

Dr. Dodin: Yes, of course there has been a deterioration. In the poorer countries, the first cuts are made in the health budget. Where there was a doctor, they put a nurse; where there were pharmaceutical products, there are none any more, people have to make do with the local pharmacopoeia. I must add that some governments and even international organizations have *griserie* [a word meaning intoxication—either physical or mental—ed.], with “barefoot doctors,” local products, and the like. This is an insult to people. If you have meningitis, you need antibiotics, not leaves or roots.

There is a very strong correlation between the deterioration in living standards and [the increase in] mortality rates. The curves are absolutely parallel, no matter which country you look at.

EIR: How did this deterioration begin, from a medical standpoint?

Dr. Dodin: It is very difficult to say. If there is a weak administration, that's the end. Things deteriorate very, very quickly.

EIR: And on the level of the economy?

Dr. Dodin: The deterioration of the economies has occurred with the international crisis. Since the oil crisis, African economies have suffered far more than Western economies. Political regimes intervene too.

EIR: Some diseases had been under control, but are now recurring.

Dr. Dodin: In the past they were controlled. When there were nurses out everywhere in the bush, and doctors in the centers, these diseases were under control. Now the nurse is disappearing, the posts in the bush are disappearing, everything disappears with them. There is necessarily a regression in hygiene and health care.

EIR: Was malaria under control 20 years ago?

Dr. Dodin: There were big campaigns against malaria 20 years ago, and the WHO announced that we would eradicate malaria. It was a complete fiasco. Now there are some kinds of mosquitoes which can resist insecticide. In places where nivaquine was used for chemioprevention, it is not given anymore, or, in some places, nivaquine cannot be given

because the malaria has become resistant to it. For example, in Vietnam, South Africa, and Zaire, malaria resists nivaquine, because the plasmodium has found ways of defense against nivaquine.

EIR: Were there any diseases which actually were under control in the 1960s which are now recurring?

Dr. Dodin: The gastroenteritic diseases. The diarrheal diseases were under control up until the 1960s. Water was distributed through a network, it was treated. Now there is no disinfectant, water is not treated. Now there has been an enormous deterioration, because the Gross National Product has deteriorated.

EIR: What should be built in terms of a health infrastructure network?

Dr. Dodin: First, an information campaign should be carried out, to rebuild the public's confidence in their doctors. That is extremely important. And, what is especially needed is clean drinking water, wherever possible. To build wells would not be bad.

EIR: It is strange that there are no exact figures for the situation in Africa.

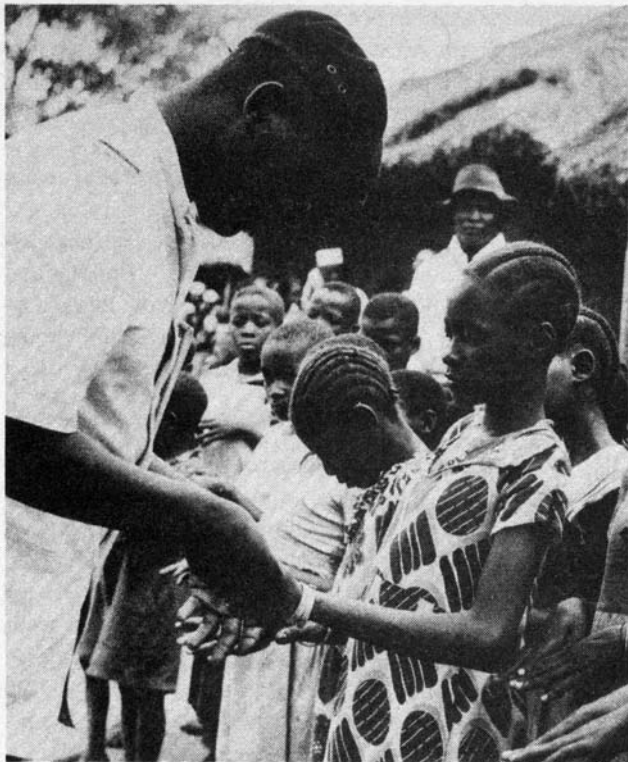
Dr. Dodin: You can't have exact figures in Africa. You can have figures for the cities, for Abidjan, for example, but 20 or 50 miles away from Abidjan, it is much less sure. If a child has diarrhea, you don't know why. If a child has diarrhea because of measles, but you count it among cases of diarrhea due to germs, it's wrong, it falsifies the figures.

EIR: What do you think of the system of putting famine victims in huge camps?

Dr. Dodin: It is the worst thing possible for hygiene. It is a disaster. You can't provide enough drinking water for such enormous camps. It is to the detriment of all. There will certainly be outbreaks of cholera, as is happening in Sudan, in Ethiopia; there will be outbreaks of venereal diseases, since camps are ideal places where gonococcus (the gonorrhea agent) and treponema (the syphilis agent) spread. If there is one case of plague, there will be cases all over the camp. There will be rats. Even in tourist clubs, there are always rats; even with very good hygienic conditions, there are still rats which appear in the rubbish or the food warehouses. So imagine camps in countries at war, with minimal surveillance. Bringing people together like this is very dangerous.

EIR: We have proposed that food be brought to people where they live.

Dr. Dodin: I would go further. I would not bring in quantities of food, I would bring seeds. If you bring food, there will be a tendency not to want to produce in the next year. If you bring seeds, and insist on their being planted, there will



Department of Information, Kenya

A medic carries out hygienic inspection in Kenya in 1956. Today, even such rudimentary medical care has been terminated, under the pressure of budget cuts.

still be a short period of shortage, but there will be crops next year. Food comes from work, it is the transformation of human energy in food. If you don't do that, it's useless.

EIR: What is the danger that the epidemics in Africa will spread to Europe or the United States?

Dr. Dodin: There is very little danger, they are only brought in by plane, and this danger can easily be fought. It is sufficient to check people arriving. Right now there is no control at frontiers. It's hardly worth traveling at 1,000 km an hour in the stratosphere, to spend two hours in medical checks upon your arrival. There are no more medical checks. There is almost no risk. There will be cases of cholera caught in Abidjan, and then detected in Paris or London. But given the degree of hygiene here, it's unlikely to go far. If the vectors don't exist, there is no chance of tropical diseases spreading, apart from such diseases as meningitis—but these would be single cases here and there. Only one thing would be really serious, and that would be if a case of pulmonary plague broke out in a plane and it was found out after arrival. That could be very serious because it is transmitted by saliva. It travels very, very quickly.

EIR: But with the decline in living standards here, isn't there a reduction in the resistance of the population?

Dr. Dodin: No, I would not stress that. There are enough

germs around us already, that if the living standard declines further, we will have our own illnesses which will be more serious than the diseases coming from Africa. Planes arrive from Africa every day with mosquitoes, but they don't reproduce here. So there is little risk of transmission.

EIR: What do you think then about AIDS?

Dr. Dodin: That's a different matter. I can't think or assert anything about it, because we don't know yet exactly what it is. We can only experiment, and draw conclusions from that.

EIR: There is a recurrence of diseases in the U.S.A., which had disappeared in the 1960s and 1970s, for example tuberculosis and. . . .

Dr. Dodin: But that is a different case, they are local diseases. There is no need to import them. If the living standard drops somewhere, then tuberculosis reappears. But you need no import; of course, in France, for example, there might be some bacteria flown in with immigrant workers, but I don't even believe this to be a serious factor. We have sufficient reserves of Koch bacteria for them to reappear as soon as the living standard falls. You don't have to look outside for this, we have enough bacteria here. Old people, for example, who have a very low living standard—they cough but are resistant. They are in equilibrium with the disease, but they can still infect others.

There are diseases that, unlike smallpox, we have never succeeded in eliminating completely. We have never succeeded in eliminating typhoid in France, for example, or tuberculosis, or poliomyelitis. There is always a reservoir which remains. There are always some cases, which may be an infection source, a small one, which does not really bother us right now, but we have never been able to wipe them out.

EIR: Have some of these diseases reappeared in the last 5 to 10 years?

Dr. Dodin: Not really. Tuberculosis has slightly reappeared, there are a few more cases. Also some venereal diseases.

EIR: What concerns us is that with the deterioration of the economic situation, these diseases will reappear, though not necessarily from outside, as you have pointed out.

Dr. Dodin: They will reappear. They won't come from outside. They will break out again.

EIR: Like, for example, the 1920s influenza epidemic.

Dr. Dodin: There is another problem. Since the discovery of antibiotics, which was tremendous, and led to the reduction of diseases, the germs have become resistant to antibiotics, so they reappear because we can't treat them. Some mistakes were made in the 1950s or so; we didn't know antibiotics well enough, and we sometimes misused them. A germ attacked by antibiotics knows how to become resistant.

Malaria, once nearly wiped out, is rising

by our Bogota bureau

On April 11, employees of the Malaria Eradication Service (SEM) left the city of Pereira in a march that arrived in Bogota, Colombia on April 25, to demand that the Ministry of Health and the national government restore the SEM's budget. In 1983 the Service's budget was 2.9 billion pesos; this year only 1.2 billion were approved. Of that, at the outset of the march, only 200 million pesos had actually been disbursed.

Even to return to the 1983 budget is totally inadequate. Two years ago, the country was at the point of definitively finishing off malaria, but the budget cuts, which started with the Pastrana administration and succeeding governments, caused a resurgence of malaria.

The president of the national health workers union, Aldo Enrique Cadena, granted the following interview on April 26. The fact that Cadena sees "U.S. imperialism" as behind the policies of the International Monetary Fund should be a warning that the failure in Washington to fight the IMF's looting schemes, will deliver our IMF-oppressed Ibero-American allies right into the hands of the Soviet Union.

EIR: What is the basic reason that the Malaria Eradication Service workers are conducting these protests and marches?

Cadena: The basic reason is that this and previous governments have been slowly cutting the malaria eradication campaign, to the point that it is totally paralyzed, and the rise in endemic diseases is growing bigger and bigger in the country every day. Today 85% of the national territory is endemic territory. Yellow fever is invading the cities, and dengue fever is invading the countryside. In 1969, when the *Aedes Aegypti* appeared in Colombia, it was only in the cities of Barranquilla, Cartagena, Cali, Riohacha, Maicao and Cucuta. But now, *Aedes* is found scattered across the whole Atlantic coast littoral, the Pacific coast littoral, the Rio Magdalena valley, the Rio Cauca valley, the eastern zone of the eastern mountain chain, the eastern plains, Putumayo, and the Sarare region. The number of persons affected in 1979 by dengue is 1,200,000 registered cases, which means that 50% of the Colombian population has been exposed to den-

gue. In 1983, there were 500,000 cases of malaria, and 2,000 died from it. We believe that the fact that malaria eradication is being allowed to be gradually strangled economically, means that in a short time this is going to be an irresistible issue for the country. It is not just a problem for the workers, it is a problem for the Colombian people. And so we thought that we had to set aside the usual labor demands to seek a patriotic type of demand. We want this march to succeed in making the government put an economic injection into this campaign, and we want the entire people to know that it is their lives that are in danger.

EIR: There is a lot of talk of the social consequences of the adjustment programs of the International Monetary Fund. Could you tell us if this is one of the consequences of those programs, for example, the 2,000 deaths caused by malaria as a result of SEM budget cuts?

Cadena: Undoubtedly, yes. First, the consequences of what the Fund imposes are suffered by the entire Colombian people. Second, to pay the high interest rates, they also cut the budget of public service entities. Moreover, within the International Monetary Fund loan, even though we suffered the consequences in the health sector, not one peso of these loans is for the health sector. One part is for Ecopetrol and another for Carbocol. That is, the loan is to help exploit the natural resources and turn them over to U.S. imperialism, and not to alleviate even a part of the crisis which the health sector is in.

EIR: We have information that there is a cholera epidemic in Africa. The blame for this lies with the economic conditionalities of the IMF. This has repercussions around the world, because epidemics do not respect national borders. That means it will even strike back into the United States. If you could speak to U.S. citizens, what would you say on this?

Cadena: The underdeveloped countries are condemned to receive every kind of epidemic. Not just the kind that presents itself because of climate, but the cases that come up because of the very dependency of these countries. I will just give you one example. Right now there are no rabies vaccines in Colombia, either for humans or dogs. This exposes us to a thousand dangers. In Cali there was recently a rabies epidemic, and in El César there was another, and throughout the country we have rabies epidemic problems coming up, which are very difficult to deal with.

EIR: Getting back to the relation to the imposed economic conditions, the National Health Institute says that one reason why they cannot produce rabies vaccines is that they don't

have anything to feed their laboratory rats. . . .

Cadena: It's true. Last night the minister confessed in the meeting we had with them, that only this week they managed to pay three months' back wages to their employees. The same health ministry admits that they don't have money for scientific research. There is no way to bring out a new product because the strains are becoming resistant to all insecticides, and they say they have no means to bring out new ones because we are not putting one centavo into research.

They know, for example, that the effectiveness of the yellow fever vaccine is not proven, and they don't have the means to do another experiment on it. The entity in charge of producing vaccines, and doing research on them, doesn't

have the money to pay its employees nor to do any kind of experimentation.

EIR: When the nutrition of the population is reduced, this has repercussions in that people are weaker to resist disease. Does this have any relevance?

Cadena: Indisputably, a country undergoing hunger, a country where the infrastructural conditions are too backward, it is obvious that in such a place, any kind of disease will wreak a lot more havoc. You must realize that the place which has the most disease is Los Tugurios, where the poorest people are, where people are malnourished, and all kinds of disease run rampant.

Interview: Dr. Peter de Raadt

'Sleeping sickness' strikes in Uganda

Dr. Peter de Raadt, head of the World Health Organization's (WHO) Parasitic Disease Program, Trypanosomiasis Unit, described to EIR the epidemic of the deadly disease known as "sleeping sickness."

Uganda is the most serious situation in Africa regarding Trypanosomiasis. There are an estimated 10-20,000 new cases/year of people with the disease there. It is very high. Control is insufficient at all points. There is complete breakdown of vector control [ground spraying] in Uganda since Idi Amin's time. I was there in the 1960s and saw not one case of sleeping sickness.

The disease has been known in Uganda for 6-7 years. The German Red Cross came in back then with a small program, but the effects have all been negated by now. The Ugandan government is badly organized.

The disease has a 100% mortality rate. There are two strains of this blood parasite. The West African strain takes several months to years before it attacks the brain. The East African form is highly virulent. It takes only weeks, at most six months before it is fatal. It creates internal lesions in all organs of the body. It can be effectively treated with drugs. The treatment is fatal in about 2-3% of cases.

It is spread by the tsetse fly. There is at present a breakdown of control services in Uganda, as well as Sudan. This

breakdown began during the Idi Amin government. They have no vector control. They have no transport to carry out spraying. This all broke down during the Amin regime and has not been reinstated. You cannot spray by air, as the flies gather under the leaves and are not reached from above. You must have teams on foot at ground level with tanks and you need cars, Land-Rovers, to bring them and the chemicals in.

To control the disease in Uganda, I estimate that it would require between \$500,000 and \$1 million to get the infrastructure—the Land-Rovers, equipment, etc.—set up. Then you would need about \$200,000 per year to spray every year. The first thing required is that you set up a program to strengthen the capabilities of the local medics. I was there recently and surprised to find teams of doctors still somehow intact despite their lack of resources. Their morale is surprisingly intact. If they were properly trained, the man-to-man transmission of the disease could be stopped. This part of the program would cost maybe \$150,000.

WHO is developing a proposal to the Ugandan government on steps to identify donors. The U.K. Overseas Development Administration is providing one doctor to go there in July to make a survey. The USAID? Well, to be honest, I am a bit surprised. They seem to have sufficient funds, but they so far have done nothing, though they indicate they are "interested." They seem to have internal disorder and constant reorganizations going on, which keep a clear policy from emerging.

The disease is present in epidemic proportions in Uganda and Sudan. *It is a very serious threat in every country south of the Sahara except South Africa and Botswana.* This is the danger that without sufficient controls, it will very quickly break into epidemic levels in all these countries. When I was in Uganda in the 1960s, I never saw one case of sleeping sickness. It was under effective control until the early 1970s.

Swiss gold plan rears its head

The Swiss seem to be tightly controlling the gold price to impose discipline on the United States.

Gold fell \$13 in the week ending May 3 to \$311, as speculators again began forcing up the U.S. dollar. The dollar had fallen below 3 DM at the end of March after the collapse of the Ohio Savings & Loans, but rose again without explanation to 3.23 DM. "They're going to cancel the space program and just ride the dollar up," said Fred Stombaugh, First Chicago director of trading.

How true his words may become. The Anglo-Soviet cartel, which controls the gold markets and spent most of 1984 dumping gold, has now as its first priority the utter destruction of President Ronald Reagan's defense budget, in particular his space-defense program (the Strategic Defense Initiative). In order to do so, they seek to impress America and put it under an International Monetary Fund austerity program, as we have said.

It is clear that the Ohio disaster, manufactured in Switzerland by former Swiss Ambassador Marvin L. Warner (see *EIR* Banking for March), and the resultant collapse of the dollar from DM 3.40 to DM 2.90, was sufficient to panic Washington into obeying the IMF's will at the just-concluded IMF meeting.

For the moment, the dollar may be driven no further down.

Why? As my sabbatical may have indicated, the gold market is still as tightly controlled by the Swiss banking interests as it has been for a year, and will for practical purposes stay that way for most of the second quarter. The dollar will likely continue a controlled see-saw of sharp jumps and

rapid drops, depending on whether the IMF seeks to manipulate Reagan in a given week.

If Reagan gives the IMF any trouble, the dollar could trend down. Especially as the Congress begins to slash his defense budget, undercutting the President, the dollar could trend back, with jigs and jags, below 3 DM.

Gold, if the Swiss have their way, will stay within the \$300-\$350 range for another few months at least. There will be recoveries, followed by reversals, all cynically designed by market makers to disillusion the investor.

Why the control? For the moment, the Soviets do not seek to panic President Reagan further on the economy, for fear that he might throw out Paul Volcker, James Baker, and other IMF agents, and rearrange the nation's finances. Were gold to rise above, say, \$350, the President might listen to those such as Lyndon LaRouche who advocate return to a U.S.-controlled dollar-gold reserve.

Such a Reagan gold "standard," if fully run from the White House, would be the perfect vehicle, with gold priced at \$500-\$750 an ounce, for financing the space laser defense buildup.

Instead, the Soviets will have Volcker and other fools point to the "success" of IMF strategy for the U.S., for the moment, in creating a strong dollar. Economic facts are being manipulated in just as unreal a manner. Despite the galloping collapse of U.S. production, the "bad economic news" such as Ohio S&Ls being closed, which hurt the dollar in the first quarter, is now being synthetically replaced

by "good economic news" to help the dollar in the second.

Volcker does, in fact, seem to be printing money, which in the fairy tale world of Reuters used to mean that the dollar was debased and went down; now it means that there will be "recovery," so the dollar rises. "He's worried about collapsing S&Ls," said one trader, and indeed, over \$7 billion in S&Ls collapsed in the week ending May 3.

Traders also cited the Soviet-encouraged political uncertainty in Germany, especially the Russian-run Bitburg scandal, which hurts the mark and makes the dollar a "safe haven" again. "The most optimistic forecasts of West German economic growth remain below ours," said one.

Most interestingly, *the IMF may be toying with its own form of gold discipline*, externally imposed upon the U.S. as a tight austerity policy. The *Wall Street Journal*, which speaks for the Swiss-based Bank for International Settlements, in a May 2 editorial "Money at the Summit," proposed an IMF "discipline" gold standard first presented by then BIS President Jelle Zjilstra in his September 1981 IMF speech.

The editorial calls on Western heads of state to discuss the 10th anniversary of Vietnam because the Vietnam war "abandoned the gold link to the dollar that had anchored the Bretton Woods system." Reagan, they say, should ignore Mitterrand's version of a "soft money" new Bretton Woods conference, and call for a "hard money" new Bretton Woods. "As Western leaders grapple with how to fix what broke, they need to be thinking about gold or at least some anchor for the system's key currency, and whether parties to such a system are prepared to follow economic policies compatible with the system's *discipline*."

New results in light ion beam fusion promise breakthrough by 1990s

by Charles B. Stevens

Almost lost among the revelations of major breakthroughs in beam weapons, the April 17-19 University of Rochester conference on "Lasers and Particle Beams for Fusion and Strategic Defense" saw the announcement of advances in the Sandia, New Mexico light ion beam fusion program which ensure that commercial fusion energy can still be realized by the 1990s despite the general curtailment of the U.S. research effort over the past 8 years. In order to achieve high gain inertial confinement fusion needed for commercial power generation, it is necessary to deliver energy pulses containing millions of joules at power densities of several hundred trillion watts per square centimeter to a small target containing hydrogen fusion fuel. The high gain result is that hundreds of millions of joules of fusion energy are generated in the resulting microexplosion.

As detailed to the Rochester conference, recent experiments have shown that the Sandia National Laboratory PBFA II light ion beam accelerator has the potential of delivering millions of joules at power densities of ten thousand trillion watts per square centimeter, far above that required for high gain fusion! The PBFA II (Particle Beam Fusion Accelerator II) will begin operation in January 1986. Fusion target experiments are scheduled for early 1988.

Dr. J. Pace VanDevender, Sandia Pulsed Power Sciences Director, and Professor Ravindra N. Sudan, Director of the Cornell University Laboratory of Plasma Studies, detailed the experimental and theoretical advances underlying this happy prognosis. Professor Sudan showed that experiments with high current ion beam pulses over the past decade have shown that they act contrary to the simple minded pictures presented by such anti-beam weapon "experts" as MIT's Kostas Tsipis. First of all, instead of diffusing, high current ion beam pulses tend to non-linearly self-focus to higher power densities. Second, weak magnetic fields do not interact and change the trajectory of such extremely high current beam pulses.

Dr. VanDevender reviewed experiments on Proto I in

which 1.5 trillion watts per square centimeter were delivered to a target in May 1984. This Spring PBFA II delivered an 8 trillion watt pulse onto a spot 4 to 4.5 millimeters in diameter. This demonstrated that the Sandia light ion beam focussing process is maintained as the current is increased. Proto I puts out a 1.4 million volt and 0.4 million amp beam, while PBFA I operates at 2 million volts and 4 million amps. PBFA II will demonstrate scaling with voltage since its lithium ion beam will have 30 million volts and 5 million amps. These recent experimental successes demonstrate that PBFA II has the potential of exceeding its original design specs by a factor of 100. This means that PBFA II will be able to go well beyond fusion breakeven for which it was originally designed.

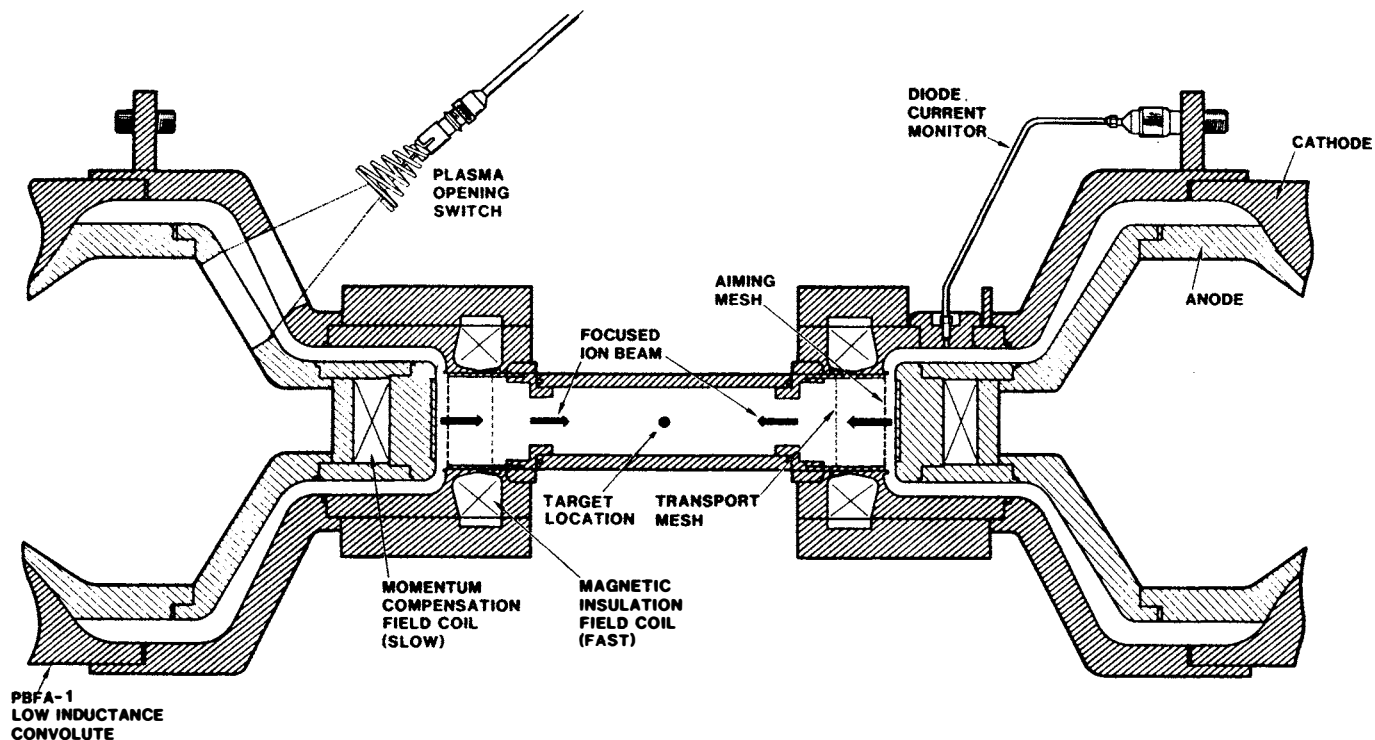
How it's done

The Sandia program is among the youngest in the fusion field. Beginning in the early 1970s and making use of electron beam accelerators, which were otherwise being utilized to produce intense bursts of x-rays in order to simulate nuclear weapon effects, the Sandia pulsed power effort has placed itself at the forefront of fusion research and on the brink of realizing commercial fusion. In little more than a decade Sandia converted the inherent high efficiencies and low costs of oil and water insulated pulsed power capacitors and Blumleins into the frontline fusion program with a minute fraction of the total program's resources.

The scientist most responsible for this is the former Sandia Pulsed Power Director, Dr. Gerald Yonas, who is currently the deputy director and chief scientist for President Reagan's beam-weapon program.

Plasma engineering

In many ways the Sandia particle accelerators are no more complicated than an ordinary spark plug and look very much the same—except on a much larger scale. You begin with a large, high voltage pulse of electrical current lasting tens of billionths of a second. This is delivered to two pieces of metal



CROSS SECTION OF DIODE

Sandia National Laboratory's Particle Beam Fusion Accelerator (PBFA) may prove capable of delivering energy pulses far denser than required for fusion breakeven. The PBFA II will begin operation in January 1986.

which are separated by a vacuum—a sort of glorified vacuum tube diode. One metal piece is called the anode because it has a positive electric charge and the second the cathode because of its negative charge.

Ordinarily, when the high voltage, high current electrical pulse arrives at the diode, electrons would be accelerated from the cathode to the anode and positive ions would be accelerated from the anode to the cathode. Because the electrons are thousands of times lighter than ions, they make it across first and thus an electron beam is generated. A thin foil properly placed at the anode will permit the e-beam to pass out of the machine.

Alternatively, if a magnetic field is placed across the cathode, as originally suggested by Dr. F. Winterberg, the lighter electrons will become trapped and prevented from proceeding to the anode. In this case the positive ions will make it across first and a high current, intense ion beam will be formed.

Besides properly arranging the geometry of the diode to permit the formation of a focused ion beam, a transparent plastic mesh is introduced between the cathode and anode. This mesh is transformed into a plasma—plasma is the ionized state of matter—when the electric pulse arrives at the diode. The plasma mesh acts as a “virtual cathode” which evens out the intense electric field within the diode and therefore results in an even acceleration of the ions. The chief

moving parts of the Sandia particle beam accelerators are “plasma”!

Another plasma engineered improvement is to use intense bursts of extreme ultraviolet radiation to pre-ionize the surface of the anode. This allows the more efficient and rapid formation of the ion beam when the electrical pulse arrives.

Commercial prospects

While many technical hurdles remain for converting the scientific demonstration of light ion beam fusion into a practical, economic power plant, the pulsed power technology upon which this approach to fusion is based has made major advances over the past decade, and with the Reagan beam weapon program, this rate of progress will be greatly accelerated. Already advances in high power switching are clearing the way to rapid refiring rates needed for power plants. Pulsed power has always operated with high efficiencies—better than 30% of the input electrical power being converted into ion beam output. Continuing work in the beam weapon program is pointing to solutions to the most significant, outstanding problem—that of propagating the ion beam over a sufficient distance in order to decouple the beam generating diode from the fusion microexplosion. In any case the future for light ion beam fusion is bright. It remains to be seen what Gerry Yonas will do with the large resources of the U.S. Strategic Defense Initiative.

Business Briefs

The 'Recovery'

Steel industry collapse continues

The last of the "Big 7" steelmakers, LTV-Republic, has announced its profit statement, a staggering \$156.4 million loss, up significantly from the \$34 million loss in the first quarter of last year. The second largest steelmaker, LTV's debt service cost for the second quarter of 1984 was \$70 million, reflecting its purchase of Republic last year.

LTV's mills currently operate at 69% of capacity.

Six of the top seven steelmakers lost money during the first quarter of this year. Average prices for steel have slipped below \$500 per ton.

U.S. Steel's profits fell 66% to \$58 million, with capacity utilization of only 60%. Wheeling-Pittsburgh, the seventh largest, filed for bankruptcy in April.

The National Academy of Engineers has put out a study saying that the major integrated steelmakers will have to continue to shut down capacity over the next decade to become competitive with other countries and become "more efficient"—an echo of the formulations of the European Community's Davignon Plan, which deliberately shut down European steelmaking capacity.

Breakdown Crisis

AIDS quietly spreading to general population

The American Red Cross, which provides about half the nation's blood supply, began screening blood in March to keep the suspected AIDS virus from spreading through transfusions, which are blamed for 143 of the nation's official 9,760 cases of AIDS.

Dr. S. Gerald Sandler of the Red Cross stated, "The number one factor that will protect the nation's blood supply" is for homosexuals and intravenous drug abusers not to donate blood. Transfusion "recipients need

protection by eliminating every unit of blood that might be infected," said Sandler. Initial screening found 2 to 3 positives per 1,000 in 100,000 samples tested.

A British specialist on AIDS, Dr. John Seale, declared, "the potential for the spread of AIDS in developing countries is almost unlimited. The overcrowded and unsanitary conditions in which the bulk of the people live, combined with a high frequency of infections, injuries, and sores which break the skin, make blood contact among family members practically inevitable, with the transmission of the virus likely."

In Congo, Rwanda, Uganda, and Zaire, there is a high proportion of AIDS antibodies among tested populations. Peter Piot of the Institute of Tropical Medicine in Antwerp reported, "On current data, we estimate the incidence of AIDS in Kinshasa, Zaire is about 17 per 100,000. This is a minimal estimate and is comparable to or higher than the rate in San Francisco or New York." The cases in Africa are most ominous because they do not involve the high-risk groups—homosexuals, heroin-users, Haitians, and hepatitis victims.

Similar cases of non-risk-group AIDS are now under study in the United States.

Although one out of every four Americans aged 15 to 55 has contracted some form of sexually transmitted disease, the funds to fight these diseases are in critically short supply, and David Stockman's 1986 budget (adjusted for inflation) will cut the funding even further.

Austerity

IMF forces 'war economy' on Argentina

Promising a "war economy" and warning that adjustment was "going to be very tough," President Raul Alfonsín announced April 26 that Argentina would implement new austerity measures in order to meet IMF conditions.

The chief Argentine debt negotiator, Mario Brodersohn, said Argentina would

make a \$50 million interest-arrears payment the first week of May, which "demonstrates our commitment to do whatever is possible in order to implement our program. . . . The documentation is virtually completed and has been approved by both sides and the Argentines want to get the deal done."

Brodersohn pledged to pay as much interest as possible before receiving the IMF and bank money. Argentina has been in arrears since Nov. 4, and will still be classified as a "substandard" borrower after the payment, according to banking sources.

Alfonsín's audience was stunned into silence as he announced the new austerity package, saying, "A better standard of living cannot be expected this year." The measures include increasing the cost of public utilities, fuel, and transportation by 35% to 40%; increasing the central bank's regulated interest rates by 2% for the month of May; reducing public expenditures for 1985 by 12%; freezing job vacancies in the public sector; and giving public employees options for "voluntary retirement" at a percentage of their current salaries.

International Credit

Schmidt plan for decoupling unveiled

The Schmidt plan for financial decoupling of Europe from the United States was spelled out by former German Chancellor Helmut Schmidt at the Interaction Council meeting in Paris April 27. He called for the creation of a European Central Bank, centered around the European Currency Unit (ECU), an independent monetary supply, independent interest-rate policies, and protectionist monetary intervention against the dollar.

A strengthened European Monetary System and ECU would be a counterweight to the power of the dollar and the yen, he said. His 15-point plan is designed to transform the ECU into a full-fledged Europe-wide currency. Schmidt proposes the ECU be more widely used to denominate private-sector loans, with legal restrictions on pri-

vate use abolished, and ECU coins and checks introduced.

In addition, the plan calls for encouraging central banks to use the ECU, by increasing interest rates paid on their holdings of the unit and by making it easier for central banks to trade them for dollars to intervene in foreign-exchange markets.

The Schmidt plan was published May 1 by the Royal Institute for International Affairs in London. Its intent, left unstated, is to financially integrate Europe with the Soviet bloc economies. Already, the primary use of ECU-denomination in transactions is for East-West trade and credit activities.

Trade

Record new U.S. deficit set

The U.S. trade deficit for March swelled to \$11.4 billion, bringing the first-quarter figures to \$32.7 billion.

At that rate, the 1985 trade deficit will soar to \$131.8 billion, outstripping last year's \$123.3 billion.

Were it not for a drop in petroleum prices for the fourth straight month, the import total and thus the total trade deficit would have been even higher. Petroleum imports decreased a large 16.8% last month. Imports of all goods in the first quarter of 1985 rose 26.2% over the level of the fourth quarter of 1984.

Invisible Hand

Hutton pleads guilty to account fraud

"When E.F. Hutton talks, people listen. Well, that's exactly what happened. Very few banks are going to question their activity." This was the comment of Assistant U.S. Attorney Albert Murray, explaining how it came to be that "small, hometown banks" across the United States, were roped into a

giant fraud operation, coordinated by the E. F. Hutton investment firm.

Under Attorney-General Ed Meese's direction, Hutton was charged with, and has pleaded guilty to, 2,000 counts of wire and mail fraud, and was fined \$2 million, plus damages. After the DOJ filed an eight-page "criminal information" against Hutton in U.S. District Court in Scranton, Pennsylvania yesterday, DOJ Attorney Steven Trott called Hutton's activities "absolute, conscious, and deliberate fraud."

Hutton reportedly was utilizing the time-lapse in check clearance to overdraw on its accounts with banks.

East-West Trade

French energy supply from Soviets grows

France has signed major new energy-related agreements with the Soviet Union.

The Lurgi France company has signed a FF1.5 billion contract to carry out a project to build a gas condensation treatment system for the Tengiz deposit in Soviet Central Asia.

An even larger contract, FF2.5 billion, was signed between the number one French engineering company, Technip, and the U.S.S.R. This contract involves the construction of a complex for the cleaning of natural gas with a high content of sulfur, in Astrakhan on the Caspian Sea.

The April 26 *Pravda* reports that new contracts have also been signed between Soviet Foreign Trade Minister Patolichev and some prominent French businessmen, and that contracts have been concluded between the Soviet Machino-Import company and three French firms.

A recent conference between Soviet and French trade representatives in Paris resolved to "redress" the French trade imbalance with the Soviet Union, based largely on decline in Soviet orders for French capital-goods and growing French purchases of Soviet natural gas. The new trade accords do so—by sending French capital into Russia to expand Soviet natural-gas production, for French purchase!

Briefly

● **FACTORY** capacity utilization in the United States, according to the Federal Reserve index, remained unchanged in March at 80.8%—remarkably low for a "recovery." Moreover, the figure is down almost 2% from mid-1984. Since the summer of 1984, durable goods utilization has fallen 1.2%.

● **EGYPT AND INDIA** will strengthen mutual economic cooperation, as well as coordinate their actions within the Non-Aligned Movement. This will be among the subjects of discussion when Prime Minister Rajiv Gandhi visits Cairo in early June. Egyptian Foreign Affairs Minister Butros Ghali also reported that Egypt will be opened to industrial investment from India.

● **WEST GERMANY** may sell aerospace technology to Japan, according to hints given to the Bonn press April 30 by Economics Minister Martin Bangemann. Japan's Prime Minister Nakasone is said to have signaled interest, and to have offered special high-tech deliveries to German industry in return.

● **EGYPT** will face a catastrophe by early next year at the latest, if the Nile's water levels continue to drop because of the present drought. Usual water depth at the Aswan Dam is said to be around 184 meters. The level now is only 124 meters. Although there is still enough water to meet this year's electricity and irrigation needs, there is not enough for new-land reclamation projects in the desert.

● **PERU** will export 2,000 tons of frozen chickens per month to the U.S.S.R. from May to October as part of a deal in which 80% of Peru's debts to the Soviet Union will be paid in hard commodities, including food products and textiles which Peru would not normally export. Peru recently refused IMF austerity demands because its population is undernourished. However, the agreement with the Soviet Union, it is estimated, will result in shortages of chicken inside Peru.

The continuing hoax of 'artificial intelligence':

the multi-billion dollar boondoggle

by Lyndon H. LaRouche, Jr.

"Intelligence consists not of solving problems; intelligence consists of not having problems," said Berkeley, California philosophy professor Hubert Dreyfus, on April 17, 1985, at an Austin, Texas "Symposium on the Humanities." Dreyfus is a Massachusetts Institute of Technology-trained specialist in what is called Artificial Intelligence. Austin, Texas's micro-electronics center, is a hotbed of the multi-billion-dollar boondoggle, called Artificial Intelligence.

"Artificial Intelligence (AI)," was launched at the Massachusetts Institute of Technology's RLE laboratories, during the 1950s, as an effort to demonstrate that human intelligence could be simulated, and surpassed by digital-computing devices. AI research was launched by a circle including Professor Margaret Mead, who operated through a seed-funding conduit known as the Josiah Macy, Jr. Foundation, a circle continuing the "Unification of the Sciences" project launched circa 1938 under the joint leadership of Bertrand Russell and the University of Chicago's Robert M. Hutchins. The basis selected for attempted achievement of AI, combined the notions of "artificial intelligence" developed by MIT's Professor Norbert Wiener and Princeton's John von Neumann, as popularized in Wiener's 1947-1948 editions of *Cybernetics*.

Professor Dreyfus devoted his remarks at Austin, to his own explanation of the reasons he suspects AI research continues to be the failure it has been repeatedly admitted to be since the late 1950s. Yet, despite repeated confessions of failure by AI specialists, the percentage of total research and development grants, and professorships, continuing to be poured into this multi-billion-dollar boondoggle, has grown over the past 30 years.

Since the close of the 1950s, when the first admissions of uselessness of AI research were fielded, the variety of explanations for the failure has been as varied as descriptions of the elephant by the fabled committee of blind men. Dreyfus's purported explanation is noteworthy, as being among the most pathetic heard from such specialists so far. At the Austin conference, Dreyfus said that AI research is permanently stuck, because AI has been based on the premise that human intelligence consists of "reasoning" things out. The "human dimension, involving flesh



Like the medieval alchemists who sought to change base metals into gold, today's proponents of the "Artificial Intelligence" hoax are ignorant of the most basic scientific principles. AI attempts to comprehend human intelligence by means of mathematical analysis based upon formal logic. Shown: "The Alchemist," by Peter Brueghel the Elder.

and feelings," Dreyfus said, "goes beyond reasoning." Rules and reasoning, he said, are only the most basic aspect of human behavior. On such premises, he concluded that the objective is to avoid all problems which can not be solved on this rudimentary level.

The pouring of billions of dollars into research projects which have been repeatedly proven absurd, is a prevailing fact of the so-called "social sciences," such as anthropology-ethnology, sociology, and psychology. There is perhaps no instance of research-grants for physical science, in which repeatedly proven absurdity has been so richly funded as in the instance of AI. The reason this AI boondoggle has been so long tolerated by non-scientific circles, is obvious enough: the superstitious mystique of Zbigniew Brzezinski's "technetronic age," the same mystique which overwhelms the science-ignorant technician confronted with the programming of a digital computer. The reasons trained scientists do not blow the whistle on this billion-dollar-boondoggle, are a bit more complicated.

Dreyfus's recent explanation for the continued bankruptcy of AI research has the merit of pointing almost directly to the pseudo-scientific beliefs among the scientifically-educated personnel who devote their professions to this useless effort. Turn Dreyfus's explanation upside-down. Instead of saying that human intelligence is not rational, simply recognize that the definition of "human intelligence" adopted by AI professionals is absurd.

There exists an established body of scientific knowledge, which does enable us to define "human intelligence's" rudimentary principles in mathematical-physics terms of refer-

ence. It is relevant that the famous David Hilbert threw Norbert Wiener, the author of *Cybernetics*, and co-author of modern "information theory," out of a pre-World War I seminar at Göttingen University. The grounds for this expulsion, was Wiener's stubbornly persisting scientific incompetence. Wiener's incompetence is essentially identical with the leading features of John von Neumann's efforts to apply a neo-positivist definition of formalist mathematics to a "theory of brain-function." Wiener and von Neumann were among the leading opponents of the kind of physics which does explain many characteristic features of human intelligence, opponents of the line of development in physics running through Leonardo da Vinci, Leibniz, Euler, and Gauss.

This identifies part of the reasons for the failures of that multi-billion-dollar boondoggle called AI. However, the problem is not merely the awe for the Wiener-Shannon and von Neumann doctrines of "information theory," among science-educated specialists. The undeserved aspects of the reputations of Wiener and v. Neumann appear to be valid among most science-educated professions today, because the textbooks and classrooms, of secondary schools as well as universities, are saturated with the effluvia of so-called formal logic. Today's student knows almost nothing of the most important developments, and related controversies, within the history of modern science, and does not know, that the foundations of modern science, insofar as its fundamentals are developed today, were established by a succession of scientific workers whose work is known only in bits of snatches to textbook students of today. These include, notably, Leonardo, Leibniz, Euler, the celebrities of the Monge-Carnot

Ecole Polytechnique, and the circle of Carl Gauss in nineteenth-century Germany. Modern secondary and university students of mathematics, are so consistently “brainwashed,” by drill and grill in the delusion that natural science is a subject of neo-Aristotelian formal logic, that they must tend to conclude that most of the fundamental discoveries upon which physics today depends, were the product of a method of inquiry “totally unscientific” by today’s academic standards in mathematical formalism.

The record of bankruptcy of the AI boondoggle, is useful only to the degree it exhibits the impossibility of comprehending, even defining, human intelligence or human “information,” by methods of mathematical analysis based upon formal logic. It exhibits, at least implicitly, the principle, that

What keeps the multi-billion-dollar AI boondoggle going, is the reluctance of modern “secular humanists” to admit, that the laws of the universe are not consistent with a statistical theory derived from formal logic.

what is called “logic” today, and human reasoning, are incompatible notions. If this failure of AI were examined against the backdrop of Leibniz’s denunciations of Descartes, and the raging controversies within nineteenth-century science, the fact is most clearly presented to us, that Gauss, Riemann, Weierstrass, and Cantor, were correct, and their opponents, the late-nineteenth-century proponents of “statistical mechanics,” represented the wrong turn in scientific method and education.

What keeps the multi-billion-dollar AI boondoggle going, is the reluctance of modern “secular humanists” to admit, that the laws of the universe are not consistent with a statistical theory derived from formal logic. The AI crowd, is not only historically (Russell, Hutchins, Kurt Lewin, Carnap, Mead, et al.) “secular humanist”; excepting scientists influenced strongly by religious convictions to the contrary, the scientific community at large is dominated increasingly by a Vienna-Circle-flavored sort of neo-positivist “secular humanism.” The case of Charles Darwin’s manager, the Julian Huxley who coined the term “agnosticism,” indicates the role of British “radical empiricism” in shaping “secular humanist” thought in the United States. Von Neumann typifies the neo-positivist influences of the “Vienna Circle” upon U.S. universities’ science departments. These typify the leading proponents of the “statistical” faction in mathematical physics

and other specialties over the recent 130-odd years. Today, especially among scientific professionals, the “secular humanist” and “statistical” standpoints are not only strongly correlated, but are functionally interdependent.

In this report, we contrast the proper definition of “human intelligence,” as situated within the history of modern science, with the absurd assumptions, rooted in “statistical theory,” on which Wiener and v. Neumann founded the multi-billion AI boondoggle.

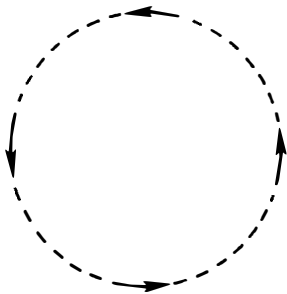
Living versus dead matter

It is elementary, for any effort to define human intelligence in the language of a mathematical physics, to begin with the fact that human beings are living organisms. The precondition for defining living organisms, is to locate a fundamental and infallible distinction, between living and non-living processes in nature generally. Once that is accomplished, we must next isolate some infallible, fundamental distinction between human and animal behavior.

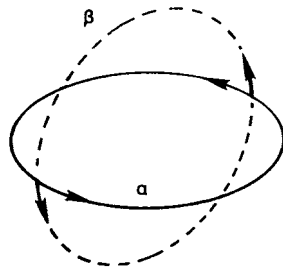
The rigorous definition of the distinction between living and non-living processes was first defined for modern science, by the work of Luca Pacioli and Leonardo da Vinci, at the close of the fifteenth century. The continuing line of inquiry along the lines established by Leonardo, runs through the work on optical characteristics of living processes, by Louis Pasteur, into lines of inquiry in what is called “non-linear spectroscopy,” today. The physics which is uniquely suited to living processes so defined, is the physics based on the methods employed by Carl Gauss, Bernhard Riemann, and Karl Weierstrass, during the nineteenth century.

Before turning to the issues of the distinctions between human and animal behavior, we summarize the nature of the case for living processes. We begin with a summary of the connection of the initial discoveries in biology, by Pacioli and Leonardo, to the preceding discoveries of Nicolaus of Cusa. This is the starting-point from which all successful approaches to definitions of living processes has proceeded, from then to the present time.

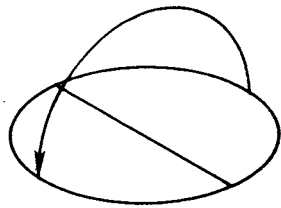
Modern science began during the middle of the fifteenth century, with the elaboration of rigorous principles of scientific method by Cardinal Nicolaus of Cusa (e.g., Cusa’s *De Docta Ignorantia* (“On Learned Ignorance”). For example, Cusa was the first modern thinker to present a heliocentric hypothesis on the ordering of the solar system (not Copernicus). The central feature of Cusa’s own original discoveries, was his discovery of a conception called today “the isoperimetric principle” of topology, as later refined by the work of Leibniz, Leonhard Euler, and the Bernouillis. A clear understanding of the implications of this isoperimetric principle is indispensable for comprehending the work of Pacioli and Leonardo, and the later work of Pasteur and “non-linear spectroscopy” today. Without grasp of these implications, the mere existence of the biologist teaching biology at the



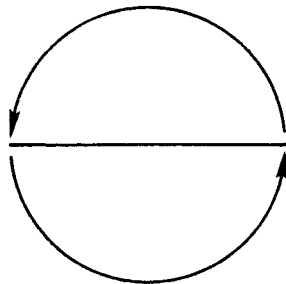
Simple circular action



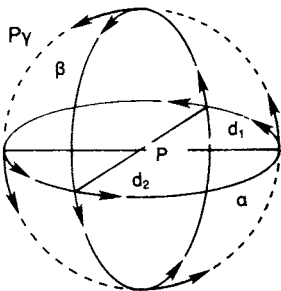
Doubly self-reflexive circular action



Creation of line d , by folding of half-circle, subsumed under double self-reflexive circular action



First principle of measurement of circular action defined through generation of a diameter: measurement by one half (180°)



Creation of point as singularity of triply self-reflexive circular rotation. The third rotation γ folds circular action α upon itself, creating diameter d_2 and the intersection-point P which divides diameter d , in half.

head of the classroom remains a subject of profound mathematical uncertainty.

Cusa proved that both the axioms and the deductive method of the famous *Elements* of Euclid, are intrinsically absurd. Neither points nor "straightness" have any self-evident form of existence in the universe. The isoperimetric theorem proves conclusively, that the only form of self-evident existence of form and matter in our universe, is circular action.

However, circular action does not mean the simple drawing of a circle, as by aid of a compass. To define a "straight line," we must create a diameter for circular action, by "folding" a circle perfectly against itself. This folding of the primitive circle perfectly against itself, introduces the first principle of measurement, measurement by one-half. To create a point, we must fold a half-circle against itself. By circular action, acting upon these two additional elements created by circular action, the point and the line, everything that can be

constructed within Euclidean geometry is constructed, using nothing but construction, without deductive logic.

Therefore, the minimal condition for producing the shapes constructible within Euclidean space, is what we must best describe as triply-self-reflexive circular action. By self-reflexive, we mean that triply-self-reflexive circular action acts upon everything constructed by such circular action. By triply-self-reflexive, we mean that, circular action is acting triply upon circular action itself.

This is simply illustrated, as a definition, in the following way.

At every arbitrarily small interval of circular action, the same kind of circular action is acting, as if at "right angles," upon that circular action. At every arbitrarily small interval of the second moment of circular action, in turn, a third of the same kind of circular action is action upon the second, as if at "right angles" to both the first and the second.

This is the minimal form of isoperimetric action sufficient to define a Euclidean space of construction, the minimal preconditions required to generate a "straight line" and a "point."

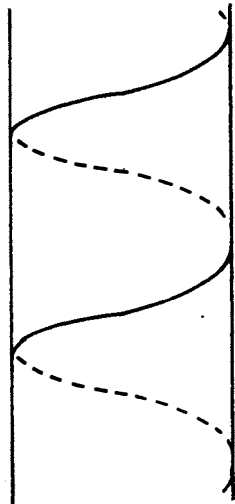
Taking one aspect of triply-self-reflexive circular action, the following correction must be added to the picture.

Human perception is limited to perception of changes (transformations) occurring in a finite interval of space-time. Perception of "instantaneous" objects is not possible: "Instantaneous" objects of perception do not exist. Therefore, we can perceive nothing, except under the condition, that the act of perception ends at a slightly later point in time than it begins.

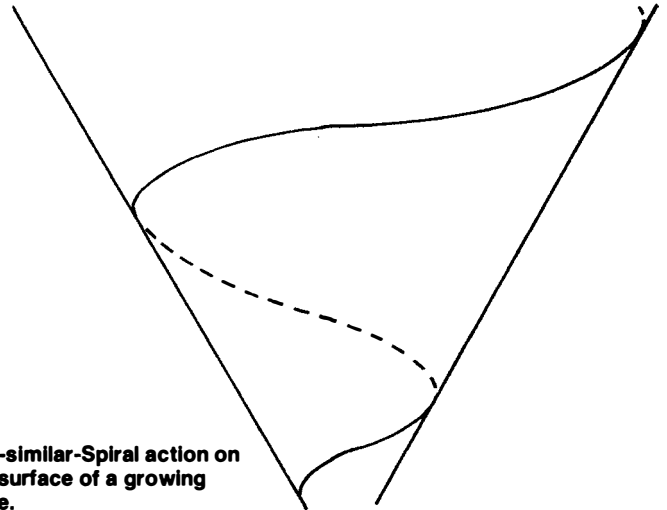
Therefore, the simplest conceivable form of circular action in physical space-time, is in the form of a cylindrical helix. Or, if the action increases or decreases at a constant rate, the circular action occurs as a self-similar-spiral action on the surface of a growing cone. The first helical geometry, is the axiomatic basis for what is called Fourier Analysis. A geometry based axiomatically upon conic self-similar-spiral action, is a Gaussian (constructive) geometry. Other terms for "Gaussian geometry," are the Gaussian "geometry of the continuous manifold," or Gaussian "functions of a complex variable."

The history of modern science's progress toward a physics theory of living processes, is summarily as follows.

The first step was accomplished by Luca Pacioli and Leonardo. Pacioli, working from the starting-point of Cusa's "Minimum-Maximum (isoperimetric) Principle," reworked the scope of the Tenth through Thirteenth books of Euclid's *Elements*, to reconstruct a proof cited in Plato's *Timaeus* dialogue: the proof, that only five kinds of regular polyhedra can be constructed in Euclidean space. During the eighteenth century, Leonhard Euler developed a more rigorous proof of this. Out of this work, Leonardo developed the foundations of modern optics and hydrodynamics, including a forerunner



Simplest form of circular action in physical space-time: cylindrical helix.



Self-similar-Spiral action on the surface of a growing cone.

of Riemannian stereographic projection, spherical projective perspective.

As Euler demonstrated the point rigorously, of the five constructable regular polyhedra, four are simply constructed from one, the regular dodecahedron whose surfaces are regular pentagons. The construction of both the dodecahedron and the regular pentagon, is based upon preceding construction of a derivative of circular action, called the Golden Section. The Golden Section's general significance is, that it defines the boundaries of constructability within visible ("Euclidean") space. The proof, earlier reported in Plato's *Ti-maeus*, that, in visible space, only five kinds of polyhedra can be constructed, reflects *an efficient limit determining all forms of constructability in "Euclidean space."*

The first step toward founding biological science, was accomplished by Pacioli and Leonardo, by showing that the elementary distinction of living from non-living processes, is that living processes' forms and morphology of function, are congruent with the Golden Section.

Until the nineteenth century, at least approximately so, the explanation of the reason for this morphological distinction between living and non-living processes, was that the so-called Fibonacci series' ratios for successive intervals, converges upon the ratios of self-similar growth given by the Golden Section. The Fibonacci Series, is classical geometrical method for estimating population-growth, developed by Leonardo of Pisa. The increase of the number of cells in a tissue, for example, is a form of self-similar growth of populations, comparable in broad terms to self-similar growth of populations, at a constant set of birth and death rates.

Pacioli and Leonardo showed, that the shapes determined by growth of plants and animals, including human beings, were elaborated in forms consistent with the harmonic ratios determined by the Golden Section.

A century after Leonardo's work, this generalization about living processes had to be modified slightly, because of the

discoveries of a leading follower of Cusa and Leonardo, Johannes Kepler. Kepler constructed a hypothesis for the determination of the solar system's orbits, an hypothesis based directly on Cusa's arguments for an heliocentric solar system, and the work of Pacioli and Leonardo on Platonic Solids and the Golden Section. Kepler's solar hypothesis was an hypothesis based on the Golden Section, an hypothesis which employed astronomical data to demonstrate empirically, that the laws of the universe as a whole were coherent with the harmonics determined by the Golden Section. Since Gauss later proved conclusively, that Kepler's astrophysics was the correct choice, and Kepler's critics absurd, the universe has such a proven similarity in its underlying principles to living processes; in modern verbiage, we must say that the universe as a whole is essentially "negentropic," not "statistically entropic."

This implication of Kepler's work was later extended by Bernhard Riemann, who insisted and showed, that, at its extremes, in astrophysics and microphysics, the laws of the universe must be characteristically "negentropic." Hence, the contrast between living and non-living processes applies only to the very large experimental domain between the astrophysical and microphysical extremes. With that qualification, Pacioli's and Leonardo's discoveries respecting the distinction between living and non-living processes, are essentially in force to the present time.

That principle of living processes is valid as far as it goes, but inadequate. The deeper implications of a triply-self-reflexive circular action, are not yet incorporated within it, in that form.

There exist, as visible images, forms which are not constructable within Euclidean space. We say that these are "incommensurable," in the sense that only forms which can be rigorously constructed are "commensurable"; any other meaning of "commensurable" is either trivial or false. Those forms which are not commensurable with construction in

Euclidean space, all reduce axiomatically to what are called "transcendental functions": functions whose constructability requires such mutually coherent transcendentals as π , the Eulerian logarithmic base, and trigonometric functions. This principled limitation of visible ("Euclidean") space, was already a central feature of the work of Plato.

In the simplest terms of reference, transcendental functions reflect the fact, that physical space-time is dominated by a rotational orientation in space, as triply-self-reflexive circular action requires. The so-called Cartesian coordinates, must not be seen as axes of reference for primitively "straight-line" action; they must be interpreted as axes of triply-self-reflexive rotation, and Cartesian space seen also as a misleading interpretation of a space whose geometry is that of a Riemannian sphere.

The significance of transcendental values, is that they correspond, in physics, to self-similar-spiral action, as the primitive (elementary) form of action, in cylindric or conic functions, as in Fourier Analysis or Gaussian geometry, respectively. In these geometries, some (Fourier cylindric) or all (Gaussian manifold) of the transcendental values are constructable with the same efficiency as constructable forms in visible (Euclidean) space.

It happens, that all forms in visible space, which are projections of conic forms of self-similar-spiral action, have everywhere the metrical characteristics determined by the Golden Section. This is the physics-basis of proof supporting J.S. Bach's values of "equal tempering" in well-tempered polyphony, for example. That is the proper mathematical-physics meaning of the cited discoveries of Pacioli and Leonardo. The adequate explanation for characteristic distinctions of living from non-living processes, must therefore be sought out within the Gaussian domain.

To accomplish that, one must first consider the most general kind of problem raised by Gauss's discoveries in geometry. Triply-self-reflexive conic self-similar-spiral action defines a range of physics-functions which are efficiently continuous as physical processes, which are nonetheless characterized mathematically by a more or less dense frequency of mathematical discontinuities. In elementary geometry, we already face the problem of algebraic discontinuities, in such forms as points, lines, surfaces, and solids. In physics, these confront us in such forms as what are mistakenly interpreted as "elementary particles," and in other forms. The center of the elementary problems confronting the effort to elaborate a Gaussian physics, is to show mathematically how processes which are efficiently continuous in physical space-time, are continuous in some way despite the generation of what are often increasing densities of mathematical discontinuities.

This problem situates the task of restating Leonardo's distinction of living from non-living processes, in terms of the Gaussian manifold. The problem of densely discontinuous mathematical functions corresponding to efficiently

continuing physical processes, was the central feature of the work of such collaborators and followers of Gauss as Lejeune Dirichlet, Bernhard Riemann, Karl Weierstrass, and Georg Cantor. That is the physics-significance of the work on topology accomplished by Dirichlet, Riemann, Weierstrass, and Cantor. It is within the framework of the admittedly incomplete accomplishments of these figures, that the distinction between living and non-living processes must be resituated.

The bearing of economic science

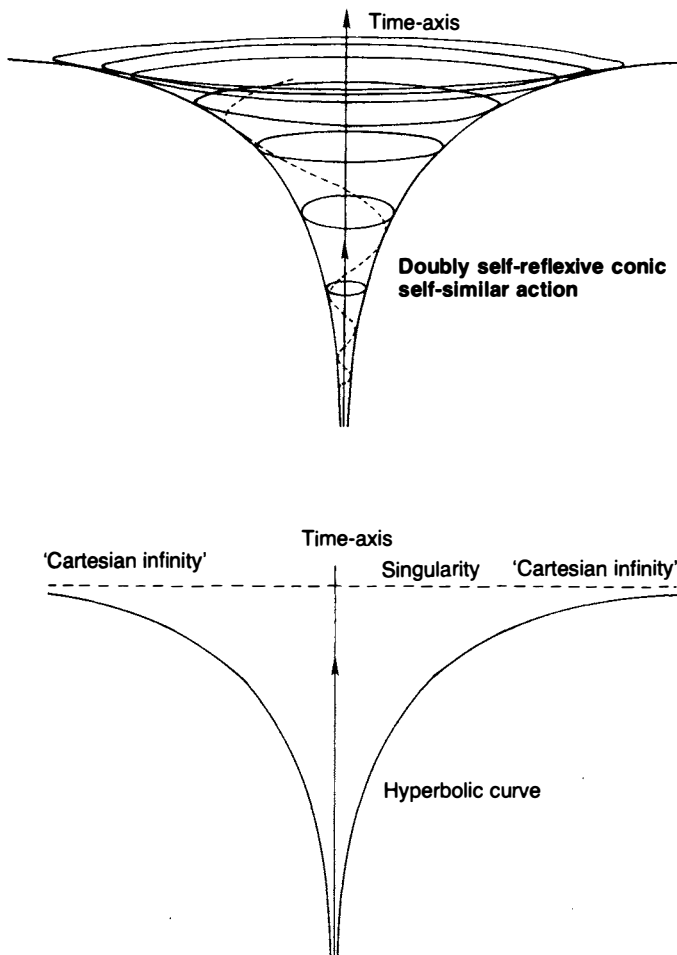
To continue our summary account of the problems of defining "life" and "human intelligence" from the vantage-point just identified, it is most useful to examine the way in which human intelligence shows itself to be the characteristic feature of economic processes. By "economic science," we signify that founding of economic science, by Leibniz, on which the principles of the United States' founding "American System of political-economy" (Alexander Hamilton), were premised: not the mere "money theories" popularly taught and practiced as "economics" in the United States and Europe today.

The most characteristic feature of human society, is implicitly defined thus. Whereas, a primitive form of human society is capable of sustaining a worldwide population of not more than approximately 10 million individuals, there exist nearly 5 billion today. This growth in the potential relative population-density of the human species, by nearly three orders of magnitude, is the most characteristic distinction of the human from all inferior species. No lower species could willfully increase its potential relative population-density by a single order of magnitude. No lower species can willfully improve its day-to-day behavior by aid of advances in scientific and related knowledge.

That circumscribes the range of phenomena to be examined, as reflective of "human intelligence."

Consider only, more narrowly, the effect on population growth of the irregularly-paced but more or less continuous explosion of science and industrial society's technology, since Cusa set the progress of science into motion during the middle of the fifteenth century. (The case can be generalized, for the study of the technological dynamics of earlier forms of society.) All advances in technology, and of potential relative population-density, occur principally as technological advances in qualities of producers' goods, in an increasingly energy-intensive and capital-intensive mode of alteration of basic economic infrastructure and work-places. The source of these advances in technology is the improved power of the individual human mind, to generate and to assimilate efficiently new conceptions flowing from fundamental scientific progress.

Those aspects of the potential creative powers of the human mind, which bear upon the generation of fundamental scientific discoveries, are, in this way, an efficient physical



cause in the universe.

In the case, that a modern form of agro-industrial society is maintaining a constant rate of technological progress, in an energy-intensive, capital-intensive mode of production of physical goods, the most elementary picture of such economic growth, is a picture of an efficiently continuous function subsuming increasing density of mathematical discontinuities. Doubly self-reflexive, conic, self-similar-spiral action, is the minimal requirement for portraying the effect of constant technological progress upon such an economy. Instead of a simple cone, the growth of per-capita potential relative population density, generates a bell-mouthed horn, whose side-view cross-section describes a hyperbolic curve, seeming to zoom off into Cartesian "infinity." The central axis of that horn represents a uniform time-scale. Obviously, the action is efficiently continuous, past the interval of that flaring of the hyperbolic curve toward "infinity." This is exemplary of physical processes which are efficiently continuous, despite discontinuities subsumed by such processes.

Without going into greater detail than is directly relevant in this report on AI's incompetency, the following remarks

on this economic-process function are sufficient.

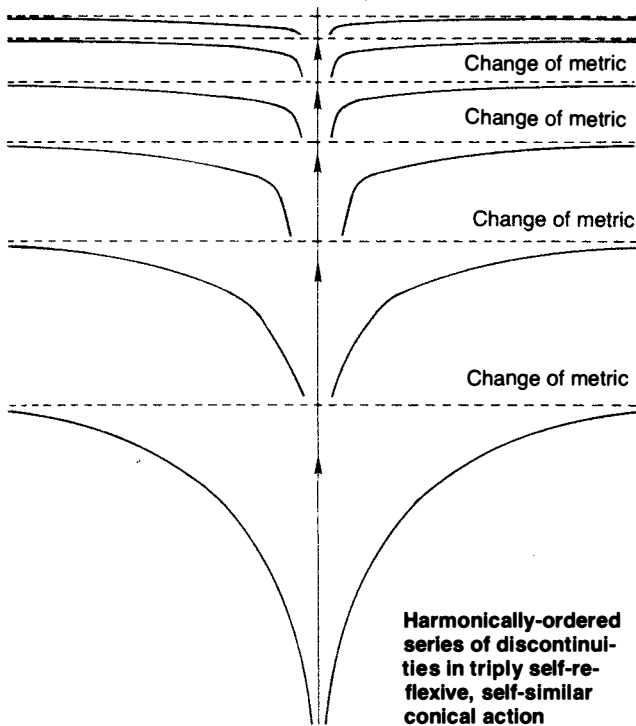
Riemann's contributions to fundamental advances in physics, center upon his appreciation of the treatment of this problem, of dense discontinuities generated within an efficiently continuous function, by, chiefly, Dirichlet and Weierstrass. (The question of the determination, "enumerability," of such discontinuities within an arbitrarily small interval of a function, including seemingly "arbitrary" functions, is a central topic of the 1871-1883 contributions of Cantor.) As early as his 1854 habilitation dissertation, "On The Hypotheses Which Underlie Geometry," Riemann indicates the general nature of the solution to the problem we have described for economic processes. In a famous later paper, his 1859 "On The Propagation of Plane Air Waves of Finite Magnitude," predicting supersonic shock-waves and isentropic compression of plasmas, Riemann defines an exemplary case for the application of the relevant principle earlier tentatively supplied in his 1854 dissertation. When a true singularity, such as the indicated sort of discontinuity, is generated within an efficiently continuous process, that determines an alteration of the metrical characteristics of the local (or larger) physical space-time of the process affected. The characteristic action of the continuous function continues to operate, but the action occurs in a physical space-time whose metrical characteristics have been altered, as the instance of supersonic flight illustrates most simply.

In the sort of idealized economic process, which we have portrayed, at the flaring mouth of the hyperbola, a new hyperbolic curving, in an altered "economic physical space-time," begins. The second curve flares into a discontinuity, as did the first, with an analogous continuation of the function. And, so forth and so on. Relative to the time-axis, the interval between these discontinuities becomes shorter. This shortening of the interval defines an harmonic series.

The degree of higher organization of the economy, has therefore the following gross characteristics. First, the effect of technological progress (under stipulated, ideal conditions), is to generate a series of ever-more-frequent "Riemannian shock-wave-like" discontinuities. Second, the increasing density of such discontinuities, so generated, is harmonically determined. Finally, the increasing density of such harmonically ordered discontinuities of the function, is the measure of increasingly higher organization of the process.

The relationships are made more sensible, by removing the implicit assumptions of a Cartesian schema, by projecting the function onto a Riemannian sphere, so that the lines of discontinuity obviously do not shoot off into a Cartesian sort of "infinity." The proper design of the function, and of the significance of a Riemann-Weierstrass Surface for plotting the function, is more or less obvious at that point.

The economy which corresponds to this function, will describe, in projection, an idealized harmonic growth consistent with the Golden Section. The economy thus appears



to be a single living organism, to the effect that sick and dying economies correspond, in these terms of reference, to sick and dying forms of living organisms. The U.S. economy, under the influence of the now-accelerating "post-industrial" trend of the recent 20 years, is such a sick and dying organism.

Leibniz already showed that "technology" was a matter of the form of internal organization of productive processes. His version of the Principle of Least Action, employed this feature of empirically demonstrable technological progress, to assist in proving that Cusa's isoperimetric principle was also the elementary form of physical cause-and-effect action in the universe.

The advances in efficiently employed technology, which are the sole ultimate source of economic growth, represent the imposition of forms created in the individual human mind, upon the productive process. Hence, rigorous analysis of the function of technological progress is an implicit reflection of the forms of creative mental activity deserving of the title, "human intelligence."

These Gaussian forms of action, which we have outlined for economic processes, and, implicitly, for human intelligence, are the same forms of action necessarily characteristic of living processes generally. However, in man, the principle, characteristic of biological activity defined as distinct from mental activity, the same "negentropic" principle which Kepler implicitly proved to underlie the ordering of the universe, occurs as an efficient activity of thought itself. It is

this efficient form of thought, on which the continued existence of society depends. This form of thought, constitutes the essence of what is properly defined as "human intelligence."

Ludwig Boltzmann's error

Now, we turn our attention to the roots of those popular delusions, which have aided in the perpetuation of the multibillion-dollar AI boondoggle. We begin with a few more or less indispensable references to the historical roots of the problem.

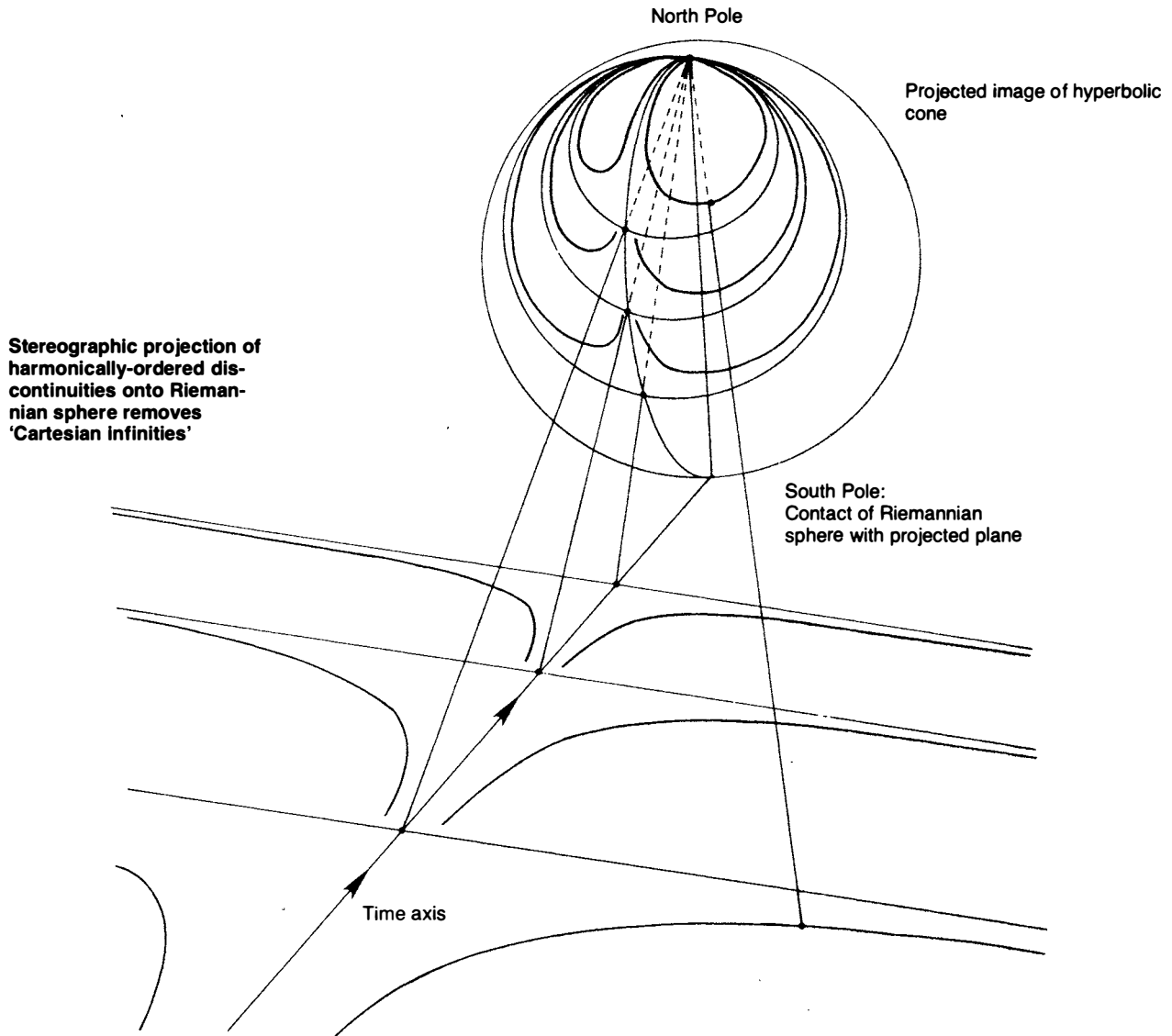
Today, it is a popular form of ignorance, to trace the emergence of modern science from Francis Bacon's founding of British empiricism. In fact, the utter fraud and triviality of Bacon's writings, is efficiently symptomized by the fact, that the fruitless Bacon adopted as the target of his attacks the most profoundly fruitful scientist in all English history to date, William Gilbert. Galileo's fraudulent experimental concoctions, the beginning of the effort to overturn the work of Kepler, and the Gnostic cultist Fludd's attacks on Kepler, are the beginnings of modern empiricism. The comprehensive attack upon science begins with René Descartes, of which the work of Newton is merely a parody on this account.

The key to this emergence of empiricism and positivism, is that it was begun over a century after the foundations of modern science were established, and that each of the principal figures involved in this countercultural attack on science, Descartes included, were agents of the Venice-directed forces behind the disastrous 1516-1653 Counter-Reformation. During the sixteenth century, the forces of the Counter-Reformation merely attempted to stamp out science, by aid of the Inquisition. At the beginning of the seventeenth century, the emphasis on inquisitional methods was replaced by methods of attempted corruption through cooptation.

In this respect, the Leibniz-Newton controversy is of relatively trivial significance, essentially a by-product of efforts by the Duke of Marlborough's faction, to prevent Leibniz's appointment as the prime minister of England. It is the fierce fight against Descartes' evil, first by the circles of Desargues, Fermat, and Pascal, followed by a full-fledged attack by Leibniz, which is the key to the internal history of science since the beginning of the eighteenth century. The case of Newton's follies, is merely adjunct and essentially peripheral to the issue of Descartes.

By the beginning of the nineteenth century, Newton was broadly and rightly discredited outside Britain, and Descartes was almost in total disrepute even in France itself. Yet, Cartesian principles dominate scientific teaching and opinion today. How this rather abrupt, nineteenth-century change occurred, involves two distinct, but closely correlated phases of action against the tradition of Leibniz.

Descartes' reputation was reestablished in 1815, by decree of the pro-feudalist forces behind the 1815 Treaty of



Vienna. Carnot and Monge were expelled from France's leading scientific institution, the Ecole Polytechnique, and the institution placed under the supervision of the neo-Cartesian LaPlace. LaPlace uprooted entirely the educational program of the Ecole, and handed leading political authority over French scientific opinion, to his protégé, the nasty plagiarist, Augustin Cauchy, whose absurd concoctions are ritually taught to nearly all victims of elementary differential-calculus courses today. Except for the current of the Carnot-Monge tradition typified by the persecuted Louis Pasteur, science died rapidly in France after 1815, to be replaced by the ideologically fascist (Synarchist) positivism emerging from the corrupted Ecole Polytechnique.

After 1815, the main currents of French science, like Carnot himself, fled to Alexander von Humboldt's patronage, in Germany. By 1827, the transfer of world-leadership

in science, from France to Germany, was more or less completed. From the 1815-1827 interval, into somewhat later than 1857, leadership in world-science was dominated by the circles of Humboldt and Gauss.

Beginning 1850, an escalating effort was launched, to attempt to destroy science in Germany, too. There were four points from which coordinated attacks upon science were launched: Metternich's Vienna, Cauchy's France, Britain, and within Germany itself. The principal figures of this anti-science effort, included Clausius, Kelvin, Helmholtz, Maxwell, Mach, Rayleigh, and Boltzmann; the principal targets, from then deep into the twentieth century, have been Gauss, Riemann, Weierstrass, Cantor, and, to a lesser degree, Felix Klein. By the 1880s, the anti-science, or "statistical" faction, of neo-Cartesianism, had won the fight politically. The crushing of Germany, in the wake of World War I, nearly eradicated

even the much-diluted German remains of the Leibniz-Gauss tradition.

The key point, which must be stressed, if the nature and outcome of these factional struggles within science are to be understood, is that, throughout, the anti-science faction prevailed not through scientific methods of disputation, but because the anti-science faction was deployed with backing from the most powerful assortment of pro-feudalistic wealthy families of Europe. The families either controlled the government, and also the dominant institutions of banking and insurance, or they controlled the universities directly. The outcome of the fight within science was arranged, thus, politically, by the simple expedient of determining which faction's representatives were appointed to key university and related positions.

James Maxwell, who was perhaps, in some ways, the best of a very bad lot, frankly admitted the nature of his own largely plagiaristic work in electrodynamics. He frankly justified what might otherwise be deemed his large plagiarism from the extant work of Gauss, Weber, and Riemann on electrodynamics, by announcing that his purpose was to recapitulate electro-dynamics, to free it from the methods and geometrical conceptions of Gauss, Weber, and Riemann. Hence, the absurdities irreparably embedded in the axiomatic features of Maxwell's work. Hence, Maxwell's invention of an "ether-fluid," to avoid the principle of Gaussian physics, that only a geometrically ordered physical space-time exists, rather than Cartesian particles roaming in empty space and time. In an effort to save Cartesian geometry, Maxwell filled Descartes' empty space-time with an ether-fluid.

The discrediting of Maxwell's hopes for an efficient sort of ether-fluid, so discredited the idea of locating a dynamics in anything but a Gaussian manifold, that rather than accepting Gauss, his factional opponents retreated increasingly from classical dynamics, into substituting statistics for causality.

Among the most significant of the exotic concoctions produced by the anti-science faction, was the work of Ludwig Boltzmann. The most significant feature of Boltzmann's work, is his effort to explain away the occurrence of phenomena which are not statistically entropic, such as living organisms, by means of a curious application of LaPlace's arguments, "a calculus of statistical fluctuations." If Boltzmann's arguments are applied with consistency, mankind's existence is based on calendars and clocks which run backwards, while the rest of the universe is based on calendars and clocks which run forward. (Boltzmann set his own clock straight, in 1901, by committing suicide at the Thurn und Taxis castle of Duino, in Trieste.)

Norbert Wiener explicitly based his definitions of "neg-entropy" and "information theory" upon Boltzmann's doctrine of statistical fluctuations. The axiomatic premises adopted by von Neumann are, variously, explicitly or implicitly identical to those cited by Wiener. Hence, we have a

modern doctrine of political-economy, "econometrics," whose only benefit is to guide nations to economic self-destruction. Hence, we have the costly AI boondoggle.

As we have summarized the case, an effective approach to discovering the commensurability of living processes and human intelligence is embedded in the internal history of the development of modern science. However, since the empiricist and neo-positivist factions of academic life, have been embedded in the science profession, politically, increasingly, over the recent hundred years, any effort to resume the line of development of scientific method typified by Leibniz and Gauss, challenges the politically motivated misassumptions imposed upon the teaching of science over many decades.

Science's revenge on Bertrand Russell

Bertrand Russell, a key figure in the thuggery against Riemann, Cantor, and Felix Klein, from as early as the 1890s, was the grandson and true political heir of the Lord Russell who dedicated his career to attempting to destroy the United States and everything for which that republic stands. It is the vile stream of radical positivism, which Russell represented to the end of his long-overdue demise, which has produced for us today, amid other afflictions, this AI boondoggle.

Russell was a particularly virulent representative of the pro-feudalistic aristocratic families of Europe, a stratum of powerful families, whose success in imposing their capricious wills upon ordinary people and governments, encourages them to act as if they viewed themselves as reincarnations of the fabled Gods of Olympus. In this state of arrogance, they act as if they imagined themselves not only gods, but so powerful that they might pit their wills against the Creator Himself. Their ultimate fate, as the great Aeschylus warned them, is to bring the wrath of the laws of the universe upon not only themselves, but those cowardly or greedy enough to tolerate Olympian insolence against the laws of the Creator.

So, today, as we have compromised the vital interests of the nation and people of the United States, for sake of peaceful accommodation with such "families," we have imposed upon ourselves those monetary and economic policies of practice which are not only destroying the U.S. economy, but weakening our nation to the degree that we become the easy prey of growing Soviet imperial power. Similarly, in abandoning the principles of science's search for truth, whomever that truth may or may not please, we make ourselves not only prey to the waste of billions on such boondoggles as AI, but cripple that science upon which we must largely depend, to continue to be able to feed and defend our own population.

AI may reflect the prevailing prejudices of an extant scientific community, but if that is unchangeable, then AI typifies a society which, according to Aeschylus' principle, has lost the moral fitness to survive.

Bitburg trip strengthens ties despite anti-German uproar

by Vin Berg

Despite the most massive black-propaganda/psychological-warfare campaign to date in the Soviet Union's drive to split West Germany from the United States and topple the Bonn government of Helmut Kohl, the outcome of President Reagan's current trip to Germany to commemorate the defeat of Nazism, as of this writing, is a strengthening of German-American relations and of the Western alliance.

To this degree, President Reagan's show of stubborn determination in going ahead with his visit to the Bitburg Cemetery, where several dozen German war-dead are buried; his defiance of Soviet charges that this represented "softness on Nazism," an insult to Jewish survivors of the Holocaust, ad nauseum; his description of the Kremlin's ventriloquist dummies at the New York Times, Washington Post, Newsweek, and in the U.S. Congress, as exhibiting the moral quality of "dogs" in their shrill repetition of the Soviet propaganda, has caused the entire Bitburg "scandal" to backfire.

West Germany is the key to the alliance, the President told Chancellor Kohl upon arrival in Bonn the morning of May 2, and the concrete substance of alliance relations now is cooperation around America's beam-weapon development program, the Strategic Defense Initiative. The Bitburg visit, far from honoring Nazis, is symbolic of a reconciliation between sovereign nations, to both of whom Nazism was a deadly threat.

Reagan was explicit in his rejection of the British and Soviet-sponsored distortion of history that pins "collective guilt" on the German people. May 1945 was a new beginning for German democracy, Reagan told Kohl. As the Chancellor's spokesman, Peter Böhnisch, informed the press, Reagan expressed his anger at the current controversy over Bitburg and May 8's VE-Day celebrations. Already, at the Nuremberg Tribunal of 1946-47, Americans had turned away

from the thesis that Germans were to be treated as "collectively guilty" for the crimes of Hitler, said the President, assuring the German people that the American people consider today's Germany a reliable and democratic ally.

Kohl, for his part, had informed a *Time* magazine interviewer a few days earlier, "I consider the most important task I have is to contribute toward making the ties between the Federal Republic and the Western community irreversible, and part of our basic political philosophy. . . . When the President is in Bitburg, he will encounter a wave of sympathy such as he has rarely experienced in his life. . . . My objective was reconciliation over the graves of the past. . . . I said we wanted to commemorate the days as one of remembrance, and far from denying the horrible acts of Nazism, to do everything to see that they may never occur again. . . . American freedom, not just German freedom, is now being defended in this country. . . ."

"With reference to the SDI, I strongly support the idea," Kohl continued. "In this, I would like to insist on two basic conditions: that it should not be a one-way street, and that what we do together should be for our common benefit. The research carried out will not only be of military value; three-fourths of the research will have civilian applications. We [Germany] can add a lot to this effort, in sophisticated optics, for example. I would like other Europeans to cooperate with us in this effort, like the French, British, and Italians."

Thus, rather than shake the determination of the heads-of-state to maintain the alliance of their nations, and to base that alliance on the military and economic promise of SDI technology, the best efforts of the Kremlin, the U.S. Congress, and the Western news media to use Bitburg to "decouple" Germany from America has had the opposite effect, at least temporarily.

A Soviet operation

The Soviets are rejoicing at the struggle between Germans and Americans over Bitburg, wrote editor Fritz Ulrich Fack in his April 29 lead editorial for the *Frankfurter Allgemeine Zeitung*. He warned Americans taking part in the campaign that they are contributing to an anti-Americanism which may turn into “hateful aversion [to Americans] tomorrow.” The beneficiaries “would be the Soviets, who can already congratulate themselves today for having propagated with force the otherwise unusual idea of a 40th anniversary of a victory. Maybe not even in their boldest dreams had the Soviets imagined themselves succeeding in driving such a massive psychological wedge between two of the main allies on the Western side.”

Alois Mertes, a prominent parliamentarian and foreign-policy spokesman for Kohl’s Christian Democratic party, went a step farther, charging that the Kremlin was directly behind the orchestration of the scandal-mongering over the Bitburg visit. In an interview carried on a national Deutschlandfunk wire April 29, Mertes called the American side of the Bitburg controversy “an aberration of the human mind.” Both houses of the U.S. Congress passed resolutions opposing the Reagan visit, on grounds that it somehow insulted Jewish victims of the SS. This, said Mertes, “has nothing to do with the Jewish or Christian creed. It is, as I believe, rather an evil assault on the very basis of our civilization. We are an ally of the United States. In some of its formulations, the U.S. Congress treats us in a way which we have to firmly reject.”

In fact, the Soviet Union had long-since made clear that it would stop at nothing to halt work on the Strategic Defense Initiative, and in this connection, Chancellor Kohl had established himself as the leading supporter of the President’s program in Europe. Kohl’s strong endorsement of the SDI, in the presence of high-level Soviet guests, in an end-of-April address at the Budestag, added urgency to the Kremlin’s strategic objective of bringing West Germany into the Soviet sphere-of-influence. Kohl was to be toppled—and had Reagan canceled his Bitburg visit or otherwise retreated in the face of the pressure, he would have been. The scandal-mongering around Bitburg began almost as soon as Kohl had exited the podium in the Budestag.

The Kremlin’s ‘dogs’ in the West

The April 29 edition of *Newsweek* magazine published an admittedly fabricated picture of freshly planted German flags at an SS soldier’s Bitburg grave—on the cover of its American edition. (It did not dare publish the same picture—the photographer had planted the flags himself—in its edition for European readers, who wouldn’t have swallowed it.) The incident is typical of the Western news-media’s black propaganda on behalf of Soviet objectives in the Bitburg affair: portraying Germans as unregenerate Nazis to Americans, and therefore, Americans as lying accusers and unreliable allies to Germans.

And, as in the case of the press, wherever one found an American opponent of the Strategic Defense Initiative, one also heard shrill shouts against the President’s German visit. That means, above all, in the U.S. Congress, where the most effective lobbyists—not to say, legislative whips—are Anatolii Dobrynin’s Soviet embassy staff.

As Mertes put it in understatement, the halls of Congress were filled by a chorus of treason. Arlen Specter, Republican of Pennsylvania, was exemplary on the Senate side. Specter did not hesitate to indicate in his remarks on CBS-TV’s “Face the Nation” program April 28 that the Bitburg issue was to be used to downgrade U.S.-German relations. Specter, co-sponsor of a Senate resolution calling on Reagan to cancel his visit to Bitburg, said, “There’s a growing feeling we are spending too much money on NATO already.” Reagan “doesn’t understand how [politically] serious” the Bitburg affair has become, and could get out of the visit if “Kohl let him off the hook.” Top White House officials claim, said Specter, that the West German government had told the administration that no Waffen SS were buried at Bitburg. Reagan could withdraw on the grounds that he had been misinformed by the Kohl government.

Senator Alan Cranston of California, one of the 80 Senators who voted for the voice-resolution demanding Reagan cancel the visit, declared: “The message is to the head of West Germany, Chancellor Kohl. The message should be very, very clear now, that if we do not get that cooperation, unfortunate damage will be done to the relations of our two countries. . . . Are Germany’s ties to the U.S. and the West so weak, so tenuous, so insecure and uncertain that Germany’s price for reassurance is the humiliation of our President. Chancellor Kohl! Free President Reagan! Let our President go!”

Cranston, it should be noted, earlier in his career, translated Hitler’s *Mein Kampf* into English. That this was no academic exercise, but an expression of his political sympathies, is evident in that, during the same 1930s period, he was a firm supporter of Mussolini. His frequently expressed support for the racist Global 2000 depopulation doctrine of the Carter administration, is indication that little has changed.

Following Cranston, the Senator from Chappaquiddick, Ted Kennedy, another backer of Global 2000, solemnly intoned the names of all the Nazi-era concentration camps, one by one.

Appropriate reflection on the lies underlying the whole anti-Alliance campaign was provided to *EIR* by a World War II veteran of General George Patton’s Third Army, 4th Armored Division, which crushed the SS Panzer division at Bitburg. He was in complete support of the President’s trip, reporting that many of the SS soldiers whom he fought were as young as 14-years-old, and wanted to surrender immediately. He and his buddies simply sent these kids back to their families upon capture.

Such are the “Nazis” buried at Bitburg.

Bitburg campaign only benefits Moscow

Dr. Alois Mertes is Minister of State in the Foreign Office of the Federal Republic of Germany. These are excerpts from his speech before the 79th annual meeting of the American Jewish Committee in New York City on May 2. Text abridged.

When you invited me, neither you nor I ever dreamt that a cemetery near the center of my electoral district would become the subject of strong emotions and intense discussion in the United States and in Europe. I cannot and will not remain silent on the historical and moral background of these emotions, discussions, and misunderstandings.

We Germans will never forget the most infamous moment of German history. Hitler misused our own people, in particular the loyalty of German soldiers towards their country. Life in a totalitarian dictatorship which my generation experienced caused us in 1945 to swear: Never again dictatorship on German soil and never again war from German soil!

We do not want to forget the villainy of the National-Socialist dictatorship. This is especially true of the genocide of the Jews, which was obviously beyond the rationale of war, victory or defeat. It constituted in itself an exclusively criminal proclivity for annihilation. This genocide cannot be compared with any other event between 1942 and 1945. This I state as someone who served his country in good faith at the time, and who rejects any collective accusations against Germany, since they would correspond neither to historical reality nor to Biblical ethics. But we Germans must also recall all the great things our people have given humanity.

Now let me turn to the situation of Europe 40 years after the war. The Soviet Union exploited its military victory over Germany in order to create by force a buffer zone in Eastern Europe and its occupation zone in Germany, from 1945 to 1948, which led to the division of Europe.

Trying to drive a wedge between Germans and Americans is the logical consequence of Soviet foreign policy. Any division between the American people and Germany or between the German people and America serves, as a result, only Moscow's interests. I cannot conceive of how such a division could possibly benefit the United States or Europe. On the contrary, such a division places us all in danger. I am afraid that the Bitburg controversy has *ipso facto* only raised

Moscow's chances of influencing young people psychologically. I regard it as our duty, in public discussion on the past, not to forget the needs of the present and the future vital interests of Europe and America.

We have noticed too that the Soviets have adopted a varied feature of the Soviet Union's policy towards the Western Alliance. Even now Moscow is trying to exert political pressure on European countries whom it accuses today of giving unqualified support to the American Strategic Defense Initiative.

Leaders of the German wartime Resistance group Reichsbanner Schwarz-Rot-Gold sent the letter excerpted here to President Reagan on April 28.

Dear Mr. President:

We, the undersigned, since the beginning of the 1930s, have been members of the democratic militant organization *Reichsbanner*, which defended the young Weimar Republic against its enemies—fascist and communist alike. Many members of *Reichsbanner* were leading figures in the German resistance and died at the hands of the Nazi regime.

We feel that the hysteria, that has been whipped up over your planned visit to the military cemetery at Bitburg, is intolerable. The quality of historical "fact-finding" being conducted here is only equaled by the Soviet version which blames the Germans for the mass murder at Katyn. The hypocritical campaign over the graves of a few soldiers of the Waffen-SS in the Bitburg Cemetery only serves the interests of those who want to seriously injure German-American friendship, and the Western Alliance in general.

The former chairman of the postwar Social Democratic Party and *Reichsbanner*-leader, Kurt Schumacher, himself for nearly 12 years a concentration camp prisoner under the Nazis, and one who tirelessly warned against totalitarian regimes of both fascist and communist coloration, had already pointed out in 1951, that hundreds of thousands of soldiers of the Waffen-SS had been drafted or ordered off to deployment at the front. It was therefore in many cases not a question of volunteers.

The present propaganda campaign has nothing to do with historical reality—these distortions are as thoroughly reprehensible, as the insolence of the Communists, Greens, and terrorist-sympathizers, who dare to slander the American President as a "new Hitler" and arrogate to themselves the "right to resistance" against our Federal Republic.

We, as members of the organization of the German Resistance, welcome your visit most cordially. We are ready, at any time, to accompany you on your visit to the Bitburg Cemetery. A cancellation of this visit would be a triumph for the opponents of the Western Alliance.

Signed—Robert Becker, Helmut Esser, Franz Hron, also in the name of many comrades.

Ask European space defense initiative

by Dean Andromidas

Speaking before a select group of security experts in the Dutch capital of The Hague on April 26, Brigadier-General G. Berkhof, of the Royal Netherlands Army, called for the formation of a European Aerospace Defense Initiative (EADI) which would serve as a European counterpart to the Strategic Defense Initiative. The general also called for the formation of a NATO Aerospace Command to be under the command of a West German officer.

The general's proposals came amid heated debate throughout NATO on not just "if" Europe should participate in the Strategic Defense Initiative, but "how." Though representing his own personal view and not that of the Royal Netherlands Army—or the Netherlands Institute for International Affairs, for which the general is a research fellow—the proposals represent a viable option to be taken up by political and military circles throughout the NATO alliance on both sides of the Atlantic.

Writing in a policy paper entitled, "The American Strategic Defense Initiative and West European Security: a Dutch view," presented before a Symposium at the Clingendael Institute, the general motivates the need for such options, by detailing the erosion of the United States strategic deterrent and the Soviets' own advances in anti-ballistic missile defense. He goes on to say that while a successful SDI would redress this imbalance, it would not redress the current erosion of NATO's theater nuclear and conventional forces or the "balance of imbalances between NATO's former technological superiority and Soviet superiority in 'classical' weapon systems such as tanks and artillery." Furthermore, the general points to the alarming threat posed by Soviet short-range SS-21, SS-22, and SS-23 missiles which have both a nuclear and non-nuclear capability.

The document points out that an EADI, in that it addresses this problem of the European theater, poses an attractive option since increasing theater nuclear forces or attempting to achieve "total" conventional defense would entail obvious political and economic problems. "An added advantage could be this: If a multilateral West European study group were set up to work out a conceptual framework for a ballistic missile defense against shorter-range ballistic missiles in Western Europe, it could form the basis for a joint coordinated U.S./

West European concept. West European security aspects could then be fully incorporated in the overall SDI project. Coordination with other NATO plans would of course be essential. But it would be important that the study was first conducted by West Europeans as this would give it a West European identity that NATO plans sometimes lack. . . ."

In answer to the fear among Europeans that cooperation on SDI would be a "one-way street" in favor of the U.S., the document declares: "The opportunities for West European firms would be more promising if West European governments were to decide not only to cooperate with the Americans but to set up a special research program of their own. This could be directly tailored to specific West European security needs. Its aim would not be to duplicate American efforts but to arrive at a division of labor with mutually supportive programs." Pointing to the tremendous implications of SDI research for industrial applications as well as contributing to basic science, the general writes: "A European Aerospace Defense Initiative in close cooperation with the American SDI would be a form of insurance against Western Europe lagging behind in modern technology."

Addressing current fears of "decoupling," the paper says, "Weighing the pros and cons, a parallel European Aerospace Defense Initiative as referred to above would appear to be the best means of preventing a 'decoupling' of the United States and Western Europe; a decoupling extending beyond the security level to the technological and economical levels as well. Obviously funds will have to be made available and a joint organization set up, but the rewards will be far greater than by adopting a 'wait and see' attitude. While retaining strong ties with the United States Western Europe would invest in its own future. . . ."

Concomitant with an EADI would be an operational NATO Aerospace Defense Command (NADC) which could immediately serve as the operational organization required to deal with the Soviet aerospace threat posed by their shorter-range ballistic missiles and aircraft. While noting that such a program would conform with the limitations imposed by the Anti-Ballistic Missile Treaty, the general suggests: "In view of the role the Federal Republic of Germany would have to play in a West European aerospace defense, NADC should preferably be headed by a West German officer. This would probably facilitate allied cooperation. Another measure to ensure cooperation would be a division of labor in which a multi-layered space-based defense system would be focused not only on intercontinental ballistic missiles but on intermediate-range weapons such as the MIRVed SS-20s, older Sea-Launched Ballistic Missiles and variable-range ICBMs."

In conclusion, General Berkhof points out the challenge to Europe posed by the SDI. "For the industrialized West European nations, a project such as the EADI could be the answer to another challenge, that of getting Western Europe back on its feet!"

Is the State Department in collusion with the Soviet Union over Greece?

by Phocion

One week after Greek Prime Minister Andreas Papandreu carried out a cold coup d'état against his nation's constitution, deposed the conservative, pro-Western President Karamanlis and replaced him with a pathetic non-entity, one Christos Sartzetakis, over two millions of Greek voters poured into the streets and squares of downtown Athens expressing their outrage against the socialist prime minister and their opposition to their country's steady drift into Moscow's embrace. In the days following that massive two-million-plus demonstration, many political observers were expressing the hope that a nationalist backlash would soon emerge to remove Papandreu from power. *EIR* maintained a more cautious attitude, waiting to see whether the deposed President, Constantine Karamanlis, would decide to assume leadership of such national effort.

Karamanlis, to this day, has remained silent, leading a sheltered private life and, in his 76th year, hoping that his extraordinarily fruitful past public record of 50-odd years of political contributions will, somehow, cheat history's final verdict on his person.

Constantine Karamanlis could have led a successful political campaign to drive the Soviet-oriented Andreas Papandreu from power. More than any other living Greek political figure, Karamanlis merits the accolade of Pater Patriae: From his first election as parliamentary deputy in the 1930s, he was marked by lofty republican principles which earned him the enmity of many early in his life. At the end of the civil war in 1950, he led the Ministry of Reconstruction in an epic era of nation-building which in the short span of a decade brought Greece out of the Ottoman misery of the 18th century and into the ranks of modern nations. As prime minister until 1963, he led Greece, by means of a far-reaching infrastructure program, into the ranks of nations with the fastest growth rates, never falling below 12-15% per year. With a sound educational program based on revival of classical studies for mass education, he was about to guide his nation on the path of worthy contributions to the world community when the Greek royal family, in a sinister deal with the Communist left, succeeded in toppling him, through the notorious "Z" affair, and forcing him into exile in Charles de Gaulle's

France. Twelve years later, Karamanlis returned from exile to form a civilian democratic government which replaced the 1967-74 military government of "the Greek Colonels." He wrote the present Constitution of the Greek Republic and governed the country as prime minister and then as President until March 10, 1985, when Papandreu toppled him.

Beloved of both the nationalist "right wing," the "center" and many of the moderate "left," Karamanlis, at the venerable age of 76, still of excellent health and athletic bearing, with no further personal ambitions ahead of him, could have easily led a successful national movement in defense of the Constitution against Papandreu's and Russian Ambassador Igor Andropov's violations.

But Karamanlis has remained silent and inactive.

Millions, in agony over the imminent Russian takeover, pleaded with him to once again take up the mantle.

But Karamanlis has remained silent and inactive.

So, the biggest news coming out of Athens during this past month is not what is happening but what is not happening: The man whom personal destiny and national circumstances forced into the responsibility of national leadership has abdicated his responsibility.

The secret that broke Karamanlis

What did "break" Constantine Karamanlis' soul?

The State Department is in possession of his secret, as it has been since 1974. The State Department has shared this secret with Andreas Papandreu, and with that extraordinary Levantine meddler, the Trotskyist Fourth International's "General Secretary" Michel Pablo, a.k.a. Michael Raptis, Andreas Papandreu's mentor since the 1930s.

The secret which broke Karamanlis goes by the generic name, "The Cyprus Dossier," a much discussed subject in Greek politics, whose contents are known only to Papandreu, Karamanlis, former Turkish Prime Minister Bulent Ecevit, the Cypriot Attorney General Criton Tornarites, Henry Kissinger, Michel Pablo, the Turkish General Staff, and a small cabal in the State Department.

Aspects of this little "arcanum imperii" are seeing the light of day for the first time in the *Executive Intelligence*

Review, thanks to our tracking of Henry Kissinger's career, Michel Pablo's career, and the corroborative evidence graciously supplied by certain honorable circles in Greece's Foreign Service:

"Michel Pablo," an Alexandrian Greek now of the same advanced age as Karamanlis, has, for many years, acted as Papandreou's discreet "éminence grise." During Papandreou's exile in the 1960s, Pablo was the man who provided physical security for Papandreou, as well as introductions and "connections" with Qaddafi's Libya, Assad's Syria and the Michel Aflaq wing of Iraqi Baathists. In fact, Pablo enlisted Papandreou into the ranks of the François Genoud neo-Nazi International in the Levant and North Africa. Michel Pablo, it turns out, was also an intimate of the Cypriot Archbishop Makarios from 1960 onward. When Pablo went to Algeria after the Ben Bella revolution to become that nation's first government's "Kitchen Minister," his official capacity was "Consul General of the Republic of Cyprus," a post to which he was appointed by Archbishop Makarios personally.

This newly discovered piece of information, which links the extraordinary characters of Michel Pablo and Archbishop Makarios in this way, adds a new dimension to the way politics is conducted in the Mediterranean, and adds fresh understanding of what our Kissingerian State Department is up to:

In 1974, when Kissinger was Secretary of State, Archbishop Makarios, then President of the Republic of Cyprus, went to London with a proposal requesting a "limited" Turkish military invasion of his own state, Cyprus, as a means of toppling the Greek military government in Athens! As the story goes, the Foreign Office from London communicated the matter to Henry Kissinger in Washington. Kissinger subsequently held meetings in Paris with Makarios, the Turkish Prime Minister Bulent Ecevit, two mysterious, wealthy Greek international businessmen, and the exiled Constantine Karamanlis, in which the Makarios proposal for a Turkish invasion of Cyprus was agreed.

That invasion took place. The Turkish Army went a bit further than initially agreed but, with Athens gripped by a breakdown political crisis, there was nobody to enforce the original terms of agreement. One of the intended effects of the operation, the collapse of the Greek military regime, was achieved. The military chiefs, faced with national disaster, invited the old national political leadership for advice. One among them, the now ailing Evangelos Averoff-Tossitza, told the military chiefs that they had no choice but to invite Karamanlis from his Parisian exile to assume the reins of power. They complied.

Karamanlis arrived in Athens and assumed government. His dark secret was that he owed his return to power to the bayonets of the Turkish Army, as had been suggested by the friend and protector of Michel Pablo, Archbishop Makarios of Cyprus!

To this day, this sordid secret holds Karamanlis paralyzed. He sold his soul to the devil back in 1974 in Paris, to the devil in the form of the enigmatic Archbishop Makarios.

Finally, Makarios: a figure which dominated international headlines in the 1950s and 1960s, is not as enigmatic as the political observers of those years imagined. Makarios, one of Michel Pablo's patrons, was in fact a thoroughly controlled asset of British intelligence from his exile in 1956 in the Seychelles Islands, until his death. The impressive clergyman who was believed to have led Cyprus's anti-colonial revolution which "successfully" overthrew its status as a British Crown Colony to become a sovereign republic, was controlled, by means of blackmail, by Britain's secret services. His controller was a man who to this day remains Cyprus' Attorney General, Criton Tornarites, who was originally appointed to that post in the early 1950s when Cyprus was still a British Crown Colony. After Cyprus's attainment of independence in 1960, when Makarios became its first President, Tornarites retained his position as the chief law-enforcement officer, at the suggestion of Britain as "guarantor power."

The State Department knows well all these players, their histories, foibles, vices—it "has their number." Back in 1974, the inauguration of the Lebanese civil war and the Turkish invasion of Cyprus were employed by Henry Kissinger as the levers for opening up a protracted strategy whose objective was to eliminate U.S. influence throughout the Eastern Mediterranean region, including the Balkan and Near East nations. Adventurists and seasoned political whores, such as Papandreou and many others, were deliberately promoted to power by the State Department. We have speculated in the past about Andreas Papandreou's Soviet KGB connections.

With Igor Andropov serving as Soviet Ambassador in Athens these days, these connections of Papandreou's are no doubt his strongest immediate motivations for what he is doing. However, there is no escaping the fact that Papandreou was raised in the United States, he had been recruited to the top policy layers of the Democratic Party around Hubert Humphrey, he was enlisted to various CIA programs, married an American wife, raised American children, and built his political career in Greece with heavy coaching from certain powerful U.S. intelligence networks, including those associated with Cyrus Sulzberger of the *New York Times*, Henry Kissinger's friends among American "blue blood families" such as those which have guided the career of the current U.S. Ambassador to Greece, Monteagle Stearns, a long-time friend of Papandreou's from the 1950s.

Papandreou, no doubt, is leading Greece into the Russian orbit. In doing so, he is executing the policy of a certain powerful influence in the United States, associated with Henry Kissinger's legacy in the State Department. That is why it is all the more difficult for persons such as ex-President Karamanlis to rise in opposition to Papandreou.

Storm clouds gather over Reagan visit

by Katherine Kanter

Will President Reagan's May 6-8 visit to Spain firm up that country's membership in the Western Alliance and draw it into cooperation with the U.S. Strategic Defense Initiative, or will Russian agents-of-influence succeed in turning NATO's newest member into a *de facto* member of the Warsaw Pact, like Andreas Papandreou's Greece? That is what friends of the United States in Spain are asking as the President arrives, in the midst of an explosion of Communist-backed anti-Americanism in the country.

On April 17, Socialist Prime Minister Felipe González was forced to announce that a popular referendum would "most likely" be held in March 1986, on whether or not Spain should remain in NATO. His Socialist Party (PSOE) had promised to hold such a referendum after it came to power in October 1982. But since the election of the Socialists was contingent upon certain arrangements with the United States and with the Spanish military establishment, the referendum never took place. Should it be held now, the Spanish population, inundated with propaganda from the Communist Party, the extraparliamentary Left, and the German Greens, would beyond any doubt vote to withdraw from the Alliance.

In December 1984, the PSOE voted in favor of remaining in NATO. But Soviet blackmail is intensifying, and González's announcement shows what pressure he is now under from the Communists and Left Socialists.

González has staked his political fate on keeping Spain with the West, and will campaign hard for this in the coming months. In an interview with U.S. journalists at the end of April, he said that he hoped that President Reagan's visit would help him to accomplish this task. The timing of Reagan's visit is "very delicate," he said. It could "be interpreted by some as an element of pressure on the outcome of the referendum. But it could also have a backfire effect," meaning that an unsuccessful visit could reinforce anti-NATO feeling.

An anti-American rampage

The Communist mobilization underway in Spain has no precedent since the immediate pre-Civil War period. The cities of Granada and Santander declared Reagan *persona non grata*; 300 public figures took out full-page ads against Reagan. Posters have appeared in all the major Spanish cities

signed by the above agencies, by the Communist Party split-off Movimiento Comunista, a front for the ETA Basque terrorists, and, more telling, by the anarcho-syndicalist Confederacion Nacional del Trabajo, *agents provocateurs* who normally surface only in time of war, far from their habitual Barcelonese haunts.

These posters portray the U.S. President in various monstrous poses, with one eye of a snake, or as a cowboy riding nuclear missiles to the destruction of the world. The captions refer to him as "worse than the Nazis . . . a warmonger," captions which have been amplified in all speeches made by Communist and Left Socialist leaders. In the words of former Communist Party chief Santiago Carrillo, "Reagan is a spotted beast, an undesirable, whose very visit is a provocation." The extra-parliamentary left and the various ecologist and "human rights" groupings are mobilized for "unified action against Reagan's presence."

One might say, "hark, hark, the dogs do bark," and imagine that the Spanish government need pay no need. But every day Russia comes closer to pulling off a cold coup against NATO. Foreign Minister Fernando Moran, offspring of the Libyan-backed Partido Socialista Popular, declared on April 27 that should the United States not desire to negotiate the withdrawal of its 12,000 troops from Spanish soil, "we shall renounce the Hispano-American Friendship and Defense Cooperation Treaty." Moran also stated that the U.S. Strategic Defense Initiative (SDI) is "a mere idea."

Lest anyone mistakenly believe this was just another of that unfortunate minister's notorious sorties, the Spanish President spoke in virtually the same terms on April 29, before the North American press corps. Whereupon *EIR* consulted the official spokesman for the Presidency, and was told that indeed, "Should the North American presence be withdrawn, there would be far less risk of terrorist attacks like that at Torrejón de Ardoz two weeks ago where 18 died."

On April 30, Vice-President Alfonso Guerra suddenly announced that he would be out of the country—in Hungary—during the period of Reagan's visit. "I do not care whether Reagan's trip to Spain is canceled, as I shall be away," he proclaimed. On May 1, the PSOE-controlled Board of the Parliament refused outright to answer a parliamentary question on whether or not the government would participate in the SDI, and whether the government felt bound by the negative attitude of the Union of Socialist Parties of the European Community toward these laser defense systems.

The United States enjoys the use in Spain of the largest airfield in Europe, at Torrejón, and of a submarine base at Rota near Cadiz. Their loss would not be tolerable to the military balance in North Africa and the Atlantic. The U.S.S.R. and Cuba have together something over 60,000 seamen, purportedly aboard merchant vessels in the Canary Islands, who participate regularly in vast naval maneuvers. Unless the United States realizes that this is not a time for "business as usual" in Spain, the NATO alliance is in for a very rough ride.

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How the European Oligarchy Helps Moscow Run Terrorism

Why have Western intelligence services failed to stop the current explosion of international terrorism? *EIR's* new Special Report, "European Terrorism: The Soviets' Pre-War Deployment," unravels the two-fold nature of the terrorist control apparatus. Europe's ancient oligarchical families have formed a covert alliance with their Russian counterparts, to foment chaos and smash the institution of the nation-state. This extraordinary dossier includes a case study—the Green Party in Germany, the evil offspring of the Nazi-Communist alliance—and profiles of the top families of the oligarchy, like Thurn und Taxis of Regensburg and Venice. **\$150**

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From Saigon to Sidon: the death of a nation

by Thierry Lalevée

While the international news media felt it necessary to analyze at length the feelings of Americans and Europeans 10 years after the fall of Saigon, the fall of the Lebanese city of Sidon to Druze and Shi'ite militias fighting under Iranian banners and posters of Ayatollah Khomeini, rated third or fourth-order news items. This was not merely because massacres in Lebanon are not considered newsworthy by the cynics of the press; a coverup is under way of the East-West political deals which are conspiring to kill this 4,000-year-old nation.

There is more than a coincidence of dates between Vietnam and Lebanon. As Saigon fell in April 1975, the first shots of the Lebanese civil war were being fired, on April 13. And just as the United States was suffering a strategic blow in Southeast Asia thanks to the diplomatic initiatives of then Secretary of State Henry Kissinger, so the Lebanese conflict was ignited by Kissinger to rid the Middle East of American and Western influence—a 10-year project which is now coming to fruition.

The conspirators

At the root of the conspiracy against Lebanon was the deal made in late 1970 between Kissinger and Hafez al Assad, then Syria's defense minister. Assad's fake military intervention against Jordan during "Black September" was essential for Kissinger, then National Security Adviser, to discredit the peace plans of Secretary of State William Rogers. Kissinger was appointed Secretary of State, and Assad became President of Syria a few months later.

The Black September crisis, organized from top to bottom by Kissinger, contained within it the seeds of the Lebanese conflict, as hundreds of thousands of Palestinians expelled from Jordan fled to Lebanon. The process was favored by Assad, who allowed few refugees into his own country, knowing that this would bring closer the realization of Kissinger's promise: the creation of a Greater Syria encompassing a large chunk of Lebanon. Syrian policy in Lebanon since its intervention in 1976, shifting from one alliance to the other, has had no other aim than dividing the country and compromising its political leaders, to the point that Lebanese national reconciliation became impossible.

But whatever may be Hafez al Assad's dreams of empire,

this has little to do with his country's ability to swallow up Lebanon. He is being given Lebanon as part of an East-West deal, which includes wiping out what remains of the moderate leadership of the Palestine Liberation Organization, thereby dashing all prospects for a genuine Mideast peace. The deal was begun under Kissinger and ratified more recently during the talks held in the first weeks of February in Vienna, between U.S. Undersecretary of State Richard Murphy and Vladimir Polyakhov, the director of the Middle East department of the Soviet foreign ministry, the former Soviet ambassador to Cairo who set the stage for President Anwar Sadat's assassination in October 1981, just before the Russians were expelled.

While King Fahd of Saudi Arabia was in Washington, D.C. proposing to President Reagan a financial and political package for peace in the Middle East, Murphy and Polyakhov discussed the end of Lebanon, agreeing that neither superpower would directly interfere into the Middle East process. Soon after, amid renewed fighting in Lebanon, Egyptian President Hosni Mubarak was slapped in the face in Washington and his peace proposals rejected. Moscow and Washington had agreed that Greater Syria and Greater Israel would rule the region, a decision confirmed by the growing rumors today that a summit meeting between Presidents Reagan and Assad is in the making. This could be a tragic replay of the 1977 summit between Carter and Assad, which renewed the pledges made earlier by Kissinger.

Israel's position is no less cynical. Assad's dreams could never have been fulfilled, but for his close cooperation with Kissinger's associate Ariel Sharon, who masterminded—in complicity with Syria—the Israeli invasion of Lebanon in June 1982. The Syrian-backed Abu Nidal terrorist organization launched an assassination attempt against Israeli Ambassador to London Shlomo Argov, providing Sharon with the pretext he needed to march into Lebanon.

Such cooperation has been witnessed at each crucial point over the years. Israel's war against the Palestinians reinforced Assad's ability to chip away the power of PLO leader Yasser Arafat. Israel's new Labor Party-led coalition government of Shimon Peres has shown itself either unwilling or unable to renounce such policies, which will give Israel a northern buffer zone of Christian refugees.

Ultimately, it is Ayatollah Khomeini who is emerging as the winner in this deadly game: Southern Lebanon will become, if not an Islamic republic on the Iranian model, at least an Islamic canton, bordered on the north by a Druze entity and on the east by a belt of Syrian troops in the Bekaa valley. Although Iran's revolution was first plotted near Sidon, at the Jebel Amal College of Imam Musa Sadr, the creation of an Islamic republic in southern Lebanon is the first actual expansion of the Iranian mullahs since 1979. It is a development which is good news to no one in the region. The history of the Middle East reminds us that the fall of Sidon and Tyre preceded, by only a few years, the fall of Jerusalem!

Olof Palme and the A-bomb

The pacifist premier, Olof "Nuclear-Free-Zone" Palme, is exposed as a godfather of Sweden's atomic-bomb project.

Our old friend, the pro-Moscow premier of Sweden, Olof Palme, has done it again. He's scored a new record for hypocrisy in this country where phony self-righteousness and double-dealing are so ingrained in government policy they may as well be written in the Constitution (and probably would be, if monarchist Sweden had a constitution). The latest on Palme? It seems that Olof headed a secret project in the 1960s to build an atomic bomb for Sweden. That's right, Olof Palme, who spends half his time today flitting around the world from one disarmament confab to another, "Mr. Nuclear-Free Zone" himself, turns out to be a regular little Dr. Stangelove.

This fascinating story of the Swedish A-bomb and Palme's leading role in it was leaked in Sweden just recently by *NY Teknik* magazine, in a series of supplements entitled, "The History of a Swedish Atomic Bomb, 1945-1972." As the title shows, Sweden worked on building an A-bomb, beginning in 1945 at the latest and continuing through (at least) 1972.

The fact that the neutral, pacifist Swedes really aren't all that peaceful is not news for anyone who cares to ignore the public propaganda and examine the facts. Today, the conventional military capabilities of Sweden—the size of the army, navy, and air force—are roughly the same as those of West Germany, France or Britain, despite a population only about one-seventh as big.

Nowadays, the Swedes don't talk much about that, since it's bad for Palme's image. But there was a time

when it was official policy to be quite open about how heavily militarized Sweden really is. For instance, as soon as the first atomic bombs had been detonated over Japan, articles appeared in Sweden calling for the country to get its own bomb. The Swedish military leadership argued, sensibly enough, that no nation that was serious about its defense could afford not to have this new arms technology in its arsenal. The fact that at that point only one country—the United States—had the bomb, and that this country was a superpower, did not discourage the Swedes. If anything, they said, having the bomb would be *more* important for a little country. In an article entitled, "The Atom Bomb—Prospects for the Future," published in October 1945, one top air force general put it this way: "Science and technology can provide a small country with the means of raising its military might far beyond its general war potential." Therefore, he concluded, little Sweden should build its own bomb.

The project was already under way at that early point. Every Swedish scientist with a background even remotely linked to nuclear physics was drawn into the project, some of them by military draft, and a crash educational program was started to produce more. The aircraft industry started building what was soon to become the biggest air force in Europe. Within seven years after the war, the Swedes had started producing four successive generations of jet aircraft. Clearly, one of the main aims was to come up with a delivery vehicle for the soon-to-be-produced nuclear arms.

The public version of the commander-in-chief's long-range plan for Swedish defense, published in 1954, called for a strike force of 216 latest-generation jet bombers armed with nuclear weapons. For comparison, that represented a force six times the size of France's force de frappe 20 years later!

Sometime in the late 1950s, someone in the Swedish elites apparently decided that all of this frank talk about Sweden's having nuclear weapons just was not in keeping with the campaign of pacifist activism being pursued by Sweden.

A "Ban the Swedish Bomb" movement was hastily pulled together from the socialist and liberal left wing. Opinion polls were produced to show that the population had rather suddenly shifted from strong support of Swedish nuclear weapons to clear opposition. And the government introduced a bill into parliament banning the bomb. Sure enough, in November 1959, the parliament passed the bill, authored by one Olof Palme, proclaiming that henceforth Sweden would refrain from developing or procuring these horrible and immoral weapons of destruction, and urging everyone else to do the same.

In reality, nothing at all was done to stop the Swedish bomb project. At exactly this point, the timetable was speeded up and funding was increased—by 100% within three years. To make sure that all this was kept totally secret from the population and the innocents in parliament, a tiny circle of representatives of the government, the military, and scientists were to be the only ones informed about the project from now on. The man chosen as chief government coordinator in this intimate circle was Olof Palme, who had just penned the law banning all R&D for an atomic bomb in Sweden!

ROC's war on the Vatican

Fourth of a series on how the Soviet Empire plans to celebrate the millennium of Russia's Christianization.

The preparations for the 1988 anniversary of the Christianization of Kievan Rus have been marked by a constantly escalating hate campaign against the "Western" Roman Catholic Church and the Papacy.

The last column in this series gave the historical background to the "Third Rome" cult ideology, in which the upcoming millennium plays the role of a target date for achieving world domination by the Soviets as a "new Roman Empire." Now we examine the reasons behind the virulence of Moscow's attacks on Pope John Paul II.

There are many evil elements nesting in the Vatican, including the Venetian patriarchate and the various Catholic monastic orders, the Benedictines, the Dominicans, the Jesuits, etc. These evil elements deal with Moscow from the standpoint of discussing redrawing the world map between the Western and Eastern (Soviet) Empires. This, however, is not what Moscow, smelling world domination, is attacking. The goal of the Russian campaign against the Vatican is the elimination of the Vatican and the Papacy as policy-making authorities.

In March 1985, in an interview with the Italian Communist Party daily *Unità*, Metropolitan Filaret (Vakhromeyev) of Minsk threw down the gauntlet to the Vatican, declaring that "Liberation Theology is the policy of the Russian Orthodox Church." Filaret (Denisenko) attacked the fall 1984 "clarification" issued by the Vatican criticizing so-called Liberation Theology.

Such war cries against the Roman

Church have been stated and published with regularity since mid-1984. For example, a major part of Metropolitan Filaret of Kiev's speech in Czechoslovakia, in June 1984, was used to denounce the "fabrications" of Catholic scholars concerning the "Western" influence on the origin of Christianity in Kievan Rus. He blasted the "Catholic scholars and their cohorts, the Ukrainian Uniates," for maintaining that the early Russian Church—before it betrayed the Popes and went under the jurisdiction of the Constantinople Patriarchate—was Christianized by Latin missionaries and thus canonically linked with Rome. Referring to the "Latin missionaries" in Russia, Filaret of Kiev said: "One should not forget that this was the time that the Roman Popes were already carrying out the fight to expand its realm to the East, and in part to Russia. . . ."

The shock value of this speech can be fathomed through noting that most Czechs are Catholic.

According to Vatican sources, one of the main themes discussed at the meeting on Feb. 27 between Pope John Paul II and Soviet Foreign Minister Andrei Gromyko was the situation of Catholics in the Soviet Union. In view of the Pope's avowed concern about the plight of the Ukrainian Catholics of the Eastern Rite, also known as the Uniates, whose Church was banned by Stalin in 1946, it is believed that during the private talks the "delicate" issue of legalization of the Ukrainian Catholic Church was discussed. The Uniates live in the Western or "Little" Ukraine, in territories which for the

most part belonged to pre-war Poland, contiguous to the present Polish and Czech borders.

It is believed that Gromyko in his meeting with Pope John Paul II repeated the "hands off" warning concerning the Uniates that was made earlier by Patriarch Pimen. In his letter of Dec. 20, 1980 to Pope John Paul II—six months before the Bulgarian-connected attempt on the Pope's life—the Moscow Patriarch indicated that any moves by the Vatican to call into question the results of the Synod of Lvov outlawing Uniates could "negate" all the progress made in improving relations between the Roman Catholic and Russian Orthodox Churches and would be "against the spirit of ecumenicalism."

Just before Gromyko's visit to the Vatican, the Russian Orthodox Church in January 1985 commenced the first reprint of the 1946 Stalin-era state tracts (drafted with full ROC blessing) outlawing the Vatican-affiliated Uniate Church. This decision to reprint is a major escalation in the anti-Papacy conditioning of the Russian population for the big, imperial anti-Western 1988 Russian Millennium.

During Patriarch Pimen's imperial foray in 1984 to Warsaw Pact and neighboring Slavic countries—Poland, Bulgaria, Yugoslavia (Serbia)—he declared that the "duty of all Christian and other religious believers in the Socialist countries . . . is to support the State." After this tour, Soviet and East bloc government media unanimously intensified their attacks against the Pope, especially during his South American trip, culminating with an official Soviet Government statements of one month ago which blamed the Polish Roman Catholic leadership—and thus, not so indirectly the Pope—for the situation which produced the murder of the Polish priest Popieluszko.

Nazi-communist pact in Nuevo León

The PAN candidate is considered as the "new Engels" by the PSUM, the communist party of Mexico.

Last April 14, citizens of the state of Nuevo León in northern Mexico woke up disconcerted to confirm in the morning papers what till then had only been a rumor on the gossip circuit: the love affair between the highest ranking business leaders, financiers of the "conservative" National Action Party and erstwhile staunch anti-communists, with the crème de la crème of the so-called anti-capitalist and "anti-right" left wing. The local press printed a full-page insert with a "Manifesto of Mexican Democracy," signed by 126 individuals, among them Andrés Marcelo Sada, head of the "Monterrey Group" of Mexican industrialists and organizer of the famous conspiratorial meeting of 1976 against then-President Luís Echeverría in Chipinque, Nuevo León.

Sada, who contributed financially to the movement that put General Pinochet in power in Chile in 1973, headed up a list of "fat cats" which includes a number of heavy financial backers of the PAN. The PAN has consistently challenged the political foundations of the Mexican system of government, while its leaders are involved in one drug scandal after another. Sada's cronies have sponsored the careers of such PAN notables as José Angel Conchello, who has openly praised Hitler's Finance Minister Hjalmar Schacht, and Pablo Emilio Madero, the president of the PAN, who warned recently of "a million dead, as in the Mexican Revolution," unless the ruling Institutional Revolutionary Party (PRI) hands them the governments of

the northern states of Sonora and Nuevo León, both on the U.S. border.

The manifesto signed by these "right-wingers," however, also sports the signatures of the candidates of the three major leftist parties to the governorship of Nuevo León: Lucilda Pérez Salazar, of the Unified Socialist Party of Mexico (PSUM); Daniel Salazar Mendoza, of the Revolutionary Workers' Party (PRT); and Máximo de León García, of the Socialist Workers' Party. Also signing the document were some leading sympathizers of the PAN within the ruling PRI, among them a representative to the Federal Congress and an ex-state governor.

The manifesto's text, which even the local press likened to a tract from some fanatical religious cult, states that democracy "is the only way" that can lead Mexico to higher levels of development, in liberty, justice, and peace. That "our people have struggled and paid with blood to install democratic principles," and therefore, "it is up to the citizens, as a right and an obligation, to respect and defend democracy." In the face of this, "the undersigned, motivated solely by love of country, [raise] a solemn vow of democratic conscience." The rest is in defense of the vote and the will of the people in the upcoming elections.

But this is not the only manifestation of this new alliance between the PAN-ists, known for their fascist inclinations, and the communists. Just one month earlier, on March 14, PAN candidate Canales Clariond, another

signer of the "Manifesto of Democracy," breakfasted with the entire PSUM leadership (a most unusual event, given the anti-communist profile which until recently characterized this businessman, who didn't like rubbing shoulders with "populist riff-raff"). In the breakfast, the PSUM leaders said that "they did not criticize the PAN leader for being from management, as was the PAN founder, Manuel Gómez Morín, since Friedrich Engels was also a businessman." What was discussed over breakfast, in fact, was the "Solenn Vow" to "free ourselves from the PRI dictatorship." What is not said is whether the PSUM communists were really aware of what Engels was—an agent of the British oligarchy's secret intelligence!

The question on everyone's lips now—and not only in Nuevo León, but all over Mexico, since this alliance is the talk of the country, and had previously only been seen in Baja California Norte and Sinaloa—is whether the Nazi-communist idyll weren't being sponsored by the U.S. State Department.

In fact, since the week of April 25, every Mexican political grouping has vehemently expressed its repudiation of a document made public last month by the State Department on the "Practice of Human Rights During 1984," in which it is said that the only way Mexico could prove that it has a good record in human rights is by accepting PAN victories in some key gubernatorial races in the northern states.

The reactions to this document have even gone beyond Mexico's borders. Richard Arellano said in the *Wall Street Journal* on April 25 that the State Department's gameplan of supporting a party such as the PAN, carries with it a very serious threat to Mexico's political stability, and that this destabilization may lead to violence.

India looks West for defensive arms

Defense modernization is a priority concern, as the groundbreaking deal with Italy shows.

May Day was celebrated here with, among other things, the signing of a significant defense agreement between India and Italy. Dr. V. S. Arunachalam, scientific advisor to the Indian Defense Ministry, and General G. Piovano, defense secretary of Italy, signed a five-year accord providing for cooperation in research and development of sophisticated defense systems in highly specialized fields like avionics, electronics, lasers, and other interrelated scientific spheres.

The agreement has no provision for purchase of arms, or for establishment of joint research facilities. According to Dr. Arunachalam, Indian defense scientists will be sent to Italy to identify specific areas in which the two countries can coordinate to mutual advantage via information exchange, R&D cooperation, or offering each other components and designs of subsystems that could be integrated into the bigger weapon systems each is developing.

Although an intergovernmental Memorandum of Understanding was signed several years ago with France, and negotiations have been going on with both Britain and West Germany for similar agreements on long-term cooperation, the Italian agreement is the first such accord signed with any Western country for cooperation in the R&D of the latest weapons systems. The agreement was outlined by the two governments during a visit by the Italian defense minister several months ago.

The quickened defense diplomacy is certainly related to India's determination to get the best from the two

superpowers, contending as they are for the Rajiv Gandhi government's nod.

But since at least 1980, when Mrs. Indira Gandhi returned to power in Delhi, India has sought to move away from virtually total dependence on the Soviet Union for defense supplies and systems. The purchase of Mirage-4000 planes from France and submarines from West Germany was the result of this shift, but efforts to get help from the United States were frustrated.

Defense contracts signed during 1984 amount to \$1 billion in arms imports, with 75% of that from the U.S.S.R. in the form of MiG-29s, transport helicopters, and a variety of equipment for the army.

In recent years, the policy of "diversification" has been given a boost by virtue of India's particular quest for high technology in the defense area, something the Soviets have been as reluctant as any "imperialist" to part with.

During Indian Defense Minister Narasimha Rao's early-April visit to Moscow, to prepare for Rajiv's May state visit, it was reported in a section of the press here that India and the Soviet Union had discussed an unprecedented defense deal including technology transfer for nuclear submarines, a new and total "radar cover" for the land and sea frontiers, new technologies to be adapted to laser developments, and exchange and collaboration in spy satellites.

The report was promptly denied in New Delhi. Although the Indian defense minister was apparently given a red-carpet tour of the Soviets' most

advanced facilities, it remains to be seen what is for "show" and what is for "share."

India has simultaneously renewed efforts to open a defense relationship with the United States. U.S. Undersecretary of Defense for Policy Fred Iklé arrived on May 1 for talks with defense and foreign affairs ministry officials on the subject, prior to the visit of U.S. Airforce Secretary Verne Orr.

Reports from Washington indicate that from the U.S. side, these moves are backed by a powerful grouping of Republicans who have the President's sympathetic ear. Thus the talks, which now center on purchase of C-130 transport planes, aircraft engines, and several other items, may not suffer the fate of 1979 efforts to acquire Howitzers and TOW anti-tank missiles. Those talks were sabotaged at the eleventh hour by arbitrary U.S. conditions.

If the Iklé-Orr mission succeeds, U.S. Defense Secretary Caspar Weinberger may pay a visit to India, and, according to Indian sources in Washington, an agreement on arms supplies might be a "highpoint" of Rajiv's June visit.

If either of the superpowers plan to try to take India for granted, they ought to consult the British. A major British airshow and defense minister's visit was summarily canceled following Mrs. Gandhi's assassination, as a direct result of Her Majesty's government's protection of the separatist cults who produced the murderers. Public apologies, vows to crack down on Sikh extremists in England, and a quick visit to Delhi by Maggie Thatcher have barely managed to keep a British helicopter deal alive. At the end of April, it may have been irrevocably buried by India's reaction to a UK official's threat to slash aid if the copters weren't purchased pronto.

What's at stake for the Non-Aligned?

30 years after the Bandung Conference, the questions of sovereignty and development are even more acute.

The 30-year commemoration of the April 1955 Bandung conference of Asian and African nations, which took place April 22 to 24 in Indonesia, left no doubt that the major concerns of the developing countries have not changed. In resolutions and speeches, the assembled representatives of 80 governments, including eight foreign ministers, expressed their grave concern with the issues of national sovereignty and peace; and the creation of a new, just international economic order that would permit the underdeveloped countries to realize their potentials as growing, sovereign nations.

Numerous speakers called for the convening of an international conference to reorganize the international monetary system, an idea that has regained momentum with the January call put out by the Schiller Institute for an Indira Gandhi Memorial Summit to End the World Depression. In a press conference before leaving for Bandung, Thai Foreign Minister Siddhi Savestila said he would propose a North-South conference on monetary reform, an idea, he said, Japanese leaders are also interested in.

Reporting on the Bandung conference in the press, however, tended to treat these vital issues as if they were points of rhetoric only, concentrating instead on the diplomatic maneuverings for which the conference provided an arena. The presence of Chinese Foreign Minister Wu Xueqian prompted much speculation on the publicly stated desire of both China and Indonesia to re-open diplomatic relations. Wu did have a two-hour meeting with Indonesian Foreign

Minister Mochtar Kusumaatmaja and expressed regret that he was unable to meet with Indonesian President Suharto. There was also notice of the fact that the North and South Korean delegations sat next to each other (the seating was mostly alphabetical), for the first time without flying into bouts of acrimony. And a lot of ink was spilled on whether or not Kampuchean Prince Sihanouk's professed resignation as the head of the Khmer resistance coalition, would be permanent (it is not).

These diplomatic maneuverings are merely symptomatic of the dire and fundamental problems the assembled developing countries continue to face daily in their fight for survival. The declaration of the Bandung conference, unanimously signed by all countries present, came right to the point. In paragraph number 12, the resolution states:

"It is a matter of deep concern that three decades after the [first] Bandung conference, the just demand of developing countries for the eradication of economic backwardness, domination, and exploitation, and for the achievement of equitable development and progress is yet to be fulfilled. . . . The world has experienced the most prolonged recession of the postwar period, accompanied by stagnation . . . and the accumulation of a staggering debt burden."

"The participating countries express deep concern at the critical economic situation in Africa, particularly in countries affected by drought, desertification, refugees, and other external factors.

"In the face of the global nature of the challenges confronting mankind, an equally global response is called for. The Asian and African countries . . . recognize that global economic recovery can be sustained and durable only if it is accompanied by urgent measures to reactivate the development of the developing countries *inter alia*, through the enlargement of the transfer of technological resources to the developing countries, dismantling of protectionist barriers in the developed countries, and a long-term solution of the debt problem."

The Bandung Conference in 1955, which was attended by then Chinese Premier Chou En-lai, Indian Prime Minister Jawaharlal Nehru, Egyptian President Gamal Abdul Nasser, and Indonesian President Sukarno, was the prelude to the formation of the Non-Aligned Movement. The "Five Principles" emerging from the conference were an attempt to forge links between the developing nations based on the principles of sovereignty and mutual cooperation. As the subsequent wars which have wracked the Third World attest, these countries have been largely unable to resist becoming assets of the geopolitical chessboard games of the Soviet Union, China, and the Anglo-American empire faction. The Third World remains in the grip of an imperial world order, which is now bringing entire nations to the brink of death.

In his speech to the conference, Indonesian President Suharto sounded the warning to the advanced-sector countries, if they do not work to restore equity in a new international world order: "Prolonged backwardness of the developing countries, which represent the majority of the human race, sooner or later, will undoubtedly become the beginning of disaster for the advanced countries."

International Intelligence

Growing concern over drugs in India

"Nothing less than a concerted and vigorous effort to smash the heroin traffic network will do," the *Times of India*, the country's English-language newspaper of record, stated recently in a lead editorial, "The Menace of Heroin."

The editorial called for "a high-powered central operation including the setting up of a narcotics control board with extensive powers, a thorough reform of the laws on drug abuse and trafficking, a system of awards for the police and other agencies for reporting on heroin peddlers and addicts, and a chain of centers for helping addicts fight the habit."

The *Times of India* is not alone in its concern. The press generally is reflecting increased attention to the serious implications of India's emergence as a major drug transshipment center, and the evidence that international trafficking is spilling over to create a growing market of "users" in India itself.

Studies indicated a "contagion" of drug abuse in the nation's educational institutions, and the spread of addiction is alarming.

Indian law remains unusually lax as far as drugs are concerned. As geopolitical developments compelled a reorganization of drug-trafficking routes from both the Southeast Asian "Golden Triangle" and Iran's opium-growing areas, India was a natural alternative.

The government of India is reportedly carrying out a comprehensive review of the drug laws and policies bearing on the problem, but so far, no concrete initiatives have been announced.

U.S. 'journalists' desecrate Bitburg graves

Mrs. Elfriede Graupeter, member of the Bitburg municipal council, has accused American journalists of desecrating German graves. As she said on April 28, she witnessed the following scene in the Bitburg Cemetery, site of President Reagan's contro-

versial visit because German SS war-dead are buried there:

"I saw reporters with their arms full of carnations, which they had taken from other graves before, placing them before the SS-tombstones to take pictures. Later on, the U.S. press alleged that 40 years after the war, graves of Waffen-SS soldiers are still being planted with flowers. This is a real hate campaign against us."

On April 28, Theo Hallet, Lord Mayor of the Bitburg municipality, reported the following incident:

"Falsifications were produced consciously. Reporters of *Newsweek* magazine, for example, came to me and borrowed two tiny German national flags from the city hall. These they posted in front of two tombstones for Waffen-SS soldiers, taking pictures of them. Later on, I saw the same picture appearing on television—this time as the cover page of the U.S. edition of *Newsweek*." Hallet complained that *Newsweek* alleged Germans are still honoring graves of former SS soldiers with flags—flags *Newsweek* had posted there.

The Washington Post Corporation has wholly owned *Newsweek* for over 50 years, and the corporation's board of directors is the board of directors for *Newsweek*. Katharine Meyer Graham is Chairman of the Board. Other board members include former defense secretary and World Bank head Robert Strange McNamara; Nicholas deB. Katzenbach, senior vice-president of IBM and former U.S. Attorney-General; and Arjay Miller, dean of the Stanford University School of Business, and 1968 recipient of the B'nai B'rith National Industry Leader Award. Board attorney George J. Gillespie, III, is a senior partner at the New York Cravath, Swaine, and Moore law firm.

Virtually every member advocates U.S. "decoupling" from Europe.

European Labor Party registered in Sweden

On April 24, the Swedish elections review board confirmed the registration of the European Labor Party (EAP) for national elections. All protests that had been filed with

the board were rejected on the grounds that under law, none of the persons filing a protest had the right to do so.

The party is an outspoken advocate of Swedish membership in NATO, contrary to the country's traditional "neutrality," and to current Prime Minister Olof Palme's pro-Soviet policies.

In practice, the decision means that the EAP registration is confirmed. The whole matter is by no means settled, however. The State Attorney's office is still examining the question of whether or not the EAP "forged" signatures on its application. And the EAP has demanded that *Svenska Dagbladet* journalist Willy Silberstein, who published slanders against the party and contacted many signatories demanding they withdraw their names, be brought to court for conspiracy to stop the EAP registration.

DEA agent: 'Mexico more serious than we'

"Where Mexico has begun an eradication program on the cultivation of cannabis, we in the United States do not have such a program," the new head of the Drug Enforcement Agency John C. Lawn told the House Subcommittee on Crime, after he returned from a long trip to Mexico.

After months of noises from Washington about "Mexico lagging," Lawn made the administration's first admission, that Mexico is acting more aggressively than the United States in fighting marijuana.

Lawn's predecessor, former FBI number-two man Francis Mullen, had been shrill in his charges that the Mexican government was refusing to cooperate in war-on-drugs efforts, in particular, the search for kidnapped DEA agent Enrique Camarena, subsequently murdered.

But, said Lawn, the United States has been asking other nations to do "things we are not doing internally. And that gives very mixed signals to countries like Mexico."

Rep Daniel E. Lungren (R-Calif.) commented, that the United States was being "hypocritical" in "stirring up a lot of anger, concern, anxiety, frustration with the Mexican government, because of lack of coop-

eration . . . and lack of action we see on eradicating drugs in that area."

Nitze hits Soviets for arms-talks stall

U.S. arms negotiator Paul Nitze said that the "principal objective" of the U.S.S.R. "is to stop the U.S. Strategic Defense Initiative," in his speech at the National Press Club on May 1.

Nitze has just returned from the Geneva arms control talks. The SDI could negate many of their advantages, Nitze said, and charged the Soviet Union with putting "maximum pressure on it [the SDI] by holding progress in all other aspects of the negotiations hostage to U.S. acceptance of the Soviet proposal on 'space-strike arms.'"

Nitze said that the Soviets were insisting on banning even U.S. research into strategic defense technology, as a precondition for serious arms talks. Soviet strategy is, to "combine tough bargaining at the negotiating table with a hard-nosed public propaganda campaign designed to undercut support for U.S. and NATO positions and force unilateral concessions."

"The Soviet Union has made no proposals for reductions in strategic forces in the new negotiations. They have the only operational ABM system, and have until recently enjoyed a virtual monopoly in research into advanced ballistic missile defense technologies."

Nitze charged that the Soviets had actually backtracked from earlier concessions on air-launched cruise missiles, such as banning SS-20s from Asia. And, while the Soviets had offered a unilateral moratorium on SS-20 deployments, "we see construction of SS-20 bases continuing again today. . . . The Soviet Union is pleased with the current strategic situation."

Genscher has chosen Soviets before, too

West German Foreign Minister Hans-Dietrich Genscher, the leader of European ap-

peasement toward the Soviet Union and an arch-enemy of President Reagan's "Star Wars" program, has taken the Soviet side before.

On July 1, 1945, to be exact.

Genscher, according to a background feature in the daily *Bildzeitung* April 29, was a prisoner-of-war in the hands of Allied forces when May 8, 1945, VE-Day, arrived. He was placed in a British POW camp in Thuringia. On July 1, 1945, according to four-power agreements, Thuringia was to be handed over to the Soviet Red Army.

Accordingly, 100 POWs at the camp were given the option of remaining in the hands of the Western powers, or being transferred to Soviet occupation troops.

Only two of the 100 chose the Red Army. One was Hans-Dietrich Genscher.

Moreover, the Soviets released him, only two days later.

Genscher says he decided to fall in with the Reds because of his mother, who lived not far from the camp in Thuringia. Could he mean. . . Mother Russia?

Summit leaders discuss arms talks, drug war

Western leaders at the Bonn economic summit on May 2 discussed a coordinated war on drugs during their dinner discussion, according to BBC, although the topic was not on their agenda.

A question from Prime Minister Margaret Thatcher to Mr. and Mrs. Reagan is said to have prompted a one hour discussion of the issue.

The matter has now been submitted to advisors to the leaders, in order that they might draw up mutually acceptable proposals for a joint war on drugs, to be ratified at a future summit, possibly sooner.

In the first formal communiqué from the summit on May 3, the leaders of the seven major industrial nations declared that the Soviet Union should "conduct itself in a positive and constructive way, so meaningful agreements can be reached" at the Geneva arms talks. The leaders also supported the idea of a summit between President Reagan, and Soviet leader Gorbachov.

Briefly

● **RICHARD BURT** "has turned West German policy on its head," an angry West German government official told Reuters news agency, following a press briefing at which Burt mis-quoted West German Chancellor Kohl. Burt, prospective U.S. ambassador in Bonn, quoted Kohl telling President Reagan, "We must never forget and we can never forgive." In reality, Kohl said, "We have no right to demand that people forgive and forget."

● **EIR REPORTS** on the cholera epidemic in Africa and the danger of similar pandemics in the Brazilian Northeast were extensively quoted in the Brazilian paper, *O Popular*.

● **EAST GERMANY'S** museums, each and all, have permanent civil-defense staffs which regularly run training-exercises in the rescue of precious cultural and art objects "in case of military aggression by imperialism," Culture Minister Hans-Joachim Hoffmann announced in the January 1985 issue of the East German civil-defense magazine. Such exercises will be stepped up because of the growing war danger in the world, he stated.

● **PERICLES:** "The man who is uninterested in politics is not a prudent man, but a useless man." Colombian president Belisario Betancur used that quote in his unveiling of a bust of Rodrigo Lara Bonilla on April 30, the justice minister murdered by the drug mafia one year ago on the same date. He added, "This is something which applies in exemplary fashion to what Rodrigo Lara was for his own, for Colombia. . . ."

● **GOOD JOKES** have long lives. On April 21, *Espresso* magazine ran an interview with Italian minister Renato Altissimo. Asked about the alleged "danger nuclear energy represents for people who live near a plant," he said: "I will answer with an American slogan: More people have died in Ted Kennedy's car than in a nuclear plant."

The shocking truth about Simon Wiesenthal

by Joseph Brewda

A high-level security threat, by Soviet-controlled agencies, hangs over President Ronald Reagan's trip to Western Europe. The threat to Reagan's life has been set up by a massive propaganda war against him, every feature of which has been directed by networks created and controlled by Soviet Russian intelligence.

Soviet control over this apparatus is kept up through three main kinds of institutions: 1) those directly created by Russian intelligence as identified arms of the Soviet Comintern or its successor networks, such as the West German Vereinigung Verfolgten des Naziregimes (VVN—The Association of Those Persecuted by the Nazi Regime); 2) Jewish holocaust survivors' organizations, many of whose leaders were "kapos" for the Nazis during the war, and are now subject to Soviet blackmail; and 3) networks such as the Israeli "Terror Against Terror" underground, known to be massively penetrated by KGB agents. This last Soviet capability is augmented by the fact that a faction of the Israeli government is solidly allied with the KGB to undermine U.S. interests worldwide.

The West German-based VVN, which had been voicing Soviet charges of "German revanchism" long before Reagan ever planned his current trip, is a direct KGB front, molded by the late top Soviet ideologue Mikhail Suslov as a front for the reorganized West German Communist Party, which was banned after the war. The VVN operates a string of KGB front organizations internationally including the World Federation of War Veterans, the International Federation of Resistance Fighters, the European Confederation of War Veterans, and the International Confederation of Prisoners of War.

The VVN is covertly steered by Marcus Wolff, deputy director of the Stasi (East German intelligence), through Heinz Galinski, the unofficial chairman of West Berlin's Jewish community.

The VVN's self-identified freason for existence is to protest both the alleged protection of former Nazi war criminals by U.S. intelligence, and the alleged rise of German neo-Nazism. The present ludicrous campaign against President Reagan was plotted at a VVN conference held in Moscow in March 1984, among other locations. This theme was then funneled into the West through "Nazi hunter"



NSIPS/Stuart Lewis

The terrorist Jewish Defense League demonstrates in a New York March for Soviet Jewry (May 1982). Yet the JDL and Simon Wiesenthal's "holocaust survivors" organizations are steered directly from Moscow, as the current scandal around President Reagan's trip to the Bitburg cemetery demonstrates.

Simon Wiesenthal; the above-mentioned Heinz Galinski; and such self-identified U.S. Nazi-hunters as Charles R. Allen, Jr., former editor of *The Nation* and a leading figure in the New York U.S.-East German Friendship Society.

The VVN's main co-thinking group in Britain is the publication *Searchlight*, founded by Communist Party leader Maurice Ludmer in 1975. The leading "anti-fascist" monthly in Britain, *Searchlight* works closely with the Committee of Soviet War Veterans, Timor Timofeyev's Moscow research institute (he used to be known as Tim Dennis of the Communist Party U.S.A.), CIA renegade Philip Agee, and top KGB official Ernst Henry.

In the United States, the VVN-*Searchlight* network includes *The Hammer*, a periodical tied to the National Anti-Klan Network of Lyn Wells. An ex-leader of the Maoist terrorist October League, Wells is a "handler" of such agents of the Anti-Defamation League of B'nai B'rith (ADL) inside the Ku Klux Klan as Jerry Ray, James Earl Ray's brother.

This same apparatus is closely tied to Hitler admirer Muammar Qaddafi's protégé, Rev. Jesse Jackson. Through the VVN, among other KGB institutions, Jackson has knit ties to the neo-Nazi Green Party of Germany, a party indirectly funded by Moscow, which openly praises Hitler as a "brother." The Greens are one of the principal Russian threats to Reagan on his trip.

Working closely with this apparatus is the Anti-Defamation League-funded Nazi hunter team of Serge and Beate Klarsfeld of Paris, France. The Klarsfelds have specialized in portraying the United States and West Germany as the sponsors and protectors of Nazi war criminals international-

ly. To this end, the Klarsfelds spend much of their time allegedly hunting Nazis in Central and South America. Their key collaborator in this endeavor has been Regis Debray, the late Che Guevara's sidekick and longtime Cuban intelligence operative, who later became an adviser to French Prime Minister Mitterrand. The Klarsfelds have repeatedly charged that Auschwitz torturer Dr. Mengele, now allegedly in Paraguay, is functioning under U.S. protection. They also say that the former chief of the Gestapo in Lyon, France, Klaus Barbie, worked for the CIA, even though Barbie's ties to the KGB have long since been documented.

Beate Klarsfeld first achieved notoriety for slapping then-German Chancellor Kurt Kiesinger in 1968 in public for being an alleged Nazi. Klarsfeld has condemned West German Chancellor Helmut Kohl for his characterization of West Germany as a "sovereign country." This statement is intended to protect West Germany from prosecuting its Nazis, she claims.

KGB controls 'Nazi hunting'

One of the KGB's most reliable channels in the hysterical controversy kicked up around President Reagan's visit to the Bitburg military cemetery, is Simon Wiesenthal, the so-called leading Nazi-hunter in the world. Funded by Prince Bernhard of the Netherlands (who is also a major figure in the zero-growth-oriented World Wildlife Fund), the Vienna-based Wiesenthal keeps a list of some 25,000 alleged Nazis at his Documentation Center, and claims to have dedicated his life to bringing these Nazis to justice.

Among Wiesenthal's closest collaborators in the United

States are ex-congresswoman, now Brooklyn District Attorney, Elizabeth Holtzmann. In 1979 Wiesenthal, Holtzmann, and the above-mentioned Charles R. Allen, Jr. successfully lobbied for the creation in the Office of Special Investigations of the Department of Justice (OSI), which has been charged with searching for Nazi war criminals in the United States.

As the justification for formation of the OSI, Holtzmann and Allen argued that the US government's Immigration and Naturalization Service has systematically protected former Nazi war criminals residing in the United States. Using the arguments of Stasi propagandist Julius Mader, author of the East German government published *Who's Who in the CIA*, they asserted these alleged Nazis were protected because of their usefulness to U.S. intelligence.

In 1965, Holtzmann's collaborator Tony De Vito visited the Soviet Union to gather evidence "documenting" this charge of U.S. intelligence protection of Nazis, and met with Mikhail Malyarov, the deputy procurator of the Soviet justice ministry. The "evidence" presented by Malyarov supplemented charges made by Allen in 1962 in the Communist Party's *Morgen Freiheit* and *Jewish Currents* and were used to ram through the creation of the OSI.

Reflecting its origins, the OSI is the *only* agency of the U.S. government authorized to accept Soviet justice department and KGB documents as evidence against American citizens. The OSI has several other known ties to Soviet intelligence outfits. One such tie is that of OSI adviser Charles R. Allen to the Soviet news agency TASS's "Nazi expert" Oleg Polyakovskii, formerly of the New York TASS bureau, and to the Potsdam center of the East German Stasi—notorious for its forgeries. Another reported tie is that of Wiesenthal Center attorney Martin Mendelsohn, the first director of the OSI, to Valery G. Kubanov of the Soviet Embassy in Washington.

Wiesenthal's strange history

The leaders of the recent Bitburg outcry are not ordinary "Nazi victims." It was not unusual that the most vicious oppressors in the concentration camps were Jews themselves, called kapos. Others were formerly members of the Nazi Jewish police.

The particular feature of these Jewish Nazis which the Soviets find so attractive is that there is no limit to the psychotic frenzy they can be driven to by guilt and blackmail. It is this psychological characteristic of fear and guilt which offers the real explanation for the Goebbels-modeled attack on President Reagan over the last weeks by "survivor organizations."

Wiesenthal himself was born to an Austro-Hungarian intelligence officer active in Eastern Europe prior to the war. According to his own admissions, published in his *Murderers Among Us*, Wiesenthal's town of Dolina, Poland, was invaded by the Nazis on July 6, 1941. Within days of the occupation, Wiesenthal and other Jews were put on the firing line

by the SS. Wiesenthal, miraculously, was not shot—he was recognized by a friend named Bodnar in the Ukrainian SS.

Soon afterward, the Jews of the town were taken to the Janowska or Lwow concentration camp. Not Wiesenthal. He was stationed at the Ostbahn Railworks where, by his own admission, he was allowed to freely travel into town, and to carry a gun.

While based in this camp, Wiesenthal joined the partisan underground on his SS-authorized trips into town. On April 2, 1942, he and 43 other of his nominal resistance comrades, were seized and taken to the firing line. Only 43 Jews were shot: Wiesenthal was freed by order of the camp commandant.

Finally, in October 1943 Wiesenthal left the Ostbahn forever to join the underground. He was seized in June 1944, after nine months of activity, and taken to the Gestapo jail in Lwow. Was he tortured by Gestapo Jewish Affairs section chief Oskar Waltke? On the contrary, Waltke put him under extraordinary care—by Wiesenthal's own admission. From there, Wiesenthal was sent to Lwow concentration camp. Every Jew in his section was shot. Not Wiesenthal. He was put on double rations by SS commandant Friedrich Warzok. Warzok, Wiesenthal says by way of self-justification, had a strange character.

After similar incredible escapades and miraculous near-deaths, this would-be dedicated partisan leader and "anti-Nazi fighter," was transferred to the section of the Mauthausen concentration camp reserved for special prisoners. One co-inmate was the Polish oligarch, Prince Radziwill.

Immediately after the war Wiesenthal was integrated into the Israeli foreign intelligence service, the Mossad, and prepared documentation which condemned some, and protected other, Nazis from prosecution. The Documentation Center which Wiesenthal set up for this activity, has since become a prime source of the alleged history of the war.

Among the key evidence used by Wiesenthal in documenting alleged Nazi war criminals is a list of 15,000 SS officers—a list so secret that only 40 copies were prepared in the war. The source of this list? An SS officer, sympathetic to Wiesenthal, who felt guilty after the war.

Other collaborators

But Wiesenthal is hardly unique. Among his colleagues is John Ranz, chairman of the "Generation After," set up by Wiesenthal in 1979. Ranz, who covertly works with the Libyan embassy in New York, was, by his own admission in his *In Nazi Claws: Bendzin 1939-45*, a member of the Jewish Police of Bendzin during the war. Like the *Judenrats* ("Jewish Councils" in the Nazi-occupied ghettos), the Jewish Police were appointed by the SS and had the function, as Ranz admits, of selecting Jews to be sent to the camps. Among Ranz's closest associates during the war was Mr. Schenker, director of the Auschwitz *Judenrat* and a man with "good connections with the Gestapo," according to Ranz. Naturally, Ranz was a "survivor."

Another key KGB-controlled Nazi institution running the psychological warfare campaign against President Reagan is the "World Gathering of Jewish Survivors of the Holocaust." The Gathering was formed in 1981 in Jerusalem in explicit response to the election of President Reagan, who, its leaders stated, might undermine the gains of their network under Carter.

The leading figures in the Gathering include Eli Wiesel, former chairman of the Carter administration-created U.S. Holocaust Council; Benjamin and Vladka Meed of the Jewish Labor Committee; and Josef and Dr. Haddasah Rosensaft of the Bergen Belsen Association.

It was the Gathering, which conveniently held a 4,000 person conference in Philadelphia the weekend of April 20,

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which has led the public, "survivor" outcry to Reagan's trip—even calling for survivor demonstrations at Bitburg.

The Rosensafts typify the organization.

During World War II, Dr. Hadassah Rosensaft, by her own admission, was "permitted" to work in the infirmary at Auschwitz. A surgeon, Rosensaft worked in a camp section where she had frequent contact with the notorious Dr. Mengele, the torturer of Auschwitz. By her own admission under oath, Rosensaft witnessed some of his crimes.

During the Gathering conference, the Senate Select Committee on the Judiciary held hearings on Mengele, to whip up the psychotic 4,000-person crowd. Among the stars of this performance was Rosensaft, who condemned the Nazi doctor's cruelty. But neither Subcommittee chairman Arlen Specter—who has since called for a trade embargo of Germany because of the Bitburg visit—nor his ADL-linked associates Senators Metzenbaum and Lautenberg, saw fit to ask how the good Dr. Rosensaft became a "survivor."

Dr. Rosensaft's husband is Josef Rosensaft, chairman of

the Bergen Belsen Survivors Association, the camp Reagan is scheduled to visit.

Immediately following the British liberation of Bergen Belsen, and its re-creation as a refugee facility, Rosensaft was appointed by the British as its camp representative. This choice was "controversial" for the camp inmates, even according to Yehuda Bauer, a Mossad cover-up historian of the period. Bauer is forced to admit the camp population condemned Rosensaft as having "ruled the camp with an iron hand . . . accused of being a dictator . . . he was ambitious."

Among the peculiar features of British-administrated Bergen Belsen in the immediate postwar period is that it served as an underground railway route for those fleeing Europe following the war. Some of those refugees were Jews driven to Israel. Others, however, were fugitives, Nazi war criminals headed for South America and Syria.

The Terror Against Terror apparatus

The third major grouping now deployed by the KGB against Reagan, and assigned to possible violence, is the Israeli "Terror Against Terror." This psychotic network has repeatedly attempted to blow up the Al Aqsa mosque on the Temple Mount in Jerusalem, in nominal preparation for building the third Temple (Solomon's temple). It is otherwise self-described as dedicated to fighting anti-Semitism and neo-Nazism internationally.

TNT is usually underestimated by U.S. intelligence because it appears to be nothing more than a combination of Rabbi Meir Kahane's terrorist Jewish Defense League and Kach Party, with the Greater Israel expansionist Gush Emunim of Rabbi Levinger.

In fact, the TNT is controlled by the Israeli "Prime Minister's Office of the Warfare Against Terror," directed by former Mossad counterterror European station chief Rafi Eytan. On-the-ground control of the TNT crazies is provided by Mattiyahu Dan, an operative of Israel's Shin Beth intelligence service, whose yeshiva in Jerusalem is TNT's base of operations.

This Mossad faction controlling the TNT is led by such former Aleppo Syrian families as the Dweks, Kattans, Safaras, and Kassins, who have a strategic deal with Moscow against the United States (see *EIR*, April 16, 1985, pp. 46-49).

To facilitate this deal, the Mossad has allowed the KGB to heavily infiltrate the TNT network. Among such infiltrators is Avigdor Eskin, son of a high-ranking Soviet military officer. In the early 1970s, the then Moscow-based Eskin became converted to Kahane's self-described war against anti-Semites, translating his "Never Again!" into Russian. Through the aid of such figures as the Mossad-linked Joe Churba, Eskin emigrated to Israel where he leads those TNT Jews supposedly committed to preventing another Holocaust, and "therefore," to stopping Ronald Reagan from visiting Bitburg.

The SDI's foes gather momentum in Washington

by Leo Scanlon

At the end of April, the enemies of the Strategic Defense Initiative in Washington began a legislative and publicity offensive which aims to usurp Defense Department control of the SDI and gut the program's directed-energy research, now on the verge of major breakthroughs. The Reagan administration, reeling under the most intense Soviet propaganda offensive in years, and having squandered political resources in its Nicaragua lobbying campaign, has yet to respond to this frontal assault on the heart of the defense budget.

The attack on the SDI program was signaled by the introduction of legislation by a bipartisan group of senators (see *EIR*, April 30, 1985, page 60) which called for the suppression of the elements of the SDI research program which involve directed-energy research. In addition, the bill proposes congressional control over the program.

Speaking for the arms-control mafia, Adm. Stansfield Turner, former chief of the CIA, declared, "We should bargain away at Geneva right now the right to deploy an SDI to defend ICBMs. . . . We ought to be able to get something for nothing, in effect." Assuredly, "something for nothing" is what the United States will get under these circumstances, the "something" being the imminent deployment of Soviet SS-24 and SS-25 missiles.

Britain's International Institute of Strategic Studies (IISS) also produced a report carrying a similar theme, labeling the SDI "destabilizing to the arms-control process," and MAD-men Clark Clifford and Robert McNamara were brought before congressional committees to warn of the danger posed by the program.

These various sophistries, which could have been presented on behalf of the Soviet negotiating position at Geneva,

were the rationale for the very serious attack on the defense budget, including SDI funding, which dominated the legislature throughout the week of April 29.

Les Aspin (D-Wisc.), chairman of the House Armed Services Committee, opened the defense budget debate by boasting that the Democrats had forced the Reagan administration to accept a defense spending increase of only 3%, lower than the 4% proposed by candidate Walter Mondale and rejected overwhelmingly by the electorate! Had Aspin waited until the end of the legislative session on May 3, he would have had a much bigger laugh at the expense of the administration, as Republican senators introduced and approved a resolution limiting defense spending to *zero* increase in FY1986!

The "freeze" amendment was introduced in the course of debate on the budget resolution, and given support by Senate Republicans, including Robert Dole. Caspar Weinberger lobbied against the passage of the amendment, reminding Senators that defense cutbacks would force closing of installations in their states. His warnings were highlighted by the layoff of 3,100 shipyard workers at General Dynamics facilities.

Weinberger's failure in this effort is due primarily to the domestic austerity measures which the administration has otherwise made the centerpiece of its budget. As the General Dynamics layoffs illustrate, there is no room in the collapsed economy for any parliamentary bargaining. Faced with demands for social security cuts, etc., the Congress is being stampeded in a predictable fashion, and is holding the defense budget hostage.

The administration, for its part, has failed to rally any effective response to the Congress. In the week leading into

the budget debate, President Reagan directed his energies at the biggest lobbying campaign ever undertaken by the administration—on behalf of aid to the Contra forces in Nicaragua. In addition to the normal variety of staged political events, Reagan cajoled and threatened the Congress, and brought a veritable galaxy of international political figures, military leaders, World War II resistance figures, and others into Washington. Congress handed him a humiliating defeat.

In reaction, President Reagan announced from Bonn that he would use emergency powers to embargo trade with Nicaragua—thus committing one of his most powerful weapons to a fight which the Soviets consider, and he ought to consider, a secondary battle.

Dobrynin's boys at the Soviet embassy, arguably the most effective lobbyists on Capitol Hill, had hardly stopped laughing before the administration further compounded the problem by seeming to say that the SDI was "on the back burner" for the time being, refusing to indicate what role the SDI would play in the President's discussions in Bonn. Richard Burt, for his part, went so far as to say that it would not be a priority of the administration in the discussions. The depth of the retreat was indicated by a speech given by Defense Department hardliner Richard Perle, who outlined the administration's strategic defense program, and omitted mention of the SDI until questioned from the floor!

Now the SDI. . .

The stage had been set for the next phase of attack on the SDI, which took place in the House Armed Services Committee. A subcommittee staff brought in a proposal, subsequently approved, which cut \$1.2 billion of the \$3.7 billion requested for the SDI by the administration, cuts aimed primarily at the ASAT program, allegedly because these tests bring the ABM treaty into question.

Other actions by the Congress, and responses by the Pentagon, indicate that the attack against ASAT testing will be repeated with increasing ferocity as each element of a layered defense system is brought into the experimental phase. Information revealed by SDI officials shows that Soviet anxiety over the progress of the SDI, in spite of the congressional roadblocks, is well founded. Furthermore, one high-level administration official has indicated that the program will, within three years, demonstrate a shoot-down by laser of an ICBM in flight from a distance of 6,000 kilometers.

Paul Warnke, former Carter arms-control negotiator, and IBM scientist Richard Garwin signaled the strategy to be used to crush the program with a report issued by the Council on Economic Priorities. Warnke and Garwin used FOIA information garnered from the Pentagon and other sources to fabricate the following lies: The SDIO is not spending the money authorized by Congress for the program; the SDIO is concentrating on conventional missile technologies and not directed-energy research(!); and, the industries receiving the contracts have control over the direction of the program. They then propose that the congressional Office of Technol-

ogy Assessment (which recently authored a scientifically incompetent attack on the program) should take over management review.

Lt.-General James Abrahamson, director of the program, was quick to point out that the proposal itself is illegal, as it is the responsibility of the Defense Department to direct such programs, not the Congress. The Pentagon then scheduled a background briefing to respond to the other charges made in the report.

This briefing became the stage for a petty power play by a group of Pentagon reporters who demanded that the briefing go "on the record," thereby forcing the Pentagon to engage in a "pissing contest" with Warnke and legitimize congressional claims to oversight of the program. The bickering continued until a public affairs officer told the reporters, "There's the door if you don't like it," at which time reporters for UPI, the *Washington Times*, and others, left the room in a pique.

SDI officials went on to refute the premises of the CEP report, indicating that the spending for the SDI is proceeding at a pace greater than for any comparable defense program, having obligated 50% of FY85 funds, against the norm of 30-40%, and expended 9% of that, against a norm of 5-7% for other service programs.

The structure of the research program is such that the national labs, not the industry teams, are leading the actual research proposals, and it is in the interest of the industry teams to produce the best and cheapest proposal for production. Therefore, oversight is built into the program, and there is no room for pork-barrelling as alleged by Warnke and Garwin.

Finally, the breakthroughs imminent were enumerated:

- Sensors: Large, light-weight mirrors, 10 times larger than previous mirrors, have been successfully constructed; rapid fabrication techniques have also been developed. High-performance signal-processors, 5-10 times faster than current technology, has been successfully tested, and been designed to reconfigure if hit in battle.

- Laser/directed energy: There has been successful loading of large-aperture, multimirror segmented-focusing systems on the ground—crucial to future space basing of laser/mirror systems.

- Kinetic energy: Electromagnetic launchers have accelerated plasmoids to velocities in excess of 10 kilometers per second, a significant breakthrough, and rapid-fire techniques with larger-mass projectiles have brought velocities up to the maximum attainable with chemical propulsion. Electrical components have been ground-tested to withstand accelerations of over 100,000 Gs.

President Reagan, who used emergency powers on the diversionary Nicaragua issue, now faces a situation in which congressional behavior poses a severe threat to national security; he should use those powers to declare the SDI a crash program, and the core of an emergency mobilization to revive America's entire economy.

Can irrationalism promote democracy?

by Nicholas Benton

George Shultz has the U.S. State Department “playing God” again, and the results promise to be as disastrous as the department’s legendary Khomeini fiasco.

“In the early years of the 20th century, fashionable opinion probably would have dismissed the idea that the latter decades of this century would be a time of religious revival. The conventional wisdom of the time was that this modern age of reason and science could hold little room for something as supposedly irrational as religious faith,” Shultz quipped in opening remarks to a controversial “Conference on Religious Liberty” officially co-sponsored by and held at the State Department on April 15 and 16. Over 200 religious leaders attended. Co-sponsors included the Institute on Religion and Democracy, the Foundation for Democratic Education, the American Jewish Committee, the Anti-Defamation League, the Jacques Maritain Center at Notre Dame, and the National Association of Evangelicals.

The conference was further proof that the rise of irrationalist ferment in fundamentalist religious garb is no accident of history. The State Department itself has been a major player, and the Khomeini fiasco in Iran has clearly taught them nothing. In that case, it was Ramsey Clark, as an official plenipotentiary of the Carter administration, who led the way in producing Muslim fundamentalism’s takeover. And now, despite a confession of failure in Shultz’s bitter opening-remarks denunciation of Khomeini (whom the Russians, after all, now control), the conference was a landmark in U.S. government involvement in the promotion of religious movements for political objectives.

“Religion remains a powerful force,” Shultz said. “We will have to leave to future historians the full explanation of this resurgence of faith in the modern age. Perhaps the social dislocations of an era of progress have strained people’s inner resources. . . . Whatever the cause, the new vitality of religion represents a clear rejection of the modern notion that reason and science hold all the solutions to the problems of earthly existence. . . . or that all the answers to these human problems and needs somehow lie with the state.”

But Shultz does not mean the Judeo-Christian tradition of St. Augustine and others, which shaped the development of Western civilization and laid the foundation for the modern form of sovereign, republican nation-state. Rather, Shultz

referred to forms of Gnostic heresy, anti-rational, mystical cult movements which, he expressed the hope, would trigger an “evangelical revival” against the Soviet state. Alarming, in his brief speech to the attendees, President Reagan echoed this deluded line that Russian Orthodox religious ferment is a force for freedom in Russia—a notion which plays directly into the hands of the “Third Rome” imperial objective of *current, close collaboration between Russian Orthodox and Politburo leaderships*.

The basic fallacy underlying the conference’s cynical outlook is the notion that the interests of democracy—against the Soviet state, for example—are advanced by the promotion of an *irrationalist* appeal to the spiritual needs of the individual.

Boston University’s Peter Berger articulated this view in his remarks on the opening panel, saying that “basic human rights” have to accompany economic progress to make anyone “happy”—something, he says, the strictly materialist, atheist Soviets don’t understand. “Two calculi have to be figured into everything someone does,” he said. “The first is to reduce pain and increase well-being. The second is meaning, which is associated with respect for religious values.” Berger argued that modernization “alienates” man through greater abstraction, anonymity, and remoteness, and that the effects of this are mitigated through “mediating structures” of which religion becomes the most important.

By setting man’s need for such a “mediating structure” against the source of his “alienation,” i.e. the Soviet state, the latter can be undermined.

EIR chose to throw a monkey-wrench into this reasoning: Why should one not assume that the Soviets themselves have figured this out, and are promulgating religious ferment themselves for their own ends—in Russia, and in the United States against the U.S. government (this is in fact going on)? Panelists chose to overlook the annoying question. However, spokesmen for various Soviet-watch organizations then began to point at the interface between the Soviet Politburo and the Russian Orthodox patriarchate.

The relationship between heteronomic irrationalism in individual identity and the promotion of tyranny has been known since Plato. In a negative form, it was the basis for Hobbes’ notion of the tyrannical implications of a society based on “each against all.” Or, as the *Federalist Papers* stress, democracy is based in the promulgation of reason as the instrument of justice and morality. Ignorance, irrationality, and superstition are the tools of tyranny. If such are promoted, not the sovereign democratic state, but tyranny triumphs.

Yet, that is what the State Department’s conference promoted. As Yale University’s Firuz Kasemazadeh quipped, “If you want to really know, on the world scale, Protestant fundamentalism and Islam are the real games in town for the rest of the century.” Yes, Mr. Kasemazadeh, but games no republican nation-state can win.

Dope bankers' Weld blasted in Mexico

A columnist for Mexico City's largest daily newspaper, *Excelsior*, has written that the U.S. Attorney for Massachusetts, William Weld, is "a friend—perhaps partner—of the international narcotics mafia." The April 30 column by José Luís Mejías, entitled, "The Untouchables," charged Weld with covering up for dope-money laundering by the Bank of Boston, and appeared only days after Weld, previously charged by *EIR* with being a front-man for dope-money bankers, had asked a U.S. Court in Massachusetts to impose a total of \$600,000 in new fines against the National Democratic Policy Committee, the Fusion Energy Foundation, and two publishing and distribution companies operated by associates of Lyndon H. LaRouche, Jr., arguing that they failed to respond to grand jury subpoenas.

Weld, of all people, accuses these organizations of "financial irregularities." He has already succeeded in having a Boston judge impose \$280,000 in fines on the organizations—neglecting to mention that he never had the subpoenas served! Weld has otherwise been pursuing the "financial irregularities" charges against the campaign organizations of former Presidential candidate LaRouche.

Observers, in the United States and now, Mexico, will note that this totals more than Weld saw fit to levy (\$500,000) against the Bank of Boston, which admitted guilt in laundering \$1.2 billion in dirty money.

Whose irregularities?

"What you will read below is a summary, a digest of what the U.S. press published this past February and March about a scandal caused by one of the biggest and oldest Boston banks, which was accused of laundering drug money, fined for it and is currently under investigation by that country's Congress, since there are indications that the bank's criminal activities go far beyond money-laundering," José Luís Mejías told his *Excelsior* readers of April 30. "Wire services and the Mexican press have given *little or no attention* to it, in contrast to what the U.S. press does with Mexican scandals: published and magnified all over the American Union, if not all over the world.

"The First National Bank of Boston has been convicted of having laundered \$1.22 billion during a four-year period (1980-1984). There are indications that the bank's criminal activities go far beyond money-laundering. . . .

"Last February, Assistant Secretary of the Treasury, John

Walker, speaking at a conference on organized crime, leveled serious charges against the Bank of Boston, such as laundering narcotics money. . . .

"The scandal grew, however, when the Bank of Boston surprisingly fixed up its problem with the payment of a \$500,000 fine, which freed them of further responsibility: a 'gentlemen's agreement' sworn between bank executives and U.S. Attorney *William Weld*, who, the press found convincing evidence, had received major contributions for his political campaign in 1978, when he ran for Massachusetts state attorney-general, the post [sic] which served him as a stepping-stone to his present one. . . .

"William C. Mercer, honorary director, and Peter M. Whitman, senior vice-president of First National Bank of Boston, contributed generously to Weld's 1978 electoral campaign. . . . Debts of friendship and politics bind the present U.S. Attorney with the directors of the bank accused of participating in narcotics traffic's financial movements.

"Thus, when the gentleman's agreement by which the bank was freed of all guilt with a fine of half a million dollars was made public, both the Senate and the House of Representatives announced they would investigate this shameful case, since there was already a sworn affidavit written in 1983 by an FBI agent that the so-often mentioned Bank of Boston had strong links with organized crime through Jerry Anguilo, one of the kings of the 'needle mob.' It seems that Weld committed himself to withholding or keeping hidden that sworn declaration.

"Other sources have brought to light incriminatory facts showing close relations between U.S. Attorney Weld and Edgar Bronfman, a mafioso lodged in the Seagrams firm, who also generously contributed to the former's electoral campaign, as part of a conspiracy to bring into the attorney general's post a friend—perhaps partner—of the international narcotics mafia."

Weld began attacking LaRouche and his associates immediately after the U.S. presidential elections, part of a broader campaign which saw banks seize campaign accounts, cancel credit-card privileges, and so on. Weld spearheaded the "legal" side of this financial warfare by launching a well publicized "investigation of financial irregularities"—for which he admittedly had no evidence or grounds whatsoever.

LaRouche had devoted much television-time during his campaign to attacks on the dope-linked bankers and allied criminal elements in the Justice Department and FBI.

Attorneys for LaRouche have filed a formal complaint with Attorney General Ed Meese charging Weld, whose family fortune comes from the Swiss-centered international banking nexus most tainted by drug-money laundering, with "conflict of interest." The same point has now been made in *Excelsior*: If the United States is serious in the war on drugs, it will clean such "untouchables" as Weld out of the justice apparatus.

KGB moles target Lyndon LaRouche at Brookings Institute conference

In May 1983, at a meeting of top agents of the Soviet government with the U.S. "peace movement" in Minneapolis, Minnesota, an obscure Washington journalist working for the John Birch Society, named John Rees, was carrying out the task of providing a special kind of security for the meeting. With 25 Soviet agents, including KGB General Mikhail Milshstein, *Literaturnaya Gazeta's* Fyodor Burlatskii, and others, meeting under the auspices of the Hubert H. Humphrey Institute together with an equal number of leading members of the U.S. based "nuclear freeze" and "peace" movement, one of the critical jobs was to ensure that the real story of what transpired between the KGB and the U.S. Democratic Party, which was deeply involved in this meeting, was kept out of circulation. According to eyewitness accounts, that job was handled by John Rees.

Rees's task at the Minneapolis meeting was doubly important for KGB operations in the United States. First, at this meeting, the KGB first launched its international campaign against President Reagan's Strategic Defense Initiative (SDI), which had just been announced on March 23, 1983. Secondly, the Minneapolis meeting proved that FBI Director William Webster was deliberately covering up for the KGB. A month before, in April 1983, despite irrefutable proof that the KGB was building the "peace movement" in Europe as a terrorist capability against the United States, Webster had told the U.S. Congress that there was "absolutely" no evidence of Soviet control over the "nuclear freeze" or peace movement in the United States.

On April 22, 1985, the coverup of KGB operations was escalated when a gang of Anglo-Soviet agents linked to the Heritage Foundation, gathered at the Brookings Institution for a conference on "Terrorism, Psychological Warfare and Propaganda," and openly targeted for assassination Lyndon H. LaRouche, Jr., the leading expert on Soviet terrorism, and the acknowledged architect of President Reagan's SDI.

The spokesman for the targeting of LaRouche was the same John Rees who deployed in Minneapolis for the State Department, the FBI, and British intelligence services to protect the KGB. In his speech, Rees said that the "[U.S. Bureau of] Alcohol, Tobacco and Firearms" should "raid" the estate of Lyndon H. LaRouche, Jr. in Loudoun County, Virginia "because the *Washington Post* reported that mortar

fire had been heard" coming from that vicinity.

Rees's outburst against LaRouche, which shocked many of the 35 participants at the Brookings Institution forum, was no mere slip. Informed sources close to the Department of Justice report that Rees, together with socialist Irwin Suall, director of the Fact Finding section of the Anti-Defamation League (ADL), and other collaborators in the press such as NBC and the *Washington Post*, have been pressuring the Department of Justice and the FBI to run a "cointelpro" operation and criminal investigation of LaRouche and associated organizations.

The model for Rees's proposed gameplan against LaRouche is the series of shootouts between members of the Nazi fringe groups, The Order, and the Aryan Nation, with agents of federal law-enforcement agencies. Behind the scenes, Rees and Suall have been illegally attempting to pressure the FBI and Justice Department into listing LaRouche among "right-wing" terrorists.

Through the ADL, the Israeli Mossad is engaged in training special-operations assault teams within the United States Marshals Service and the FBI. Over the last year, these special units have been involved in several sensational shootouts with members of neo-Nazi and other right-wing groups, usually resulting in the death of the group member.

What the FBI knows and is covering up, is that Irwin Suall himself finances agents-provocateur inside the right wing, the Ku Klux Klan, and Nazi fringe groups. In some cases, it has been paid ADL agents who helped to set up the violent confrontations leading to injuries or deaths of law-enforcement agents. There have also been cases where state law enforcement agencies, such as Missouri, had to withdraw official reports when information provided by the ADL, for example, on LaRouche, turned out to be false, culled from Suall's "enemies list."

Terrorists control the conference

As the following dossiers show, some of the major targets of the U.S. government in investigating terrorism and Soviet disinformation should be the Brookings conference participants themselves.

Most of the major participants at the April 22 conference (Michael Ledeen of the Center on Strategic and International

Studies; John Rees; Arnaud de Borchgrave, Editor of the *Washington Times*; Irwin Suall; Herbert Rommerstein; Gen. Robert Richardson of High Frontier; Joel Lisker, an aide to Sen. Jeremiah Denton; Charles Lichtenstein of the Heritage Foundation; and the notorious Committee for Accuracy in Middle East Reporting in America—CAMERA) serve the interests of the KGB through primary associations with either British intelligence and its fronts such as the Heritage Foundation, or with Israeli intelligence, the Mossad. Both of these foreign intelligence institutions enjoy a privileged relationship with the U.S. State Department and other government agencies and departments because of the administration's failure to grasp the strategic doublecross being carried out by the British and the Israelis against the United States.

CAMERA: The most egregious case of outright terrorist involvement by the organizers of the conference is the so-called Committee on Accuracy in Middle East Reporting in America, headed by one Winifred Meiselman, and William Perl. Perl is connected to the terrorist Jewish Defense League in the Washington area, both directly through JDL members, and through Rabbi Kranz of Maryland, a JDL protector. As is well known to Washington, D.C. law enforcement, Perl's name figured prominently in a series of mid-1970s JDL rifle attacks on Washington embassies.

The JDL has been one of the ADL's covert terrorist capabilities, and its leader, Meir Kahane, now in Israel, has been linked to the terrorist actions of the Israeli JDL affiliate, the Kach Party.

John Rees: Rees operates around Washington under a variety of covers: The Mid-Atlantic Research Institute, *Early Warning*, the John Birch Society's *News of the Week*, and *Information Digest*. As indicated above, Rees is closely associated with the FBI, for which he functions to provide disinformation on KGB operations.

The British-born Rees worked in the 1940s-early '50s for the British Royal Air Force's Special Investigations unit, before coming to the United States in 1963. After some lack of success as a U.S. intelligence stringer, during which time a liaison with *Peyton Place* author Grace Metalious resulted in a dispute over her estate, Rees got involved with black nationalist groups in Harlem.

In 1968, Rees founded National Goals, a vehicle through which he and his associate Herbert Rommerstein attempted to secure Justice Department funding for black vigilante (politely termed "community police forces") groups in Newark, New Jersey. One of Rees's choices for government funding was Imamu Baraka (a.k.a. Leroi Jones), a leader of the 1967 race riots in Newark. The mediator for Rees's offer to Baraka, who calls himself a "revolutionary follower of Marxist-Leninist-Mao Zedong thought," was Kamil Wadud, leader of the Sunni Muslim sect in Newark who later helped form the Hanafi Muslim sect which took part in terrorism in Washington, D.C.

In 1971, Rees and his wife, Louise Rees (a.k.a. Sheila

O'Connell), became low-level left-infiltration agents for the D.C. Police Department, according to his accounts. Louise Rees infiltrated the Institute for Policy Studies, one of the Socialist International and KGB's intelligence windows and operational centers in Washington.

Today, Rees is a close collaborator against LaRouche with the ADL, the dope lobby associated with the terrorist-linked *High Times* magazine, and the *Washington Post*. His business partners in the overpriced eight-page newsletter, *Early Warning*, include British intelligence operatives Robert Moss and Arnaud de Borchgrave.

Michael Ledeen: Currently an adviser to the State and Defense Departments on terrorism, Ledeen poses a significant security threat to the United States through his close association with *New Republic*, the magazine founded by a family of Soviet agents close to KGB Col. H. Kim Philby. Ledeen's wife, Barbara, who also is close to *New Republic*, is a controller of the Temple Mount project—the plan to rebuild the Temple of Solomon on the current site of the Al Aqsa mosque in Jerusalem. The Temple Mount project is the brainwashing belief structure for Jewish fundamentalists involved in Kahane's Kach Party, and with the terrorist training center, Aretet Cohanim yeshiva. This yeshiva was founded by Mattityahu Dan, a suspected agent of Ariel Sharon and Rafi Eytan's Terror Against Terror assassins unit.

While posturing as an "expert" on Italian terrorism, Ledeen was labeled *persona non grata* by Italian intelligence agencies after reports he was hired to produce were found to cover up key information about the Italian left and right terrorists.

In the context of the gravest security danger to President Reagan since his election in 1980, the purging of these Soviet assets from anti-terrorist efforts is critical to ending the blinding of U.S. intelligence. For anyone who doubts that the British and Israeli "special relationship" is a major Soviet weapon against the United States, just consider two of the latest steps in the Soviet campaign to break West Germany out of NATO:

- On May 2, the London International Institute for Strategic Studies released its annual strategic report, this time on the subject of Reagan's SDI. Echoing the statements of Lord Carrington, Secretary General of NATO, as well as of the Soviet leadership, the IISS said the SDI program "...could damage [world] stability rather than strengthen it." This document, released at the moment of President Reagan's European trip, is designed to give a Western boost to Soviet disinformation.

- Throughout April, Israeli intelligence utilized assets in the United States on behalf of the KGB to smear President Reagan as "anti-Semitic" because of his plan to visit a German military cemetery at Bitburg. While Soviet front groups run the propaganda, the Israeli intelligence-linked Terror Against Terror murderers are one of the greatest dangers to President Reagan's safety.

Hollings stuns liberals, endorses SDI spending

Senator Ernest (Fritz) Hollings (D-S.C.) stunned a gathering of 200 liberal Democrats on Capitol Hill on May 2 with a wholehearted endorsement of full funding for the Strategic Defense Initiative.

The former Democratic presidential candidate said he had come to his decision after Lt.-Gen. James Abrahamson, head of the Strategic Defense Initiative Office, spoke before his Appropriations subcommittee on April 24.

Hollings told his Democratic colleagues that Abrahamson had disclosed shocking information on the Soviet military buildup, that the Soviets are out-investing the U.S. 10-to-1 in SDI-related technology and have already tested 18 killer satellites. "We are playing catch-up," said Hollings.

Hollings cited these revelations as the reason that he has decided to wholeheartedly support the administration's \$3.4 billion request for the "10-fold multi-faceted [SDI] approach necessary for us."

His endorsement of full funding is particularly significant because he has repeatedly proposed an across-the-board budget freeze.

The senator made his remarks to an all-day policy seminar organized by liberal Colorado Congressman Tim Wirth, who was left speechless by the pro-SDI remarks.

McNamara, Clifford blast SDI at Fascell hearings

Former defense secretaries Clark Clifford and Robert McNamara issued venomous and lying attacks on the SDI

during hearings of the House Foreign Affairs Subcommittee on Arms Control, chaired by Rep. Dante Fascell (D-Fla.).

Clifford set the tenor by announcing: "The Russians are no more interested in stopping the SDI than I am—and I will do everything in my power to stop it."

He then proceeded to demand a freeze on the SDI budget at the paltry \$1.4 billion level allocated by Congress in 1985. He dismissed the idea that the Soviets have embarked on an aggressive SDI effort of their own, saying their massive program is "limited" and "provides no rationale for a trillion-dollar investment in folly on our part."

McNamara, whose military expertise was displayed in Vietnam, used a slightly different tack, claiming that the administration itself is split on the SDI's goals, citing statements by Paul Nitze and Max Kampelman as evidence.

Two "alternative programs," "Star Wars I and Star Wars II," currently exist, he said, claiming that only President Reagan and Secretary of Defense Weinberger still believe in the former, expressed in Reagan's original March 23, 1983 proposal for a universal defense against nuclear attack, while "virtually everyone else associated with the SDI now recognizes that such leak-proof defense, should it ever prove feasible, is so far in the future that it offers no solution to our present dilemma."

Rep. Dante Fascell, chairman of the full committee and a leading foe of the SDI, has been holding a series of hearings on the beam-defense program and anti-satellite weapons in order to establish an anti-SDI climate prior to congressional votes on the controversial program.

Reagan budget compromise unravelling

The Reagan administration's budget-cutting compromise began to unravel almost as soon as it hit the Senate floor. Overturning a Senate-White House compromise passed April 30 for a 3% (after-inflation) hike in defense spending, the Republican-controlled body on May 2 voted up an amendment that will reduce the real defense spending increase in the FY 1986 budget to zero.

The amendment, sponsored by Sen. Charles Grassley (R-Iowa), passed by a voice vote after an attempt led by Sen. Barry Goldwater (R-Ariz.) to table the measure was defeated 51-48. Even Secretary of Defense Weinberger's personal lobbying off the Senate floor failed to defeat the Grassley measure.

Budget resolutions are often violated by votes on individual weapons systems, but the Senate's action means that the MX and SDI, in particular, face near-certain gouging as the budget process unfolds over coming months.

Defense isn't the only part of the Reagan budget compromise which the Senate has torn up. On May 1, it voted 65-34 to eliminate a proposed cap on Social Security cost-of-living adjustments, which administration spokesmen, and the President himself, had contended was an integral element of the \$52 billion-dollar package of cuts.

Nineteen Republicans, including 11 of the 22 up for reelection in 1986, voted to drop the provision, as did all Democrats, with the exception of Sen. John C. Stennis (D-Miss.). Majority Leader Sen. Robert Dole (R-Kan.) is now proposing a new compromise, favored by some Democrats, for a one-year Social Security freeze.

Metzenbaum: pro-Israel and anti-SDI at once?

Senator Howard Metzenbaum's fervid opposition to the Reagan administration's Strategic Defense Initiative may soon propel him into a head-on political collision with an unexpected adversary—Israel.

The Ohio Democrat is known as one of the most outspoken members of the Israeli Lobby on Capitol Hill. Most recently, Metzenbaum led the charge in the U.S. Senate against President Reagan's visit to Bitburg Cemetery in West Germany, expressing great outrage over this alleged insult to the Jewish people.

Metzenbaum has also emerged as one of the more vocal and persistent critics of the beam-defense program, charging that it would serve only to destabilize the international strategic situation, drain resources from other areas of the economy, etc.

His office told *EIR* in early May that the Senator will seek deep cuts in the SDI budget, and that he is now deciding on whether to sign on to the Proxmire-Chafee-Bumpers "Alternative SDI Budget," or to back the even more radical proposal sponsored by Sen. John Kerry (D-Mass.), which calls for freezing the SDI allocation at the present paltry \$1.4 billion.

Metzenbaum has had no difficulty acting pro-Israel and anti-SDI—until now. But Israel has responded enthusiastically to a U.S. invitation to participate in the program.

The authoritative *Jerusalem Post* recently reported that the Israeli government is fully in favor of the SDI. The *Post* emphasized the economic and industrial as well as military benefits that would accrue to Israel were she to join with the U.S. in developing SDI technology. Israel is holding talks

with the United States on the immediate application of laser technology to the defense against ground-to-ground SS-21 missiles, for example. An Israeli military commentator also stressed that the SDI is the only available military option to the nation, not only because nuclear war in the Middle East would mean Israel's destruction—its enemies have greater territorial depth—but because a conventional military buildup would destroy Israel economically.

Metzenbaum's office has refused to comment. But an aide to Sen. John Chafee (R-R.I.), a sponsor of the "Alternative SDI" bill, became unhinged when it was suggested to her that the measure would threaten the lives of 3 million Israeli Jews, under the gun from Soviet-supplied SS-21 missiles in Syria.

"You can't accuse Senator Chafee, or Bumpers, or Proxmire—Mathias, admittedly, may be a different story—of being soft on the question of security for Israel," said the aide, who helped draft the bill. "Israel doesn't need laser and optics technology against the boost-phase of these missiles, it just needs conventional technology."

Senator Gore proposes 'global foresight' office

A bill to set up a "global foresight" capability within the U.S. government was introduced in the Senate on April 30.

Entitled the "Critical Trends Assessment Act," the legislation proposes the creation of an "Office of Critical Trends Analysis" within the executive office of the President. It would prepare regular reports identifying and

analyzing "critical trends and alternative futures" in such areas as demography, economics, technology, and the environment.

Sen. Albert Gore (D-Tenn.) is the bill's main sponsor, a Malthusian "futurology" kook, which came through loud and clear in testimony Gore delivered on April 30 during hearings held by Sen. Charles Mathias (R-Md.), another Malthusian.

Gore noted, "We often lurch from one crisis to another," specifically citing the tremendous shift in energy demand during the 1970s which sent the U.S. "reeling by having to pay for nuclear power plants we no longer needed."

Gore thus used the energy crisis—manufactured by the elite Malthusian circles in which he moves—as a way of dramatizing his contention that the world is running out of all critical resources, and government should begin to take on the role of principal conservator and distributor of what remains.

Gore insisted in his testimony that his bill "would *not* constitute government by commission . . . would *not* usurp powers from any federal agency," and "would *not* be a method to invoke centralized planning into the federal government"—the louder because it would do all three.

According to Capitol Hill sources, Gore sees the legislation as a method of enhancing the influence and authority of the "limits-to-growth" crowd within the government, and believes that his "critical trends office," through its regular reports and other activities, would be able to effectively steer national economic policy in a zero-growth direction by issuing a stream of data "proving" that resource shortages make further economic development impossible.

National News

Meese grilled on his anti-drug fight

Attorney General Ed Meese stiffened slightly and rocked forward when *EIR* reporter Nick Benton confronted him in front of 500 delegates to the national convention of the U.S. Chamber of Commerce on April 29 concerning the status of his War on Drugs efforts against the banks and financial institutions laundering billions in drug money.

It was the mention, specifically, of the recent raid against the offices of Shearson-Amex in Philadelphia, that caused him to flinch. However, the reference to this, the Bank of Boston case, the 40 banks under official investigation, and other cases did not deter Meese from quickly regaining his composure and outlining the programs he has undertaken to go after the drug trade.

He cited the new powers granted under the Comprehensive Crime Control Act of 1984 to go after laundering, and how those can now be used to seize all the assets and property of guilty institutions. He also said that there is now much more cooperation coming from governments offshore and overseas to open up previously hidden accounts to scrutiny from the United States.

Meese was very forceful in asserting that "there are no neutrals in the War on Drugs." The only troubling aspect of his remarks was that he made no mention of the investigations into laundering until Benton reminded him of it.

We'll chalk it up to a memory lapse, pending some major announcements soon about Justice Department probes into Henry Kissinger's American Express.

Billy Graham will 'crusade' in D.C.

Why did evangelist Billy Graham announce that he is coming to Washington, D.C. for a crusade? Some would contend that now that he's been to Moscow to get his marching orders, Billy is coming to this nation's capital to carry those orders out.

However, the timing of the announce-

ment may also be related to the impact of the Schiller Institute, led by Helga Zepp-LaRouche, among churches in the District of Columbia since January, when 10,000 people, mostly from churches, participated in a Schiller Institute-led march on Martin Luther King's birthday.

Massive harassment, including church firebombings, has occurred since then to curb the growing ferment. Jesse Jackson has even been hauled into town. But the devastated D.C. population is in a state of simmering revolt against the drug scourge, and with the help of the Schiller Institute, they are beginning to wake up to the "whos" and "hows" of who is running the dope trade. At an anti-crime community meeting early in May, a Schiller spokesman signed up over 60 prominent citizens for a march against the International Monetary Fund and related financial networks that are fostering the drug plague.

Could this explain Billy Graham's sudden decision to come to Washington, and work with Dr. Ernest Gibson, an arch-enemy of the Schiller Institute, to draw the attention and energies of the area churches away from the war on drugs, and in support of Graham's new "nuclear freeze" and related sympathies?

Justice Department to investigate 'kapos'

The U.S. Justice Department's Office of Special Investigations (OSI) is "investigating concentration camp kapos, including Jews," a Washington, D.C. source has revealed. The kapos were inmates who collaborated with the Nazis in running the concentration camps.

"To the extent a person is defined as a Nazi war criminal, if that person committed atrocities in the camps, despite ethnic background, including Jews who were Nazi war criminals, that person can be investigated," the source noted.

"I do know of cases of Jewish kapos in the United States. . . . The law makes no distinction between Nazis and Nazi collaborators. To the extent a Jewish kapo was a collaborator of the Nazis, taking into account that individual's claim that he was

also a victim of the Nazis," the Justice Department will "pursue this person as a war criminal."

Another Washington insider claims that an amendment to the U.S. Immigration and Naturalization Act, sponsored by former Congresswoman Elizabeth Holtzman, could be used against former Jewish kapos. "The act is aimed against those who committed acts against others in the camps, for reasons of race, religion, and other selective criteria. If Jews committed such acts," he said, "they would be as liable as any other Nazi war criminal."

TFP cult infiltrates Reagan administration

A former adviser to President Reagan is working closely with Tradition, Family, and Property (TFP), the terrorist cult that has been implicated in plots against Pope John Paul II. Morton Blackwell, who spent the first three years of the Reagan administration as project officer of the White House working group on Central America, and was co-author of the President's voluntary prayer amendment, was the guest of honor at a TFP dinner held at the Foundation for Christian Civilization in Bedford, N.Y. earlier this year.

The TFP was expelled from Venezuela in 1984 for its cult activities, which include brainwashing youth and terrorism. The Vatican has officially declared that TFP has no proper affiliation with the Catholic Church.

According to an article in the TFP's newsletter (Vol. 4, No. 11, 1985), Blackwell has set up a new think tank, the International Policy Forum. TFP founder and cult leader Plinio Correa de Oliveira is on the IPF board of governors.

Blackwell first attended an American TFP event in the fall of 1981, the article reports, and "American TFP has come to appreciate his well-founded opinions and timely advice and was so pleased to invite Mr. Blackwell to once again address members and supporters during his weekend visit last February. . . ."

"Mr. Blackwell wrote that in his three years with the Reagan administration, he had been able to observe the TFP firsthand,

that the TFP members had always acted with utmost responsibility, and that the frequent support given by the TFP in the United States had prompted President Reagan to write a letter of appreciation in early 1984 to Mr. John Spann, president of the American TFP."

Warnke: SDI a big porkbarrel

Paul Warnke, director of ACDA (Arms Control Disarmament Agency) during the Carter administration, at a Washington, D.C. press conference April 29, demanded "an objective, independent review board, to oversee the SDI [Strategic Defense Initiative]."

"What we see happening today is the rapid conversion of the President's 'Star Wars' proposal from stardust and moonbeams to that great porkbarrel in the sky. . . . Congressional members with home districts or states with a large financial stake in 'Star Wars' will have an additional incentive to vote in favor as funding for the program increases," Warnke complained.

"This incentive will gain momentum as pressure from in-built constituencies based on jobs and other benefits begins to mount."

Warnke was addressing a luncheon-press conference called to release a new report by the Council on Economic Priorities, an anti-SDI thinktank.

Alabama legislature: U.S. must dump IMF!

The Alabama state Senate and House of Representatives unanimously passed a resolution on April 11 calling on the President and the U.S. Congress to "initiate action to end the International Monetary Fund system because of the economic collapse, through a new development-based international monetary program." The resolution was forwarded to President Reagan and the Alabama congressional delegation for action.

Titled "Immediate Actions Related to Emergency Food Relief to Africa," the resolution was spearheaded by Rev. Houston

Anderson of Selma, Alabama, who is a national leader in the drive of the Schiller Institute for emergency defense and economic measures to save the Western alliance and restore world economic growth.

Forces allied with the Schiller Institute are circulating similar resolutions in 25 states. Resolutions have been officially introduced in Maryland, Texas, Oklahoma, and soon will be introduced in Illinois.

The two-page Alabama resolution gives facts and figures to demonstrate the current world food shortage, and states, "The agriculture output potential of the developing sector nations is being destroyed through the International Monetary Fund system."

It calls for vastly increasing food production in the advanced-sector nations; a stay on all farm foreclosures; a freeze on farm debt; the issuance of production credits at 2-4% rates for maximum spring planting and buildup of meat herds; and government-to-government food commodity trade commitments to guarantee cost-of-production parity prices to farmers.

The resolution condemns the monopoly control over international food trade and shipping exercised by "a small number of world food cartels and private family trusts," and states that this "poses a threat to national and western security by making agreements to guarantee Soviet food stocks while creating food scarcities in the West."

Philadelphians protest against MOVE cult

Philadelphia's Mayor Wilson Goode has come under attack from constituents in the West Philadelphia neighborhood where members of a group involved in a 1978 shootout that killed a policeman, are terrorizing residents. At a press conference May 1, residents declared that they could no longer coexist with members of MOVE, and condemned the mayor for taking no action against the atavistic group.

The complaints center around a series of incidents involving MOVE, including three cases of assault, numerous burglaries, "religious" harangues by MOVE members over a loudspeaker, and health problems caused by unsanitary living conditions.

Briefly

● **HITLER-LOVER** Louis Farrakhan has been offered a \$5 million, interest-free loan by Libyan dictator Muammar Qaddafi. The money would go to Farrakhan's People Organized and Working for Economic Rebirth (POWER).

● **SENATOR METZENBAUM** (D-Ohio) is reported to have held a private meeting in his Washington, D.C. office the week of April 29 with Richard Garwin, of IBM and Massachusetts Institute of Technology, a chief antagonist of the Reagan administration's Strategic Defense Initiative.

● **A EUTHANASIA** accounting system for Medicare, put in effect in 1983-84, is pushing tens of thousands of elderly out of hospitals prematurely. Called the Prospective Payment System (PPS), it has led to more cancer patients, stroke patients, and patients who need intravenous feeding or breathing tubes in their tracheas, being forced home early from hospitals, according to Harley Tabak, administrator of the Annaburg Manor Nursing Home in northern Virginia.

● **BALTIMORE MAYOR** Schaffer and the city's financial board were urged at a taxpayers' meeting on April 30 to declare a "state of emergency" in response to a significant increase in Baltimore's rat population. A representative of the Schiller Institute testified that a health threat is posed to the city by the rodent infestation, warning of the possibility of the spread of epidemics, easily transmitted by rats.

● **A ROTHSCHILD** family scion, prior to President Reagan's trip to West Germany, had been telling his patrician intimates that Reagan should at all costs go to Bitburg Cemetery. He termed opposition to the Bitburg visit by major Jewish organizations "abominable."

The Bonn summit fiasco

The only useful thing that came out of the Bonn summit of the seven leading non-communist industrial nations is something that was not planned—a coordinated war on illegal drugs. It may have been the only issue on which policy has not already been dictated, and enforced by blackmail and terror, by the oligarchical families and their supranational political and financial institutions.

The heads of government of the United States, Japan, Canada, Italy, the Federal Republic of Germany, France, and the United Kingdom met for their annual spring “economic summit,” a ritual which has been going on for a decade, since the Rambouillet debacle of 1975—and punted on many of the key economic and strategic agenda items put before them.

EIR had been warning for well over a month before Reagan traveled to Bonn, that the summit was rigged by James Baker III, Don Regan, and Paul Volcker to sell U.S. and Western interests down the river on behalf of the Wall Street bankers and their Swiss and London-centered allies.

So, about the best that could have been expected is that the Bonn summiters would do nothing. On two counts, that turned out to be so:

- The heads of government didn't agree on opening new trade talks. That is just as well, given the suicidal bout of U.S. trade war against Japan that was unleashed by a bipartisan herd of Congressional hyenas in mid-April, not long before Reagan left for Bonn.

- They didn't agree on a “new Bretton Woods,” conference to overhaul the monetary system. That's just as well, too, because the set-up was for what Treasury Secretary Baker, in a treasonous speech on April 17, referred to as “a high-level meeting of the major industrial countries” to make “improvements in the international monetary system.” What kind of improvements should these be? By Baker's formulation, to “strengthen IMF surveillance” over economies, including the U.S. economy!

These omissions could have been helpful, if the leaders of the Big Seven had not also waffled on the Strategic Defense Initiative, failing to reach a unified

position of support for the one program which could defend the West and drive an actual economic recovery, at a moment when the Soviet aim to command the Western European economies by a combination of threats and enticements, has never been clearer.

This was a grave setback for President Reagan, and the West.

It was made even worse by the fact that the summit ratified the notion of increased IMF surveillance over national economies. The IMF and its “moles” in the U.S. Congress and Executive Branch have made cutting the SDI budget to ribbons their foremost priority; the consequence of such “surveillance” will be to wreck strategic defense.

The only opening for sanity in economic policy came about on May 2, after a question from Prime Minister Margaret Thatcher of Britain to Mr. and Mrs. Reagan prompted a one-hour discussion on the issue of drug-trafficking, and the heads of government mandated a team of advisers to draw up a plan for joint action. Where this might lead was indicated by the executive director of the U.S. President's Commission on Organized Crime, James D. Harmon. He was quoted on May 3 in the *International Herald Tribune* saying, “Some international financiers may soon turn into international fugitives.” Harmon stressed, “In war time, Swiss neutrality may be viewed as morally admirable, but in the war against the drug trade, neutrality amounts to complicity.”

Exactly! As we have been pointing out since *EIR* coined the term “Dope, Inc.” in 1978, the global illegal-drug “business” run at the top by the wealthiest titled families (including the British monarchy), is what grows cancerously when the real, productive economy of industry and agriculture is destroyed.

But as long as government heads keep listening to the oligarchical families and their servants, such as Baker, no real economic policy will be decided at meetings such as Bonn, and the economy will continue its descent into hell. Until this publication's policies become hegemonic among leaders, the world were better off if such summits were banned.

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