

EIR

Executive Intelligence Review

June 4, 1985 • Vol. 12 No. 22

\$10.00

Kissinger think-tank: 'U.S. troops out of Europe'
The real story behind the MOVE terrorists
Volcker hands U.S. economy to big dope banks

**The oriental roots of Kissinger's
deep commitment to socialism**



The Recovery That Never Was

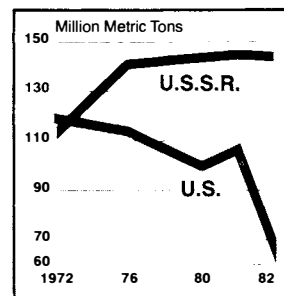
Find out what the White House should know . . . but doesn't

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:

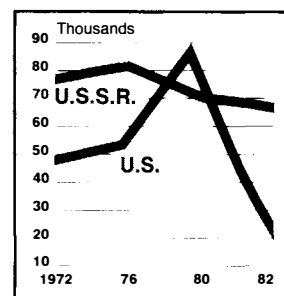
- Unless President Reagan replaces his present, foreign and domestic, monetary and economic policies, the U.S. economy will continue to describe an accelerating downward trend in output of goods and in balance of trade.
- The potential for a 1931-32-style deflationary blow-out or new skyrocketing of 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.

Raw Steel



Freight Cars



Executive Intelligence Review

U.S., Canada and Mexico only

3 months\$125
 6 months \$225
 1 year \$396

Foreign Rates

Central America, West Indies, Venezuela and Columbia: 3 mo. \$135, 6 mo. \$245, 1 yr. \$450

Western Europe, South America, Mediterranean, and North Africa: 3 mo. \$140, 6 mo. \$225, 1 yr. \$470

All other countries: 3 mo. \$145, 6 mo. \$265, 1 yr. \$490

**I would like to subscribe to
Executive Intelligence Review for**

3 months 6 months 1 year

I enclose \$_____ check or money order

Name _____

Company _____

Phone () _____

Address _____

City _____

State _____ Zip _____

Make checks payable to Campaigner Publications, Inc., P.O. Box 17726, Washington, D.C. 20041-0726. In Europe: *EIR* Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 164, 62 Wiesbaden, Federal Republic of Germany, telephone (06121) 44-90-31. Executive Director: Michael Liebig.

Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.
Editor-in-chief: *Criton Zoakos*
Editor: *Nora Hamerman*
Managing Editor: *Vin Berg*
Features Editor: *Susan Welsh*
Production Director: *Stephen Vann*
Contributing Editors: *Uwe Parpart-Henke,*
Nancy Spannaus, Webster Tarpley,
Christopher White
Special Services: *Richard Freeman*
Advertising Director: *Joseph Cohen*
Director of Press Services: *Christina Huth*

INTELLIGENCE DIRECTORS:

Africa: *Douglas DeGroot*
Agriculture: *Marcia Merry*
Asia: *Linda de Hoyos*
Counterintelligence: *Jeffrey Steinberg*
Economics: *David Goldman*
European Economics: *Laurent Murawiec*
Energy: *William Engdahl*
Europe: *Vivian Freyre Zoakos*
Ibero-America: *Robyn Quijano, Dennis Small*
Law: *Edward Spannaus*
Medicine: *John Grauerholz, M.D.*
Middle East: *Thierry Lalevé*
Science and Technology: *Marsha Freeman*
Soviet Union and Eastern Europe:
Rachel Douglas
United States: *Kathleen Klenetsky*

INTERNATIONAL BUREAUS:

Bangkok: *Pakdee and Sophie Tanapura*
Bogotá: *Javier Almario*
Bonn: *George Gregory, Rainer Apel*
Caracas: *Carlos Méndez*
Chicago: *Paul Greenberg*
Copenhagen: *Leni Thomsen*
Houston: *Harley Schlanger*
Lima: *Sara Madueño*
Los Angeles: *Theodore Andromidas*
Mexico City: *Josefina Menéndez*
Milan: *Marco Fanini*
Monterrey: *M. Luisa de Castro*
New Delhi: *Susan Maitra*
Paris: *Katherine Kanter*
Rome: *Leonardo Servadio, Stefania Sacchi*
Stockholm: *Clifford Gaddy*
United Nations: *Douglas DeGroot*
Washington, D.C.: *Susan Kokinda,*
Stanley Ezrol
Wiesbaden: *Philip Golub, Mary Lalevé,*
Barbara Spahn

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, Federal Republic
of Germany

Tel: (06121) 44-90-31. Executive Directors: Anno
Hellenbroich, Michael Liebig

In Mexico: EIR, Francisco Díaz Covarrubias 54 A-3
Colonia San Rafael, Mexico DF. Tel: 705-1295.

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

Copyright © 1985 New Solidarity International Press Service.
All rights reserved. Reproduction in whole or in part without
permission strictly prohibited. Second-class postage paid at New
York, New York and at additional mailing offices. 3 months—
\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10
Academic library rate: \$245 per year

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

EIR

From the Editor

LLyndon H. LaRouche, Jr., the author of this week's cover feature, warns that unless President Reagan throws out the current policies of Volcker, Regan, Stockman, and James Baker III, he will probably become "the last President of the United States." Unless the President uses his emergency powers for sweeping and profound changes in his monetary and economic policies, this is how he will be known to future history.

LaRouche cites three reasons why this is no exaggeration:

First, we are presently plunging into a new Great Depression, which, if it is not stopped, will be far, far worse than the Great Depression of the 1930s.

Second, the rulers of the Soviet Empire, at present rates of build-up of their military superiority over us, will be in a position to crush the United States in war by somewhere during the years 1987-1989.

Third, as a result of the policies of the International Monetary Fund, which the President's administration has supported so far, pandemics of killer diseases are erupting around the world, while the number of cases of AIDS in the United States is doubling every six months!

In the United States, the Eastern Establishment proto-oligarchs have policy firmly in their grip, as shown by the shocking events of May 24, when the U.S. Senate voted to implement Fidel Castro's program for the defense budget and the debt, by voting a cap on the MX missiles deployed. Fidel Castro recently called for the debtor nations of Ibero-America to declare a debt moratorium, and for those major U.S. banks adversely affected by the moratorium to be bailed out by cutting the U.S. defense budget and the Strategic Defense Initiative.

In Europe, a new "Congress of Vienna" crowd, led by Carrington from the Western side, forced Weinberger to lie low on the SDI at the the NATO foreign ministers meeting. The Soviet side is gloating over it.

EIR has two departures from the norm this week. For this one time, we have expanded to 72 pages from the usual 64, to bring you LaRouche's 20-page cover feature in full. We have also broken with the usual format for *Congressional Closeup*, to focus on the dramatic May 24 vote, and plan even fuller documentation next week.

Nora Hamerman

EIR Contents

Interviews

14 Alberto Costantini

The president of Argentina's National Atomic Energy Commission (CNEA) discusses the future of the nation's nuclear program.

Departments

17 Science and Technology

Rochester inaugurates 24-beam Omega laser.

18 Report from Africa

Nigeria targeted for IMF destruction.

21 Northern Flank

Palme faces a pitchfork rebellion.

55 Report from Paris

Chirac supports beam defense.

57 Report from Bonn

Will Kohl break the stalemate?

72 Editorial

Enter the 1,000-year Reich?

Economics

4 Volcker funds asset seizure by the big dope banks

Documentation: Volcker's speech in Seattle on May 16.

7 Creditors move in to grab Brazil's equity

8 Bank failure caused by IMF

In Argentina.

9 Ibero-American labor says that the foreign debt is 'illegitimate'

10 Currency Rates

11 Vodka and Cola: détente on the rocks

12 International banks dooming debtor nations in South America to holocaust

19 Energy Insider

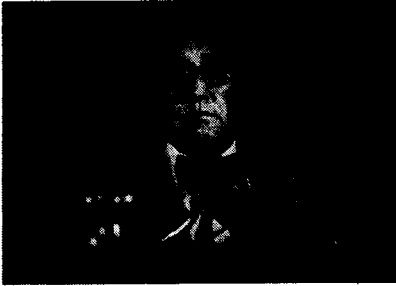
Egypt is going nuclear!

20 Agriculture

U.S.-Europe food war—*cui bono?*

22 Business Briefs

Special Report



NSIPS/Stuart Lewis

Henry Kissinger at Georgetown University's Center for Strategic and International Studies on May 17.

24 The oriental roots of Henry Kissinger's deep philosophical commitment to socialism

Lyndon H. LaRouche reports how the Kissinger case, typifies the kind of counterintelligence problem, with which U.S. intelligence institutions have been most poorly qualified to cope. The first fact, which ought to catch the eye of the counterintelligence specialist, is the fact, that Kissinger's profile from late adolescence, is that of a certain kind of "socialist."

Investigation

60 MOVE: Suicide-terror cult builds climate for U.S. terrorism

63 A Tavistock, Quaker 'social experiment'

International

44 British lead full-scale assault on beam defense

46 Economic pacts mark Gandhi's Soviet trip

48 Russia's 'Muslims' menace south Asia

49 Sri Lanka turns into a flash point

50 New U.S. Asia policy must dump IMF

A report from *EIR*'s conference in Bangkok.

Documentation: From a speech by Admiral Sonthi Boonyachai, Deputy Prime Minister of Thailand.

52 The State Department's Levant nightmare

54 Colonel Qaddafi's 'Operation Chad'

56 Italians vote for a pro-West government

58 International Intelligence

National

64 Georgetown conference plots the decoupling of NATO

On May 15-17, Georgetown's Center for Strategic and International Studies held a conference to advance the plot to pull troops out of Europe and redeploy them to the Americas.

66 Summer timetable set for Moscow's plans

In Central America.

67 Eye on Washington

The IMF's new friend.

68 Congressional Closeup

The May 24 vote that sounded what Senator Wallop called "the death knell of the MX . . . coupled with the death knell to the SDI."

70 National News

Volcker funds asset seizure by the big dope banks

by Chris White

Paul Volcker lowered the Federal Reserve's discount rate the week of May 20 to 7.5%, a level not seen since the era that ended with the inauguration of Jimmy Carter as President of the United States. It may be that there are still some around who think this latest action by the chairman of the Board of Governors of the Federal Reserve System is, "good news." That shows the danger of watching television to get the news.

Volcker's action is confirmation that he is coordinating the attempt by the drug money-dependent money-center banks, such as David Rockefeller's Chase Manhattan, and Walter Wriston's Citibank, to grab the assets of the nation's collapsing Savings and Loan institutions, and thereby shore up their own tottering financial position.

The discount rate is the rate at which the money-center banks can borrow from the Federal Reserve System. It used to be that such banks had to put up collateral against their borrowings on this account. That healthier practice was abandoned several years ago. Now, all the banks have to do is go to the Fed and borrow what they want.

Volcker's lowering of the discount rate therefore means more cheap paper credit for the money center banks. The *Wall Street Journal's* immediate reaction was to moot that Volcker may be worrying about the collapse of the Savings and Loans. As usual, that's only partly true. Volcker is not worried about the collapse of the Savings and Loans as such. Those institutions have been on his triage list for a number of years. He is, however, concerned to protect the money-center banks from themselves collapsing, by enabling those institutions to steal the honest assets and the deposits of the S&Ls with plentiful subsidies from the public purse.

Meanwhile the money-center banks, led by Citibank and

Chase, lowered their prime rate—i.e., the rate at which they relend the funds borrowed from the Federal Reserve—to 10%. Volcker's move on the discount rate ensures that those money-center banks will be able to keep on lending their freshly printed credit from the Fed with a hefty 2.55 margin in their favor. By contrast, the last time the Fed's discount rate was in the range of 7.5% in the mid 1970s, the banks' own lending rate fluctuated within a range not much more than 1% above it.

Bankrupt dope banks

The dope money-dependent money-center banks have themselves been technically bankrupt since the fourth quarter of 1983. At that point Volcker, and his friend C. Todd Conover, who was then Comptroller of the Currency, changed the regulations governing banks' so-called non-performing assets, to protect those banks from the non-payment of interest and principal on especially their Ibero-American outstanding loans. Subsequently, the regulations were changed, almost every three months during 1984, in order to maintain the illusion that the money-center banks were sound.

Meanwhile, as lawful revenue from foreign lending collapsed, because of International Monetary Fund conditionalities policies, the money-center banks, already involved in the laundering of the criminal proceeds of the international drug trade, became increasingly dependent for their operating liquidity, on flows of criminally associated money. It is estimated by well-informed sources that of the approximately \$3 trillion flowing through the American banking system, \$1 trillion is contaminated by laundered money proceeds of the international drug trade and related criminal practices.

But, the drug money evidently is not enough. Now the bankrupt, crime-dependent commercial banks are faced with a new round of crises over their so-called "performing assets" in Ibero-America. Argentina is wracked by crisis, freezing officially transactions in dollars, while its leading financial institutions collapse. Brazil is being pushed to the point of financial collapse in renewed negotiations with the IMF designed to put that country under a 15-year financial conditionalities dictatorship. Peru, in crisis is accumulating arrears on its non-paid foreign debt. Colombia, like Brazil, is being pushed to the wall again. Mexico has been hit by a new round of capital flight, reported in the region of \$6 billion. From one end of the continent to the other, the crisis that Volcker and the commercial banks had claimed was under control, has exploded again.

The bottom of the barrel

But this time, as leading economist Lyndon LaRouche warned in his introduction to *EIR's* latest *Quarterly Economic Report*, "the bottom of the barrel has been scraped clean," there is nothing left to scrape any more. The commercial banks, whose own insolvency has been papered over by Volcker's pretenses, are once again threatened with sudden collapse, as the reality of non-payment of the foreign debts hit.

That's why these criminalized, and bankrupt institutions want to take over the deposit base of the Savings & Loans, and why Volcker, and his stooge at the Federal Deposit Insurance Corporation, William Isaac, are bending over backward to help them. Walter Wriston, and the people who do the thinking for David Rockefeller and Willard Butcher over at Chase Manhattan bank, figure that the robbery of the nation's savings deposits will offset their own losses on account, to enable them to maintain the pretense of solvency for one more round.

Therefore, any public official or depositor, who thinks he can obtain safety for either Savings & Loan institutions, or his deposits, by turning to the big money center banks, ought to have his or her head examined.

Number one, any public official who is backing the handing over of local savings institutions to the big money-center banks, is in fact proposing to hand over his state's deposit base to organized crime. Number two, the money-center banks, no matter what Volcker, and his cronies like Isaac may say to the contrary, are in much worse financial shape than the S&Ls they purport to want to save. Assets and deposits transferred to the money-center banks are being thrown down the drain.

Look at the gangland tactics employed by the big banks to get hold of the pick of the local assets. These banks are desperate for the loot.

In Ohio, where the privately insured S&Ls collapsed in March, Chemical Bank was demanding that the state fund its purchase of the failed institutions, by putting up \$125 billion to supposedly offset the bad assets of the institutions it wanted

to take over. Chemical succeeded in extracting \$93 million from the taxpayers of Ohio, as a subsidy for its asset grab.

In the state of Maryland, Citibank, and Chase are attempting to dictate similar terms. These banks have announced that they will refuse to take over the collapsed S&Ls unless the state either gives them sweeping commercial banking powers, and/or substantial financial compensation for the S&Ls' so-called bad assets. Citibank was gloating about this protection-racket-style offer.

to come back to the big out-of-state banks, unless the state is willing to swallow huge losses to compensate depositors in the state-insured institutions. We are not willing to pay exorbitant premiums to do business in the state of Maryland," said one official of the bank. As with the Ohio precedent, the commercial banks want their deposit grab to be subsidized out of the public purse.

The Ohio crisis, and now the Maryland followup, have set a national pattern, as the big sharks move in to gobble up the assets. But meanwhile, the vulnerabilities in the national banking system highlighted by the headline-grabbing Ohio and Maryland situations, are showing up nationwide, as banks keel over at an annual rate not seen since the last Depression. Latest is the Energy Bank National Association of Dallas, Texas, declared insolvent by the Comptroller of the Currency. The ripple effects of this bankruptcy were felt in Florida where the Sun Rise Savings and Loan went under in the third week of May.

Isaac at the FDIC is doing his best to increase the panic collapse of the S&Ls. His next scheduled victim appears to be the privately insured S&L system of Massachusetts. "Massachusetts is feared by some to be next in line," he told reporters, "probably the biggest state-backed system out there is Massachusetts, and I don't believe depositors have anything to be concerned about." Isaac has been changing the regulations concerning reporting of S&L problem loans, to ensure those banks go under, while Volcker and Connover were changing regulations pertaining to the commercial banks to keep up the pretense of solvency.

With this kind of corruption at the top of the banking system, it's no wonder that the system as a whole has been brought to the edge of collapse. The crisis is not just a banking crisis. The United States credit and financial system is bankrupt. The banks collapsing around the country, the commercial banks' desperate grab for assets to shore up their game a little longer, reflect the reality that the financial and credit system as a whole are doomed.

Such a doom would come in either of two ways, if the present Volcker policy is not changed. Either through deflationary collapse, or through a hyperinflationary blowout of the credit system. Volcker's lowering of interest rates in late May is a step in the direction of the hyperinflationary blowout that will come, if he is permitted to avoid the deflationary collapse of paper values, his way. Reorganize the commercial banks, and the nation and its credit can be saved, even now.

Volcker delivers IMF blackmail

The following are excerpts from a speech Paul Adolph Volcker, chairman of the Board of Governors of the Federal Reserve System, delivered to the Focus International Conference on the World Economy and Peace in Seattle, Washington, on May 16. Volcker's argument amounts to a series of threats against any debtor country, including the U.S.A., that might be considering breaking with International Monetary Fund's policing actions, which the Fed chairman credits with having "saved" the world monetary system from collapse.

As you know, a number of developing countries—basically those expanding the most rapidly—became large borrowers in international markets during the 1970s and early 1980s. Major commercial banks around the world were eager lenders in a context of rapid growth, relatively low interest rates, and accelerating inflation. But when conditions changed—in terms of better control over inflation, higher interest rates, and more sluggish growth—both borrowers and lenders found themselves vulnerable. The international financial system and the trade it supports were in jeopardy.

. . . A number of major borrowing countries undertook strong measures to adjust their external accounts, including measures to deal forcibly with *their* budget deficits and to curtail monetary growth. They cut back on swollen imports, and because the crisis centered in Latin America where we have particularly close trading relationships, the effect on our own exports for awhile was disproportionate. Banks, recognizing their self-interest in an orderly resolution of the problem, joined cooperatively in providing limited amounts of new money when needed as part of the adjustment effort and in restructuring old loans so they could be serviced.

At the center of the entire process stood the International Monetary Fund. It has worked with the indebted countries to develop the needed adjustment programs. It has helped coordinate the banks in developing their lending programs. It has provided an essential margin of the needed new funds.

The Fund could pay that role for one reason—as an international organization with membership of nearly all countries, it could be accepted as a neutral arbiter. It also has professional competence. And it had funds at its disposal to

help carry out its purposes.

The challenge remains. The debt problem is still with us. . . . Success [in solving it] will require continuing self-discipline by the borrowing countries. More than that, they will have to make their economies more competitive, efficient, and flexible. In many cases, that will require steps to liberalize, in the old fashioned sense of the word, their own economies, making them more attractive for investment by their own citizens as well as by firms from abroad.

And, the borrowing countries, as they do produce at competitive prices, will need open and growing markets abroad.

That need be no threat to the industrialized world. The indebted countries have, and will continue to have, large import needs. Those needs that can be satisfied only by countries like the United States. . . .

I would submit to you that we have had in the past few years a vivid demonstration of the central importance of strong international institutions in managing the world economy. The IMF was there, fortunately for all of us, to help deal with crisis. The World Bank, the InterAmerican Development Bank, and the Asian Development Bank—institutions whose business is long-term development—have also contributed constructively. Their role will be even more important as the borrowing countries begin to deal with the need for more fundamental restructuring of their economies.

No doubt, as with any human (sic) institution, the international financial organizations will need to adapt and change in response to shifting circumstances. But . . . It's hard to visualize an effective trading system—a system in which all can participate and grow—without organizations like these to help protect the financial structure and support development. They provide a forum for developing—and enforcing—the rules of the game. They provide needed financial lubricants, even if the driving engine of the world economy must be found in the performance of individual countries. They are a force for cohesion and consensus.

And they will not be able to operate effectively without the support and encouragement of their leading stockholder, the United States. . . .

All countries that participate in the system will need to deal with imbalances in their own national policies. We can't expect to pass our internal problems off on others. In the process, the success of one country will help its trading partners. And the responsibilities of the United States today, as the largest and strongest country, are especially great.

If we are to be less dependent on foreign capital, this country will have to face up to the need to deal with its budget deficit. That measure—thought of as a purely domestic economic and political matter—has great implications for our trade, for financial markets, and for other countries as well.

All countries have a strong interest in nurturing and supporting the international institutions—the GATT, the IMF, and the development banks.

Creditors move in to grab Brazil's equity

by Silvia Palacios

In view of the impossibility of Brazil meeting the \$13 billion in interest payments due on its foreign debt this year, as agreed to in its latest signed letter of intent, the International Monetary Fund (IMF) and Club of Paris creditors have agreed to yet another renegotiation of that country's debt—but this time only if Brazil agrees to hand over the reins of its economy, at least through 1999.

This is the first time that the IMF and the bankers have publicly acknowledged their dictatorial scheme. To ensure iron vigilance over the Brazilian economy, the U.S. State Department has placed Kissinger agent Langhorne Motley in charge of the case.

The "export miracle" that Brazil achieved in 1984, in which a trade surplus of no less than \$13 billion was accumulated to help meet that year's debt service, will not be repeated this year. By ignoring the economy's considerable reinvestment needs last year, the Brazilian government has guaranteed that the country's physical plant and equipment—the foundation of the productive economy—is now exhausted. The magic act will not be repeated this year, because there are no more rabbits in the hat.

Already, as of the first quarter of 1985, the trade surplus was nearly \$300 million less than the same period of the "miracle year." The government has asserted that the economy can manage \$9 billion in interest payments this year. To make up for a 29% budget deficit and to provide for investment that would allow for 5% growth of the economy—as the new government under José Sarney has pledged—at least \$4 billion in "fresh money" is required. Stated another way, what Brazil needs and is determined to invest is minimally \$8 billion.

But the creditors have no intention of providing any "new money." This was already stated bluntly by William Rhodes, coordinator of Brazil's creditor committee, to Finance Minister Francisco Dornelles, during the latter's trip to Washington, D.C. in mid-May. In addition, just before the minister's delegation went to Washington to negotiate its eighth letter of intent, Brazilian Central Bank Director Carlos Lembruger was forced to admit that "one of the problems in the renegotiation is that the Club of Paris could demand IMF supervision for the next 16 years."

The Sarney government does not appear willing to accept such surveillance and is considering freezing negotiations with the Fund for six months.

The Kissinger plan

Brazil's financial crisis has attracted Langhorne Motley, outgoing Assistant Secretary for Inter-American Affairs at the U.S. State Department, who arrived in Brazil on May 13. In addition to making clear his intent to win Brazilian support for a U.S. military adventure in Central America, the day after his arrival, Motley invited leaders of all the various political factions in power to a dinner at the residence of U.S. Ambassador Diego Ascencio.

Motley's evaluation, following fierce arguments about the foreign debt over the dinner table, was unveiled at a later meeting of the Brazilian-American Chamber of Commerce. "The region hopes to continue its growth with \$47 billion a year in new money, [which] will be refused by the financial community," he declared. "Therefore, the debtor countries will have to resort to creative solutions." Such as: Kissinger's plan of exchanging debt for equity (giving the banks a chunk of the nation's equity instead of debt payments); an unrestricted, open-door policy toward foreign investment; and the re-privatization of key sectors of the economy presently in the hands of the Brazilian state.

At a seminar organized several weeks before by hated monetarist and former cabinet minister Mario Enrique Simonsen, another *de facto* State Department agent outlined a scheme for Brazil to sustain the usury of the international bankers. Massachusetts Institute of Technology Prof. Rutger Dornbusch, an associate of Simonsen, suggested that it would be preferable for Brazil to postpone its debt payments and capitalize the interest, while applying an internal "adjustment" program involving "a salary freeze and no investment in strategic areas."

Under such an arrangement, "the banks would have to accept a postponement of interest payments and the U.S. would be free of risk in sending combat troops to Brazil in the face of a disintegrating economy and popular rebellion, or of a leftist government hostile to [the United States]."

The dictatorship that the IMF, the bankers, and Kissinger seek to impose has the support of the political faction led by Sao Paulo Governor Franco Montoro. It is no accident that one day after Motley left the country, Montoro's man inside the cabinet, Industry and Trade Minister Roberto Guzmão—one of Motley's dinner guests—announced that he would propose to the government the privatization of all state companies dependent on his ministry, the majority of them steel companies, and several listed among Brazil's 100 largest state-sector enterprises.

It was not without reason that Kissinger chose Montoro to be his mediator with the new Sarney government.

Bank failure caused by IMF

by Cynthia Rush

The Argentine government's May 10 decision to liquidate the Banco de Italia y Río de la Plata, the third-largest and one of the country's oldest banks, provoked an immediate run on Buenos Aires banks and sent shockwaves through the international markets. International commentators are busy "analyzing" the case; but what no one wants to say is that over the past eight years, the International Monetary Fund (IMF) and private creditor banks deliberately created the conditions for such failures to occur.

Now that the process has begun, banks like New York's Citicorp are moving in like vultures, just as they are doing with the Savings and Loans in Maryland and Ohio. To cover up their own bankruptcy status, they must loot whatever real wealth still remains in the Argentine economy, even if they kill a few million people along the way. Citicorp President John Reed announced in a Buenos Aires press conference May 17 that his institution has already discussed the possibility of buying up a portion of the failed Banco de Italia.

There is probably not a bank in Argentina today that is *not* bankrupt. José Martínez de Hoz, finance minister under the previous military regime, saw to that. Between 1976 and 1981, de Hoz and his Swiss banking friends turned Argentina into a center for hot-money speculation, and contracted billions of dollars in foreign loans for their illicit activities. As speculation replaced investment in productive industrial development, legitimate banking practices ceased. Growth in the financial and service sectors quickly outstripped industrial growth.

Banco de Italia y Río de La Plata was one of the banks that "flourished" under the Martínez de Hoz regime. Following the 1976 coup, it opened overseas branches in New York, Sao Paulo, and Caracas, as well as in Panama's offshore banking center. The Eurodollars and "Caribbean-dollars" that flowed into the country for short-term investment at high interest rates allowed Banco de Italia to make loans to such

large corporations as Celulosa, Arbol Solo. But these companies eventually collapsed as a result of the military junta's monetarist policies, and Banco de Italia was left holding the bag. At its closing on May 10, it had \$230 million in foreign debts which it could not pay.

Argentine President Raúl Alfonsín had a chance to reverse the economic mess that he was handed when he took power in December 1983. Instead he acquiesced to IMF pressures. The result today is a 30% monthly inflation rate, 40% monthly interest rates, no credit for investment in production, and a 30% drop in real wages so far this year.

The set-up

Friends of the IMF and the creditor banks carefully orchestrated events surrounding the Banco de Italia failure, to insure that Alfonsín doesn't back down from applying the International Monetary Fund's murderous "war economy." News of the bank's closing activated the capital-flight apparatus that has remained intact since the Martínez de Hoz days. In panic, thousands of citizens began to withdraw their dollar deposits in local banks—the total dollar amounts circulating in Buenos Aires are almost equivalent to the official money supply—and took them out of the country.

Many of those dollars ended up in Montevideo's offshore banking center, across the Río de la Plata. Argentines hold an estimated \$25 to \$30 billion in deposits abroad. The outflow of dollars finally forced the government to declare a 120-day freeze on dollar accounts on May 18.

The New York banking community professed bewilderment over why Alfonsín had shut down such a prestigious bank, buzzing that the move created a "lack of confidence," which jeopardized Argentina's ongoing negotiations with the IMF, and the \$4.2 billion commercial bank loan package which hangs on an IMF agreement. In the midst of the panic, Citicorp President John Reed descended on Buenos Aires to threaten the government that it would be declared a substandard debtor nation, if it did not come up with a "reliable and coherent" austerity program, and sign with the IMF by June 10. New York's financial press chastised Argentina for failing to meet a 180-day deadline during the first week of May, for payment of a portion of \$900 million in overdue interest.

Reed admitted that "some members" of the 11-bank steering committee of Argentina's creditors, which happens to be led by Citibank, are pressuring the government to assume the \$230 million in Banco de Italia foreign debt. But Reed insisted that Citicorp was not interested in having the government take such action. Solutions to these problems are better left in "private hands," he explained. The May 14 edition of the daily *Clarín* confirmed that the creditor steering committee is demanding that the central bank assume Banco de Italia's debt. Foreign banks reminded the central bank that, according to the change in the national bankruptcy law, which creditor blackmail forced through in 1983, foreign creditors now have the same rights before the law as Argentine creditors.

Ibero-American labor says that the foreign debt is 'illegitimate'

by Cynthia R. Rush

Argentina's General Confederation of Labor (CGT), under the leadership of the Peronist movement, has sent president Raul Alfonsín a stern message: If he insists on following the International Monetary Fund's orders to sacrifice the living standards of the Argentine population to pay off a foreign debt that is largely "illegitimate," he will likely find himself out of a job very soon.

At a May 13 demonstration in the northeastern capital of Formosa, organized in preparation for a mass protest in Buenos Aires on May 23, CGT secretary general Saúl Ubaldini told 5,000 workers: "On May 23 we'll go to the Plaza de Mayo [in Buenos Aires] to tell the government to either change its economic policy or get out. On May 23, we'll say we've had it with the International Monetary Fund, because all our citizens are prepared to defend democracy, but only with social justice."

Sources in Buenos Aires have told *EIR* that the CGT is circulating a poster that shows a malnourished Argentine child over a caption saying, "If you don't want any more of this to happen, stop the IMF."

Beginning on April 30 in the industrial center of Rosario in the province of Santa Fé, the CGT kicked off three weeks of public demonstrations, organized by its locals in the six most important provincial capitals. It is in the provinces where signs of ecological holocaust as a result of IMF policy are rapidly emerging, and where rage over government acquiescence to foreign creditors is running the highest. The province of Salta has already been forced to create its own currency—"Salta bonds"—to meet wage bills and pay for services, and now the governor of La Rioja has announced that he intends to do the same in his province. Thousands of workers, as well as other political leaders and business representatives, traveled from the provinces to Buenos Aires on May 23. Participants estimated that 200,000 attended the anti-IMF march, bringing to half a million the number of Argentines who have marched against the IMF since the beginning of May.

Why pay?

The labor upsurge occurring in Argentina is the leading edge of continent-wide ferment directed at the International Monetary Fund's murderous conditionalities, and at the local oligarchs who've worked with the banks to loot their nations

of capital and vitally-needed resources. Trade unionists, businessmen, and political leaders from several nations are united around the fact that a significant portion of the foreign debt that the IMF and creditor community are now trying to collect, at whatever price, was illegally contracted in the first place, and simply should not be paid.

As a congressman from Argentina's ruling Radical Civic Union (UCR) put it, "Let the IMF wait. We'll pay only what we can. The bankers will have to understand, and help us out, because they are more guilty than anyone else in this situation for having lent money with no limitations to a de-facto [military] government which had no guarantees to offer. If not, let them go collect the debt from the *Proceso* [the previous military regime—ed.]."

Francisco Mieres, chairman of OPEC's Research Center, told the Caracas daily *El Nacional*, "Creditors have in their hands the money to pay the debt; they can cash it from the \$35 billion looted from Venezuela. IMF and private banks' conditionalities make the debt impossible to pay . . . for a moral reason, because [the debt] was acquired illicitly and illegitimately; and for a social reason: we cannot drive Venezuela into ruins. There is a very simple solution. Venezuela can pay with the money and goods that Venezuelans have in the foreign banks and countries. It could never be less than \$30 billion. That is fair from the standpoint of natural law."

Reflecting the thinking of a growing number of political leaders, Manuel Rodríguez Mena, dean of the Economics School of Venezuela's Central University, commented, "I ask myself if having acted in concert with the Latin American countries in a debtors' club, wouldn't we have gotten, as a whole, better conditions than those gotten in isolation against a creditors' cartel? Foreign investment is foreign debt in disguise. . . ."

Creditor strategy

Ibero-America's creditor banks, most of which are also insolvent, want to make sure that such ferment does not become organized around the perspective outlined in the 1982 *Operation Juárez*, written by *EIR* founder Lyndon H. LaRouche, Jr. That document called for the formation of a continental debtors' cartel and common market, and establishment of a new international monetary system.

In Colombia, where the IMF is demanding that the gov-

ernment of Belisario Betancur apply a harsh "adjustment" program, agents within the labor movement are attempting to organize popular anger over austerity into a Jacobin mob which would unleash violence and social chaos in an already volatile social climate. To counter this, leaders of the Union of Colombian Workers (UTC) have announced that on June 14, they will hold a nationwide protest against the International Monetary Fund's plan to destroy Colombia, and call for unity of the debtor nations.

In Argentina, where banker thuggery has reached extraordinary proportions [see preceding article], the Alfonsín government has come down on the side of the IMF. Following Saúl Ubaldini's May 13 denunciation of government economic policy, Alfonsín called the CGT leader a "milk-sop, complainer, and crybaby."

'Let the IMF wait. We'll pay only what we can. The bankers will have to understand, and help us out, because they are more guilty than anyone else for having lent money with no limitations to a defacto [military] government which had no guarantees to offer.'

Radical party spokesmen also accused Ubaldini of harboring "anti-democratic" intentions and of coup-mongering, for telling the government to change its policy or "get out." The governor of the province of Rio Negro, Osvaldo Alvarez Guerrero, characterized Ubaldini as a "retrograde element," part of the "labor-military" pact which he said intended to overthrow democracy at the first opportunity.

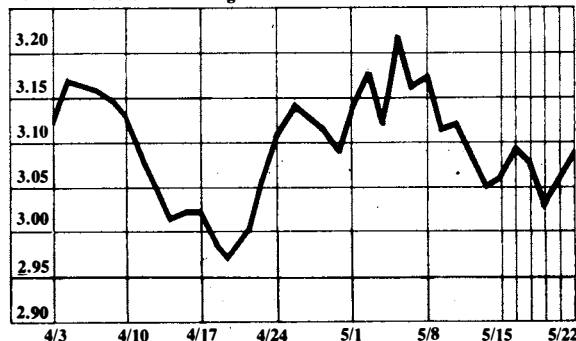
Balbino Zubiri, UCR deputy from the province of Buenos Aires, announced that unless Ubaldini retracted what he had said in Formosa, he would charge him with the crime of "inciting to rebellion," in violation of Article 226 of the criminal code. Such a violation carries a jail term of from 3 to 10 years in jail.

Such statements have only further unified the trade union movement around its opposition to the International Monetary Fund. "The only pact in existence is the one that exists between the government and the International Monetary Fund, and with those foreign banks which claim to be our creditors," Ubaldini responded. "The Argentine people are still waiting to hear the names of the authors of the illicit activities with which the military dictatorship destroyed the nation," the CGT leader told workers in Formosa. "Or," he inquired, "perhaps the government doesn't have what it takes to unmask the enemies of the nation?"

Currency Rates

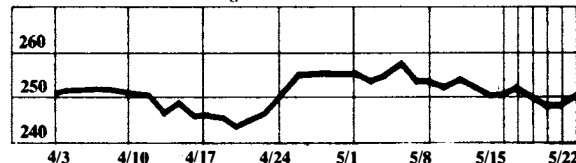
The dollar in deutschmarks

New York late afternoon fixing



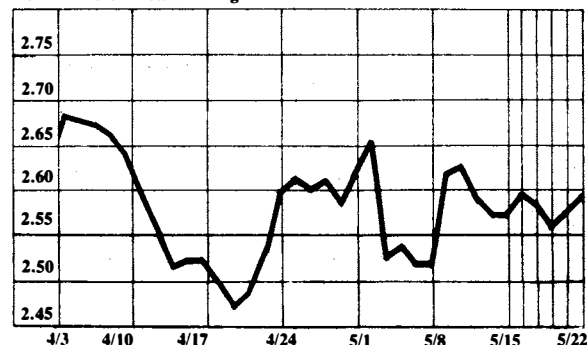
The dollar in yen

New York late afternoon fixing



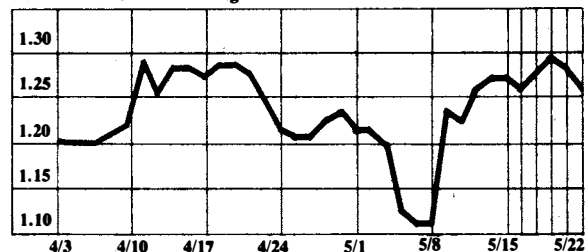
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



Vodka and Cola: détente on the rocks

by Konstantin George

On May 20 and 21, the U.S.-Soviet Trade Commission met for the first time since December 1978, with the Soviet Union hosting the talks in Moscow. Heading the delegations were U.S. Secretary of Commerce Malcolm Baldrige and his Soviet counterpart, Foreign Trade Minister Nikolai Patolichev.

Baldrige was also received by Soviet General Secretary Mikhail Gorbachov. This marked the first time since the Brezhnev "détente" era—not counting the funerals for Leonid Brezhnev and Yuri Andropov—that a Soviet General Secretary has met with an American cabinet official. These "firsts" have been played up in much of the British and American media, to build unfounded hopes for a "thaw" in Soviet-American relations.

Volumes of trade, in and of themselves, have as little to do with the prospects for war or peace, as do sunspots. Trade between adversaries does not in itself deter war, as the experience of this century shows: The historic highs in German-Russian trade directly preceded the two World Wars.

No grounds for euphoria

Baldrige delivered a letter from President Reagan to Gorbachov, expressing, according to TASS, "in general terms the wish for expanding trade between the U.S.A. and the U.S.S.R." That no breakthrough is possible, given Soviet confrontationist policy toward the United States, can be judged from Baldrige's words to Gorbachov. According to a U.S. embassy spokesman in Moscow, Baldrige flatly declared: "There probably can be no fundamental change in trade relations without parallel improvements in other aspects of the relationship."

Coming on the heels of Gorbachov's rude rejection of Reagan's offer for a summit meeting offer, no chance of a real change in Soviet policy exists.

Gorbachov was no less uncompromising in the talks with Baldrige. According to Radio Moscow of May 21, Gorbachov took the occasion to blast U.S. policy, calling on the United States to "alleviate the present tension in the world, stop the arms race, and the escalation of hostilities." He charged that the "United States is to blame" for the "unsatisfactory level of trade and strained bilateral relations" between the two countries. Bad U.S.-Soviet economic relations are the result of Washington's "discriminatory policies and in-

terference in internal affairs."

Soviet-American trade in 1984 stood at nearly \$3.7 billion. U.S. exports to Russia were \$3.3 billion—nearly all of it accounted for by Soviet grain purchases. U.S. imports from Russia totaled a mere \$350 million, and nearly all of that involved purchase of raw materials. Trade in industrial goods is practically non-existent.

Soviet interest in expanded trade, in line with Soviet pre-war requirements, falls into three major areas: 1) large-scale grain purchases, for both consumption and wartime stockpiling; 2) acquisition of as much high technology as possible, including in the areas of electronics and computers; 3) acquisition of Western consumer products to alleviate the drabness of Soviet life, without heavy foreign-exchange expenditures.

Large-scale grain purchases are covered by the long-term agreement signed in Moscow in August 1983 by U.S. Agriculture Secretary John Block. Patolichev used the current talks to demand access to U.S. high technology, telling Baldrige, according to Radio Moscow: "U.S. businessmen should bear in mind that the Soviet Union has no intention of buying equipment and processes which are not up to present-day standards." Patolichev also demanded restoration of Most Favored Nation Status for Russia (as established in the Kissinger era, 1972). This would mean dropping heavy duties on Soviet imports to the United States.

Pepsi and vodka

Moscow will always sign major trade deals, when the terms are in its interests, and especially when foreign exchange costs are non-existent. One such deal is the doubling of the Pepsi-for-vodka trade, signed in Moscow May 20 by Pepsico chairman Donald Kendall—one of the bigshots of the Averell Harriman's U.S.-Soviet Trade Commission—and the president of the Soviet Export/Import Company, Yuri B. Zhishin. Under the accord, sales of Pepsi Cola in the Soviet Union, now at \$200 million a year, will double to \$400 million, from 1986-90.

This deal will cost Moscow not one penny in foreign exchange. Increased sales of Stolichnaya Vodka, marketed by Pepsico in the United States, will pay for the cola. This will take care of some of the U.S.S.R.'s vodka surplus, following the Kremlin's new decision to drastically curtail domestic vodka consumption, as part of the ongoing war against alcoholism. Ivan can drink more cola, straight, or mixed with his red wine (as is done in the East bloc), which contains less alcohol than vodka, to compensate for less vodka.

Finally, the deal provides a new use for the surplus of the Cuban sugar harvest—purchased annually by Russia—as well as for the forthcoming flow of Nicaraguan sugar, now that the U.S. market is closed to Nicaraguan sugar. That deal—Soviet oil for Nicaraguan sugar—has just been signed. The Soviet Union has announced that it will provide Nicaragua with 90% of its sugar needs in 1985.

International banks dooming debtor nations in South America to holocaust

by Valerie Rush

In Peru, one of the poorest countries in this hemisphere, scarce foodstuffs are being taken off the market and dedicated to satisfying the debt demands of the Chicago-based bank, Continental Illinois. A year ago, on May 11, 1984, Conti—seventh-largest bank in the United States—went under. It has since been reorganized, under the watchful eye of U.S. Federal Reserve chief Paul A. Volcker.

Now, Conti is using the model the Soviet Union has also applied to Peru: Snatching food out of the mouths of starving people, in payment of debt.

The Russian model is called, being paid in “nontraditional exports.” The Russians are taking out their debt payment by stealing 2,000 tons of chickens from Peru—in a country where the closest the poor come to eating chicken, is eating chicken feed—and much of the country’s fish catch, and fishing rights. Any dispute Peru wishes to raise over this method of payment, must be resolved in the Moscow court system.

Continental Illinois announced in May that it is negotiating for the same kind of deal, to take out Peru’s \$150 million debt to the bank in agricultural exports. In particular, what is involved is \$14.5 million owed Conti by Electro Peru and Bayovar Company. Debt payments to Conti will be collected by the Agrarian Bank in local currency; the Agrarian Bank, in turn, will buy up agricultural exports, and generate the foreign exchange to pay off Conti.

The picture of the international banks’ rapacity, is the same across the Ibero-American continent.

It was reported April 16, in the French newspaper *Le Monde*, that U.S. Treasury Undersecretary Tim McNamar had declared, in response to a journalist’s question on the possibility of a developing-sector debt moratorium, “Have you ever imagined what would happen to the president of a country whose government was suddenly unable to import insulin for its diabetics?” McNamar’s statement, for all its shock value, was far from rhetorical. Within a week of McNamar’s threat, Eli Lilly Company in Argentina shut down the only laboratory that produced insulin in the country. Now, Argentina’s insulin supply is being imported from abroad, and is subject to just the kind of blackmail McNamar suggested.

Conti’s adoption of the “Russian model,” and Eli Lilly’s shutdown, are the most recent in a whole series of developments that threaten to sink the debtor nations of Ibero-America in a biological holocaust of unforeseen dimensions. Drastic budget cutbacks, especially in the areas of social services and health, as dictated by International Monetary Fund “adjustment” programs, are taking their toll across the continent, as diseases long since eradicated threaten to erupt in pandemic form.

Yellow fever threatens Rio

A textbook case is Brazil, where the major urban centers of Rio de Janeiro and Sao Paulo are currently facing the prospects of a yellow fever epidemic of terrifying proportions. The transmitter mosquito (*aedes aegypti*) has reappeared in Brazil’s industrial heartlands after a controlled absence of three decades, according to Antonio Guilherme Dsouza, director of epidemic control (SUSEM), and its rapid rate of reproduction has enabled it to spread its colonies into every section of Brazil’s two leading cities. SUSEM reports that mosquito infestations have been detected already in 136 of Rio’s 157 neighborhoods, with concentration in the poverty-stricken north of the city. The mosquito, however, has never been known to honor the boundaries of middle- and upper-class communities.

The mosquito is indigenous to the Amazon regions of Brazil, and the 405 yellow fever cases registered in Brazil, up until now, were limited to individuals who had contracted the disease in Brazil’s jungle regions. With the mosquito now spreading through Brazil’s giant metropolitan centers, it is only a question of time before carriers from the Amazon or some other contaminated region in the interior, set off an epidemic of yellow fever in Brazil’s impoverished city slums.

The SUSEM director in Rio, Pelagio Parigot, reports that his agency has totally inadequate infrastructure for dealing with the threat. “We have 400 men and two fumigators,” he said, and added that, to adequately cover a city the size of Rio de Janeiro, more than 2,000 men and at least 10 machines would be required. In Sao Paulo, the *aedes aegypti* mosquito is most heavily concentrated in the southern part of the city, home to three million people.

Yellow fever is not the only disease which threatens to break out in epidemic form. According to the *Daily Jornal do Brasil* of May 9, Brazil is now the country with the second greatest number of officially reported AIDS victims in the world, following only the United States. Dr. Ricardo Veronessi from the World Health Organization's Immunology Committee, reports that, while there are over 300 registered cases of AIDS in Brazil, there are, minimally, an estimated 500 additional cases which remain undetected, or at least unreported.

The majority of the AIDS cases identified thus far, have appeared in Rio and Sao Paulo, with 125 deaths from the disease reported to date. According to Brazilian Health Minister Carlos Sant'Anna, the incidence of the disease has risen dramatically in the past three months, as 80 new cases were diagnosed.

AIDS cases have been detected in at least 10 of Brazil's states, and the Health Ministry has now submitted a bill to Congress urging the adoption of national guidelines for tracking and containing the disease. Nonetheless, panic is setting in: Reports are being made, of doctors who refuse to perform autopsies on the bodies of AIDS victims, and hospitals which refuse to admit AIDS patients—using the argument of inadequate infrastructure for handling the disease.

Starvation in Peru

Reports from Conti Illinois's victim, Peru, show a country on the edge of biological disaster. According to a special supplement published in the April 7 edition of the Peruvian daily *Hoy*: "Today, many of the basic food items such as milk, meat, and eggs are definitively absent from the diet of the majority of Peruvians, thus leading to an alarming reduction of the protein and caloric requirements for the mental and physical health of a human being. . . . In Lima and throughout the interior of the country, a vast sector of low-income, and even middle-income, families have but one meal a day, while the statistics reveal that poor families are consuming a kilo and a half less food today than they were five years ago. . . . 'Faucet soup,' that is, water, is the only thing consumed all day long, and even chicken feed is a thing of the past."

It is an open secret that, in Peru's poorer areas, children are regularly fed a soup made from highly toxic chicken feed. When chicken feed is unavailable—as it is now becoming—cat and dog meat are substituted and, in the port zones, pelicans, seagulls and guano-birds are trapped for food. When there is nothing else to eat, "breaded beefsteak"—highly seasoned, flour-dipped *fried cardboard*—is a common meal.

The author of *Hoy's* feature story on Peruvian poverty, drew the following conclusions: "The economic policy imposed by the [Belaunde] regime, faithful to the dictates of the International Monetary Fund, has accentuated the situation of misery in Peru to alarming levels that cold-blooded statistics alone simply cannot reflect."

But even those cold statistics are horrifying. The rate of inflation since July of 1980, has hit an incredible 2,500%, with a decline of over 40% in workers' salaries—the official calculation. *Hoy* reports: "The monthly family income in many cases only suffices to buy food for the first week or two. . . ." In 1974, the Peruvian population had a daily consumption level of 2,031 calories and nearly 56 grams of protein, levels at the time considered almost acceptable by the United Nations' Food and Agricultural Organization, which had set as an "adequate" daily consumption standard 2,600 calories and 60 grams of protein per capita. Today, however, official estimates in Peru are that per capita caloric consumption is under 1,500 calories, and not more than 38 grams of protein. Peruvians drink an average of 12 liters of milk per capita *per year*, compared to recommended levels of 120 liters.

One out of every two Peruvian children under the age of five is considered malnourished, according to a study by the Peruvian Medical College, and 60% of all infant and young child deaths are directly attributed to malnutrition and related

Drastic budget cutbacks, especially in the areas of social services and health are taking their toll across the continent, as diseases long since eradicated—such as yellow fever—threaten to erupt in pandemic form.

conditions. Infant mortality is 100 per thousand live births, one of the highest rates in the world.

Statistics like these are not difficult to understand, when one takes a closer look at employment and housing conditions in Peru. National standards establish that an average family of six needs a minimum \$130 worth of food per month, to stay above the starvation level. And yet, the minimum wage in Lima is \$27 a month. In 1967, the minimum wage covered one-third of a family's food requirements; after years of International Monetary Fund austerity conditions, it now pays for just one-fifth of the food a family needs.

In the poor mountainous regions of Peru, from Cajamarca to Puno, four million people live without running water, sewers or electricity. In some provinces, life expectancy is less than 40 years. Under such conditions, diseases like tuberculosis run wild in Peru, which, over the past five years, has had one of the highest rates of tuberculosis infection in all Ibero-America: 25.1 per 10,000 people. At least 4,000 deaths a year are attributed to the disease, and it is estimated that 36,000 Peruvians are infected with TB.

Argentina's nuclear program will remain a national priority

We publish below the interview conducted on May 11, 1985, with Mr. Alberto Costantini, president of Argentina's National Atomic Energy Commission (CNEA).

In the early 1950s, the government of Argentina under Gen. Juan Domingo Perón, committed itself to the construction of a nuclear energy industry. Perón viewed the nuclear sector, and the scientific capabilities and trained personnel connected to it, as a question of vital national security. Argentina today occupies the privileged position of having the most advanced nuclear program in Ibero-America, because of Perón's pursuit of this goal. Under the administration of its previous president, Vice-admiral (R) Carlos Castro Madero, who retired in 1983, the CNEA announced that it had achieved the full fuel cycle with the functioning of a pilot uranium enrichment plant located at Pilcaniyeu, in southern Argentina.

Today, the future of the nuclear program is in doubt. The assault on it launched by former U.S. President Jimmy Carter, and his Federal Reserve chief Paul Volcker, continues today. Argentina's national budget, shaped by the austerity conditionalities of the International Monetary Fund, has drastically reduced funds required to maintain all aspects of the CNEA programs. Dr. Costantini himself has expressed concern over the ability of the CNEA to continue basic research within the existing \$420 million budget for 1985.

In an April 16 statement, the Argentine Association of Nuclear Technology expressed "profound concern over the future of nuclear development" in the country, and predicted that "unrealistic budgets and inadmissible delays in the transfer of funds," could create "difficulties in continuing to work responsibly in this field." The nuclear sector, it said, "can and should effectively contribute to the solution of current economic problems, and to especially prevent these problems from occurring in the future."

EIR: In view of the fact that Argentina has the most advanced nuclear program on the continent, can you tell us about the process of education and training of scientific cadre that allowed this program to develop?

Costantini: In the year 1950, the process of training our country's human resources was begun in a rigorous way. The atomic center at Bariloche was founded and within this center a training institute was created, with a view toward giving

the institute a quality of excellence in the study of theoretical and practical physics. This institute today is named after Carlos Balseiro, one of its most brilliant directors, who died much too young, and it has developed throughout these 30 years, graduating more than 300 nuclear physicists from its classrooms.

This institute is very special, because it is far from the major urban centers, because it provides scholarships to promising students, and because it makes available to these students the laboratories of the atomic center itself so that they can pursue their research . . . as they have done for the past 30 years, such that they have been able to graduate having attained more of a scientific culture than even just professional training. This scientific culture, by permeating the different activities of the commission and through its participation in industry, has allowed for the creation not only of an important core of scientists in the different branches of our Atomic Energy Commission, but also for the formation of an auxiliary industry with the quality control and specialization necessary for the construction of nuclear plant components, as well as the electro-mechanic assembly of their various parts.

We began first with the construction of a small research reactor, then a reactor for radioisotope production. Thus we entered the field of nuclear medicine. At the same time, we created a department of research and development in our commission, putting a lot of emphasis on the entire field of metallurgy and the problem of corrosion, which has been one of our greatest concerns. Finally, in 1960, we began work on our nuclear plant projects. With these three steps, we were able to achieve the creation of a scientific-technological capability, which today includes nearly 2,500 professionals and scientists, and, which has enabled us to develop technological and scientific innovations that have won for Argentina a privileged position in the development of nuclear activity in Latin America.

EIR: Have there been programs of cooperation with other countries, or the influence of scientific circles from other countries during these 35 years?

Costantini: We have joined international organizations such as the International Atomic Energy Agency, also the Organization of American States, and through these we have signed

cooperation agreements. We have obtained the participation of experts from both these institutions, and we in turn have sent our experts to almost every Latin American country, as well as to some European and African countries, something which we are involved in at this very moment.

This interchange has been so intense that during this past April—and I say this with a certain pride—we have been able to hold here in Buenos Aires five very important meetings, a course sponsored by the International Atomic Energy Agency, with the participation of a good number of Argentine experts and some foreigners, on radiological protection and security. We have also been able to develop other courses, also with the IAEA here in Argentina, on energy planning, on radioimmunoanalysis, a very important conference on pure physics, involving a heavy-ion electrostatic accelerator that we have, which is only the fourth of its kind in the world, and finally, we have held a meeting of all the presidents of the Nuclear Medicine Societies of Latin America (Lalavid) to discuss the development of nuclear medicine in Argentina. All of this reflects our permanent activity in the international arena and, of course, the training of our people abroad, as well as the confidence in Argentina that exists abroad.

EIR: What is the leadership role that Argentina is playing continentally in this area? What kind of agreements exist?

Costantini: We have an agreement with Bolivia, for example, in the field of the peaceful use of atomic energy, signed in 1970; we have agreements of cooperation with the government of Brazil for the development and application of the peaceful use of atomic energy. Also with the same stipulation, we have agreements with Colombia, Chile, Ecuador, Paraguay, Uruguay, and Venezuela. The countries with which we are carrying out these agreements most effectively are Chile, Uruguay, and Brazil.

But we also have a very important agreement with Peru. In the region of Huarangal, some 30 kilometers from Lima, we are building a 10-megawatt reactor for the production of radioisotopes, and also a plant for producing and splitting these radioisotopes, in addition to a series of laboratories for radiological protection and security and other infrastructural and service facilities.

I should add that in Lima itself, we constructed an atomic facility which began operating in 1978. One of the basic characteristics of our contract was to give broad participation to the Peruvian personnel, such that all civil engineering and conventional infrastructural works remained entirely their responsibility, while our job was not only the development of nuclear activity, but also the training of Peruvian personnel who were going to take over the operation and maintenance of the facility. Thus, we have succeeded in developing an important technical capability in Peru, and carrying out a broad and generous technology transfer to a brother nation.

EIR: There is a theory stating that economic and scientific development is a key prerequisite for the defense and national

security of any sovereign nation. One of the proponents of that theory in Argentina was Gen. Juan Guglielmelli. Are these ideas applicable in Argentina today; and what is the legacy left by General Guglielmelli?

Costantini: I would say these ideas are quite relevant today. But I would say further, that given the current situation in which the Latin American countries find themselves, and, in particular, the economic difficulties and restrictions, the stagnation of our development in Argentina, I believe that research, education, and reasonable investment to be able to improve our infrastructure, constitute three fundamental parameters for the development of the country. I think we can only overcome the stagnation of our development to the extent that we dedicate and turn our best resources to research, education, and investment. Not only do I share General Guglielmelli's view that these naturally [guarantee] the defense of nations. I would say that to the extent that we dedicate nuclear energy more to the welfare of the people than to the power of the governments, we will succeed in making nuclear energy a determining factor in the progress of the country.

EIR: Isn't there a contradiction in what you have just told me? The economic austerity programs that are being imposed on the debtor countries of Latin America have, in countries like Mexico, Brazil, and Argentina, affected the most advanced sectors in scientific terms, such as the nuclear sectors.

Costantini: I would say that our countries are full of contradictions in their political leadership, such that it would not be strange that my viewpoint offers some contradiction with respect to the common focus. I believe that one of the ways of overcoming our countries' stagnation is to give priority to this type of activity, among which is nuclear energy. By giving this priority, we are using nuclear energy for health through medicine, we are using nuclear energy for production, the application of radioisotopes in agriculture, cattle-raising or industry, that is, to improve our economy. At the same time, we should maintain continuity in developing this technology as a departure for other development processes. Naturally, I believe that in times of economic restrictions, we may have to advance more slowly in search of these solutions, but the priorities must be maintained if we want to provide the nations of Latin America a harmonious means of achieving their development.

EIR: Can you tell us about Argentina's food irradiation program, and how far advanced it is?

Costantini: We have an irradiation program which at this time is in the process of full technological development. For example, we have mobile irradiation equipment, cobalt isotope sources mounted on trucks. We are carrying out exact studies from dosimetry [measuring the absorbed levels of radiation—ed.] to the characteristics of the containers to determine the behavior of different fruits. For example, we had been working until a short time ago, when the harvest in San Juan province ended, on the irradiation of grapes, to prolong

the period during which they can be marketed. . . . We are working . . . in the province of Mendoza on the peach, also to extend the marketing period. In southern Argentina we're trying to determine the exact dosage to be applied to onion, that is, to the vegetables—onion, garlic and potato—and we are also doing some experiments with fish and meat as well.

We already have a certain degree of experience in irradiation of medicinal products, with sterilization, and currently we are conducting research to learn the exact effect of irradiation on the sugars in products, on types of containers, on flavor, etc. . . . Next year we hope to go from the pilot plant to the industrial plant; some of our experts have traveled already to countries such as France, Holland, Italy, the U.S., and even Japan to study existing factories in those countries and to do comparative studies. . . .

EIR: One last question: We have seen reports on budget cuts for 1985 that are going to affect certain aspects of the nuclear program in your country. Has there been a significant reduction and which are the most affected sectors? How will the entire program be affected?

Costantini: Well, evidently we have had some budget cutbacks. We have given the President of the nation the order of our priorities, and we have maintained our human resources and all the technological and scientific developments. Re-

garding the nuclear program, it will not be affected at all in this sense. The second priority will be the maintenance, within the modest but dynamic path we have been following of the application of the radioisotopes to medicine and to production: agriculture, cattle-raising, industry, and engineering. . . . Where we will perhaps have to see some cutbacks is in the construction of nuclear plants and corresponding parts. For example, the nuclear plant Atucha II or the heavy water plant that we are building in Arroyito. With fewer funds this year as a result of budget cuts, their work schedule will be prolonged from six months to one year. That is, we will suffer a small slowdown in the completion of these projects. But the nuclear plan will not be affected by the cutbacks.

EIR: And what about the uranium enrichment process and the Pilcaniyeu plant?

Costantini: These we will continue. These I consider within the nuclear plan. It is still virtually a pilot program with a low-level functioning. The enrichment process is not yet very large, but has a certain importance because it will provide us fuel. . . . These are going to continue. What may suffer a bit more from the consequences of the cutbacks, is the heavy uranium processing plant that we have. This plant will possibly take a longer to complete because, although more advanced, it is less necessary than the enriched uranium.

Do Your Books Come from the Treason School of American History?



Aaron Burr's murder of Alexander Hamilton was part of a plot by British and Swiss intelligence services to destroy the young American republic. Yet "liberal" and "conservative" history books alike praise the traitor to the skies.

We have the real story!

The American History Series—Special Offer—all four books for \$19.95, postpaid

- **How to Defeat Liberalism and William F. Buckley**, by Lyndon H. LaRouche, Jr.—\$3.95
- **Fifty Years A Democrat: The Autobiography of Hulan E. Jack**—\$4.95
- **Treason in America: From Aaron Burr to Averell Harriman**, by Anton Chaitkin—\$5.95
- **The Civil War and the American System**, by Allen Salisbury—\$5.95

Order from:
Benjamin Franklin Booksellers Inc.
27 South King Street
Leesburg, Va. 22075

The four-book set comes postpaid. If ordering books individually, add \$1.50 postage and handling for the first book, \$.50 for each additional book.

Rochester inaugurates 24-beam Omega laser

by Charles B. Stevens

In the suburbs of the city of Rochester, along the banks of the Genesee River in upstate New York, scientists at the University of Rochester's Laboratory for Laser Energetics (LLE), direct a concentration of energy more powerful than all other activities in the continental United States, combined. The energy is in the form of 24 laser beams of the Omega laser which can be focused onto a target less than a thousandth of an inch wide. Before hitting the target the laser beams are about a foot long—sometimes shorter pulses; less than an inch long, are used. Because they travel at the speed of light, it takes these powerful beams less than a billionth of a second (a nanosecond) to deposit their energy.

On April 17-19, the full-power Omega was dedicated during a conference on "Laser and Particle Beams for Fusion and Strategic Defense," held at LLE, the leading American laboratory exploring the development of direct drive inertial confinement fusion.

Within a few days, Omega had set the record for the most fusion energy generated by a laser, with more than 1.6 trillion fusion neutrons being measured. The 24-beam Omega puts out more than 12 trillion watts of laser light. Recently it has been converted to the short wavelength, ultraviolet .351 microns—a laser wavelength which is called blue. The advanced laser and optical technology developed at the University of Rochester has allowed the Omega to have among the highest repetition rates in the world for high power lasers: It can be fired every 30 minutes. Other facilities, such as the 130-trillion-watt, 10 beam Nova at Lawrence Livermore National Laboratory in California, generally are capable of only a couple of laser shots per day.

This makes the Omega highly productive for research. Because the federal government has designated LLE as a National Laboratory of the Department of Energy's controlled fusion research effort, and the only National Laser Users Facility, Omega has been made available for research to the entire scientific community, including academic and medical institutions, industry and government laboratories. In fact, LLE is the most powerful and versatile research

facility readily available to scientists throughout the world.

At present, only a small portion of the electromagnetic spectrum is being harnessed in industry and scientific research. High-power lasers such as Omega provide both the means and immediate motivation to rapidly extend this. Some graphic examples of this process are as follows.

The picosecond switch: High-power glass lasers, despite their gargantuan outputs measured in trillions of watts, are fragile devices. They are designed, constructed and operated with extreme accuracy. The buildings in which they are housed are super-clean, and reinforced against even the smallest vibrations. Within the bay of the Omega, the atmosphere is kept 100 times cleaner than the cleanest operating room found in the best hospital.

Producing and measuring processes which last less than a billionth of second necessitate operating some elements of the system on much smaller time scales—trillions of a second, or picoseconds. In developing a sub-picosecond switch to control one of Omega's elements, Rochester scientists produced a major advance in computer microchips.

Nanosecond electron microscopes: Currently, electron microscopes have the greatest spacial resolution. Recent advances have brought this resolution down below atomic dimensions of one Angstrom. The use of short laser pulses, makes possible generation of electron beam pulses of short duration. This permits the electron beam pulse not only to image atomic scale processes, but to do so on extremely short time scales. This allows one to examine phase changes in structures like monomolecular layers—thin films, the most essential element to the construction of microchip circuits.

Lasers in angioplasty: Biological and medical research are proving to be the most fertile fields for high-power laser diagnostics. One recent example is angioplasty—removal of plaque in the arteries of the heart with short-wavelength laser beams.

The condition known as hardening of the arteries, or atherosclerosis, consists of blockage of the coronary arteries by plaque. When 80 to 90% of the cross-sectional area of a coronary artery is occluded (blocked), the flow of blood is badly impaired, and the risk of cardiac arrest, and general susceptibility to disease and infection, increases considerably.

At present, this condition can only be treated by major surgery, to restore blood flow in occluded arteries. Arterial bypass surgery is the most commonly performed operation in the U.S. today. The chest and heart itself are opened, to graft bypasses to reroute the blood flow around blockages. Such a procedure is life-threatening, and involves a long convalescence.

Rochester is developing techniques whereby a thin glass fiber can be inserted in an artery without major surgery. Intense pulses of laser light can then be used to blow away plaque, without damaging the artery itself. By year's end, this new and much more economical heart treatment should be demonstrated in clinical practice.

Nigeria targeted for IMF destruction

The security of the largest Western ally in Africa is threatened by the IMF. Is the Eximbank complicit?

The International Monetary Fund is intent on wrecking Nigeria, the largest (approximately 100 million) U.S. ally in Africa. However, the Nigerian government has refused to agree to a more than 50% devaluation of the naira, and has also refused to raise the price of gasoline domestically, the two most onerous of the IMF's long list of conditions which must be met before the IMF will agree to a loan.

IMF terms would lead to "economic and political chaos," Deputy Chairman of the ruling Supreme Military Council, Tunde Idiagbon, has said, adding that "the government shall not give up the political and economic independence of Nigeria in exchange for a loan."

The Nigerian government now finds itself in a precarious position. It seized power Dec. 31, 1983 to deal with the economic mess created by the previous civilian government, after a drop in the world demand for and price of oil because of the economic depression in the industrial countries. Oil provides well over 90% of Nigeria's foreign exchange. Since then the world depression has deepened.

The Nigerian government now finds itself the target of its austerity-squeezed population, and is clamping down in an attempt to avoid getting the "Numayri treatment." Although the government has no viable alternative, these efforts could feed into the process it is trying to contain—as in Sudan.

So far, Nigeria has defaulted on no loans. Although Nigeria has negotiated settlements on debts with its uninsured trade partners, those that were

guaranteed by government export agencies such as the U.S. Eximbank, are unresolved. Exim is refusing to pay, according to business sources, until Nigeria swallows the deadly IMF pill. One businessman sees this as collusion between the Eximbank and the IMF to provoke a coup in Nigeria.

Nigeria's debts, while not large for a country its size, are bunched, and debt service is growing fast. In 1984, Nigeria's debt-service ratio to total public spending was 25%. This year it is projected to be 44%, and by 1987, over 60%. While this high debt-service payment would pay only interest, and not cover amortization, more than half of national income will go to service loans, in no way developing the economy.

Nigeria's foreign exchange earnings plunged from a high of \$22 billion in 1980 to barely \$8.7 billion in 1984, and are projected to be about the same for 1985. The combination of high debt-service and the drop in oil revenue means there will not be enough funds to carry out the ambitious capital projects so crucial for Nigeria's development.

Since taking power, the government of Maj. Gen. Muhammadu Buhari has imposed drastic cuts in public spending. There have been widespread layoffs of workers in the civil service sector and the government parastatal companies. Also, many types of taxes have been introduced, such as poll tax, sales tax, and educational and development taxes. A wage freeze has been imposed on both public and private sectors, schools merged, and government subsidies on

education removed. Students at all levels have been withdrawing from school.

The currency was changed to allow better control of the money supply, interest rates have been increased, and measures are underway to allow Nigerians and foreigners to operate foreign bank accounts in Nigeria. Laws controlling imports have also been liberalized.

The above measures pretty much fall into the category of things the IMF wanted Nigeria to do, and were implemented because the government had no other choice, due to across-the-board support for the IMF by the industrialized countries.

The draconian steps that Imo State, the most heavily indebted of Nigeria's 19 states, had to take a few months ago, exemplify the pressure Nigeria is under. Imo's governor announced a special formula for dealing with the economic crisis. No money will be borrowed to pay workers: "Nobody is guaranteed any take-home pay as his salary until the economy improves." If there is any revenue left after debt service and government costs have been paid, only then will wages, or parts of wages, be paid. Recently 18,000 workers were laid off in Imo, 15,000 of them teachers. A survival levy was imposed by Imo last year as part of its desperate efforts to raise funds for capital projects.

This year at the May Day celebration, for the first time since the event became a state occasion in Nigeria in 1980, there was organized opposition to the government and union leaders, and the event was abruptly called off. The workers were demanding more jobs, and reportedly booed the speakers, including Nigeria Labour Council president Alhaji Chiroma, who, in his speech, urged the government not to take the IMF loan.

Egypt is going nuclear!

For Egypt to maintain its commitment to higher sources of energy has not been easy: A major obstacle is the IMF.

At an estimated cost of \$36 billion, Egypt will build eight nuclear power plants between 1985 and the year 2005 of 1,000 megawatts each! The first step of that large-scale development program, the first of its kind in the African continent and only second behind India throughout the developing sector, will be taken by the end of June when Cairo signs the first deal with one of the three competing companies, France's Framatome, West Germany's KWU and America's Westinghouse. Each have offered a first 1,000 megawatt plant with prices from \$2.5 billion to \$1.1 billion or \$1.5 billion, with Westinghouse ready to begin work for a second plant, too.

Announcing the news at the beginning of May, Egyptian Minister of Energy and Electricity, Engineer Maher Abaza, didn't reveal which of the three companies would be chosen by the Egyptian Nuclear Power Plants Authority, which was set up several years ago to map out a new energy strategy. However, he stressed that the first plant would be located at el Dabaa some 150 kilowatts west of Alexandria on the Mediterranean coast and that the first \$700 million needed to set the process into motion had been secured through the creation in recent years of a special fund coming from oil sales.

The remaining financial participation will be contributed by the state-credit agencies of the concerned companies.

For Egypt to maintain such a commitment, taken several years ago, to higher sources of energy, has not been

easy, and it will meet quite a few obstacles in the future. Indeed, while Cairo requested some \$2 billion of additional economic aid of the United States, it will not receive more than \$500 million by the end of this year, and is in the midst of harsh negotiation with the International Monetary Fund (IMF) for another \$500 million loan.

The IMF bluntly refused to consider a \$1 to \$2 billion loan because of the Egyptian refusal to implement its full conditionalities. It agreed to such a loan on the ground that, following the advice of the IMF, the Egyptian pound has been de facto devaluated by more than 20% since the beginning of the year.

However, only this year, Cairo has to pay some \$481,600,000 in debt service on its military debt with the United States. Failure to meet such a payment last September was immediately answered by threats from the American Congress that Cairo would be cut from aid altogether by July 1985. By February 1985, just before Mubarak's visit to the United States, Cairo paid it.

More dramatic has been the rapid fall in Egypt's foreign currency earnings, as the oil prices decreased and as the market got saturated. A direct consequence has been a fall in the remittances of Egyptian workers abroad from \$3.6 billion in the 1983-1984 period to \$1.5 billion for the 1984-1985 period, according to Prime Minister Hassan Ali.

Though some have been tempted to blame such a decrease on the economic measures adopted by the for-

mer Economic Minister Mustafa al Saeed—who resigned last March under pressures from the IMF and the banking mafia, and was blamed for measures which allegedly scared foreign investors and workers alike—the reality is otherwise. The oil markets crisis has led many Gulf countries to lay off most of the foreign workers, directly in the oil industry and elsewhere.

Despite such a financial burden, nuclear energy has rapidly emerged as a *sine qua non* condition for the survival of Egypt. Egypt's main source of energy for the past three decades has been the Aswan Dam, which has become too vulnerable. The continuing drought in Africa has lowered the water level of the dam from 184 meters to 124 meters, paving the way for a potential major crisis by next year. Already some of the major development projects in the desert, which require major irrigation work, may have to be curtailed to supply the already existing cities and industrial sites. In the long term, this is undercutting Egypt's ability to expand as it must.

It is a fact that Egypt's population will continue to grow, and that Egypt needs more labor power. Development projects in the desert, building new cities, and developing new agricultural areas are simply essential and cannot be stopped. Hence, coupled with the development of nuclear capabilities which should supply Egypt with the energy needed to expand, Cairo has begun major water-management projects inside Egypt first.

New irrigation channels are being built around the major cities, together with plants to recycle the used waters. A simultaneous step is to upgrade the water-management of the Nile river from the Delta to Uganda, going through Sudan and the urgently needed Jonglei Canal. Nothing less than that can be done now.

U.S.-Europe food war—*cui bono?*

Behind the orchestrated conflict over agriculture subsidies, is a genocidal food reduction plan.

While blaming each other for protectionism, the United States and Europe are deliberately implementing policies to shut down farms and reduce food output. Derwent Renshaw, first secretary of agriculture for the Delegation of European Communities, came to the United States early in May, and said as much, though in polite doublespeak. He told a group in Illinois called Chicago Farmers, "We are both trying to do something about [surpluses]. . . . The day of unlimited price guarantees is over."

Renshaw refers to the current proposals in Brussels, to impose an overall EC-wide zero increase in the prices package for agricultural commodities for the next budget year within the Community. Under this plan, while certain minor commodities will have a slight increase in allowed price, grain—the heart of EC farm production—would take a 3.6% price cut. This will reduce farm income to the same point of bankruptcies now sweeping the U.S. farm belt.

At the time of writing, the Bonn government is resisting this farm price austerity proposal, on behalf of the beleaguered German farmers who still remain in operation after thousands of their fellow producers went under during the last year due to cutback policies in milk and other production.

These EC price-cut proposals are the counterparts of the U.S. administration proposals to phase out farm price supports and supposedly gain by being more competitive against the EC and other food exporters. Several var-

ious versions of such bills are in Congress now, awaiting final writing into the new 1985 farm law. One bill—supposedly in opposition to the administration approach—calls for U.S. farmers to take a vote on how much they will reduce output, and then enforce mandatory production reduction. Supposedly by creating shortages, farmers are to then get a higher, more "fair" price. This bill is the program of Texas Agriculture Commissioner James Hightower, who is associated with the Washington, D.C.-based Soviet interface group, the Institute for Policy Studies.

What more would the Soviet Union want, than for the United States and the EC to slash its food output capacity in grains, meat, and milk? Yet this is exactly what is happening. Recent statistics released by the United Nations—which typically understates such matters—show that world food output is shrinking, relative to population requirements.

According to the U.N. report released in Nairobi in May, "Worldwide the rate of growth of agricultural output was 3.1% a year in the 1950s; 2.6% in the 1960s; 2.2% in the 1970s," and Africa way under that.

Driving farmers out of operation, and cutting the output of those still producing, automatically reduces precious world food resources—especially animal protein provisions—by a relatively huge amount. The United States and Europe together, for example, account for 40% of the world's milk output. The United States alone

accounts for 50% of the world's feed-corn, and 60% of soybean production. When these capabilities are shut down, worldwide famine is assured.

Implemented in tandem, European Community and U.S. federal policies cut milk output in 1984 by 2-4% overall in their respective nations. Milk deliveries to dairies in Germany in the first three months of 1985 are down by 11% over last year, and that is *before* the EC quota reduction began.

Because the impact of any farm product support price cut will hit Germany harder than France or other EC nations—due to an extremely byzantine set of regulatory price mechanisms based on the apparent strength of the mark over other currencies (the Monetary Compensation Agreements)—German farmers are exerting strong political pressure against the Brussels price reduction plan. German farmers are the second largest EC grain producers, placing second after France, and virtually equal to the U.K. They harvested 26 million tons of grains last year out of an EC total 147 million ton grain harvest.

Behind the salvos in the food trade war between the United States and the European Community (EC), you will find the real casualties in this "war." Farmers in Europe and the United States alike are being deliberately bankrupted or driven out of production in the name of "becoming more competitive" to "retain overseas markets." In the process, the food supplies of the West are being permanently reduced.

Laughing on the sidelines at the suckers who fall for the trade warfare ploys, the Swiss-centered international food cartels are watching the destruction of farms, just as the observers enjoyed the bloodshed of cabinet warfare battles in the 18th century. All the while, 60,000 people a day starve in Africa.

Palme faces a pitchfork rebellion

Farmers are up in arms at the cutbacks in agriculture—in a country where meat consumption is now lower than in Poland.

Modern Swedes are internationally known as a people capable of accepting political and economic repression with a shrug, so unemotional that even their stoical ancestors would have been amazed. Such a reaction was what Prime Minister Olof Palme was counting on, when he ordered his Central Bank head Bengt Dennis and his Finance Minister Kjell-Olof Feldt to impose a new round of austerity.

The measures were: upping the discount rate from 9.5% to 11.5%, the second raise this year, and raising taxes on so-called luxury goods, such as cars, radios, TV sets, sailboats, etc. The banking community did not miss the point. They increased interest rates by 3-4%, making an extra buck in the process and putting interest rates in Sweden between 7 and 8% above the international dollar interest rates. This means that the hardest hit are the heavily mortgaged private homeowners, small industrial companies which had just made investments and planned new ones, and farmers.

Yet the Palme government had the gall to say that the measures are needed because the economy is in an "up-turn" and facing bottlenecks, because industrial production and industrial investments are increasing for the second year in a row. Palme's government did not mention the fact that the increase is from a level below the lowest point of the 1960s!

Except for the farmers, the only sector not swallowing Palme's baloney is the civil service union, which went on strike in May to protest

Palme's continuous reductions in wage earners' living standards for the tenth year in a row.

Militant farmers' protests have also been ongoing since April, and were escalating even before the latest austerity moves. The prices of agricultural products in Sweden have up to now been decided in negotiations between the state and the farmers' union, which used to lead to agreements covering the increased inflation costs for the period negotiated. In the latest talks, the government had dropped any notion of covering inflation, and intended to cut the farm sector's tax subsidy. Officially, the purpose is to force farmers to produce less, to decrease the supposed grain and meat "surplus."

Together with the neo-liberal, Friedmanite-conservative Moderate Party, the government is now pushing a policy of deregulation and letting the market decide the prices—the long-run aim of Socialist agricultural policy. The talks broke down when the farmers' union refused to accept an offer which was half what they need for breakeven!

After six years of Center Party-Liberal Party monetarism, followed for the past two years by the Fabian version of the same poison under Socialist Palme, Swedish farmers took to the streets.

The farmers face a 10% cut in income if they accept the government's "deal," on top of at least a 3% interest rate hike, from a level of 12-13% to 16-18%. Particularly for young farmers just starting out, this creates an

impossible situation.

Despite the farmers' rage, Palme is not generally meeting potent opposition to his plans to destroy Sweden's capital-intensive farm sector. Many in Sweden have accepted the lie that the food surplus must be reduced—a particularly cynical calculation in a country where meat consumption is down to 45.5 kilos per person per year. The last cut of 5.5% was imposed because the ruling Social Democrats withdrew all the tax subsidies for meat production.

In order not to be the worst off in Europe, Swedes would have to increase their consumption by 13 kilos per person per year, passing the Poles who consume 58 kilos of meat per person annually! That would quickly eliminate the "meat surplus" in Sweden. To reach the level of the West Germans, 74.2 kilos per person per year, would mean a heavy increase in beef production, and that would make the grain surplus a thing of the past.

Instead, the Swedes are exporting their "surplus," although not, of course, to starving Africa. Fifty-eight percent ends up in the Soviet Union, Poland, and East Germany. Palme is also shipping 12% of the surplus to Iran, in line with the policy of Palme and his crony Pehr Gyllenhammar (of Volvo and Kissinger Associates), of making Iran into the main Third World trading partner for Swedish industry (Volvo-Bofors) and also, Swedish agriculture.

With parliamentary elections scheduled for this fall, the only political challenge to Palme's austerity program is coming from the European Labor Party (EAP), newly registered on the national level, which is fielding 100 candidates for municipal and regional slates. The EAP is demanding a parity price for farmers and lower interest rates for producers.

Business Briefs

Dope, Inc.

Friedman in major push for legalized dope

"There is little doubt that smoking and drinking kill far more people than the use of drugs," write "economists" Milton and Rose Friedman in their latest book, *Tyranny of the Status Quo*, which just appeared in paperback. The book, directed to the second term of the Reagan administration, dedicates a six-page section to the need to legalize all drugs. "Our belief that it is desirable to legalize marijuana and all other drugs does not depend on whether marijuana or other drugs are harmful or harmless. . . . We cannot end the drug traffic. . . . Legalizing drugs would simultaneously reduce the amount of crime and improve law enforcement. It is hard to conceive of any other single measure that would accomplish so much to promote law and order."

The dope-pushing Friedman's main channel into the White House is through the Economic Policy Advisory Group, headed by Citicorp chairman and former student of Friedman at the University of Chicago, Walter Wriston. The Advisory Group also includes U.S. ambassador to West Germany Arthur Burns, and Kissinger Associates board member William Simon.

Commodities

Saudis hint at further oil price cut

Saudi Arabia, OPEC's largest and most influential producer, has hinted in a telex to major customers that it may press for a new round of oil price cuts, a spokesman for the Rotterdam oil market said on May 24.

The Rotterdam spokesman said the Saudi state oil company Petromin sent out a telex on May 23 outlining pricing procedures for a cargo of its oil in the event of a change in price.

Spot prices for Saudi Arabian light crude had fallen by as much as \$1.30 a barrel below the kingdom's official selling price of \$28 a barrel, in the days leading up to the announcement.

Traders also said OPEC members Iraq and Iran have been offering discounts of \$3 a barrel on their oil to international oil companies, according to UPI. Saudi Arabia is feeling the pinch of declining oil revenues and has had to scale back some domestic programs and economic ventures.

High Technology

New Japanese challenge in fiber optics

Fujitsu Ltd., the Japanese computer and communications equipment company, has introduced a new generation of optical fiber.

The state-of-the-art technology, "Fujitsu 810," can transit 810 megabits, or 810 million pieces of information per second on a single pair of optical fibers, hair thin strands of glass, through which laser beams run.

The speed is twice as fast as that of the most advanced optical fiber systems now in operation in the United States, the vice president for Fujitsu America, Inc.'s telecommunications division, Anant Das, said in an interview.

Such existing systems, with the transmission speed of 405 megabits per second, are offered only by Fujitsu and NEC Corp., also of Japan.

Nuclear Energy

India's breeder reactor to start up in August

India's first breeder reactor using a home-made, unconventional nuclear fuel is expected to start operation in August, the Press Trust of India (PTI) reported on May 16 in New Delhi.

The fast breeder test reactor at Kalpakam near the south Indian city of Madras has been handed over to the operation group for commissioning, the agency said, quoting Department of Atomic Energy sources.

The reactor, based on a French design, originally was meant to use conventional uranium-plutonium oxide fuel, but India had to decide on an alternate fuel as it could not

get the highly enriched uranium from France, PTI said.

When the reactor is commissioned, India will be the first country using a mixture of carbides of plutonium and un-enriched uranium. PTI quoted sources as saying that the fuel had been tested and found to be "even better" than oxide fuel, dispelling initial doubts on its effectiveness.

Heavy Industry

Another steel firm, LTV-Republic, closes

"Staggering losses" have forced the LTV Corporation to shut down most of its giant Aliquippa steel mill in Pennsylvania, laying off 1,300 workers, company officials announced on May 17. The company lost \$25 million in the first quarter of 1985. Aliquippa had been operating at only 20% of capacity.

LTV-Republic was America's second-largest steelmaker. The company will take a \$400 million write-down for the shutdown, and announced it was reorganizing the company and will sell half a billion dollars of its assets over the next 18 months.

Since the end of April, no fewer than five of the Big Seven steelmakers announced bankruptcy, or the sale of producing assets.

LTV is paying more than \$70 million per quarter in interest payments on its \$2.23 billion total debt, most of which was contracted for the merger with Republic Steel.

Invisible Hand

Monetarist accused of political torture

In the trials of former military junta members, taking place in the Argentine capital Buenos Aires, witnesses have implicated former Finance Minister Jose Martínez de Hoz and former members of his economic team in ordering the illegal arrest, interrogation and torture of individuals accused at the time of financing terrorism.

Briefly

Martínez de Hoz, intimate of Henry Kissinger and the Trilateral Commission, did his best as finance minister (1976-81) to force Argentina to follow an "agricultural vocation" by destroying all industry and technology, as well as the skilled work force.

A famous episode characterizes the finance minister's relationship to terrorism. In September 1976, during a visit to the mountains of Tucumán, Gen. Antonio Domingo Bussi, who led the fight against the ERP guerrillas, made a gift to Martínez de Hoz of the knife he had used in several military campaigns, saying: "Keep it, if only as a paperweight. Keep it so that you will always have in your mind, and will always remember, that while I kill 10 guerrillas in the mountains, you create another 100 with your economic policy."

Banking

Money-center banks target of lawsuits

Georgia Attorney General Mike Bowers has brought a legal action against approximately 15 leading New York investment houses, for having defrauded Georgia citizens, by selling annuities of the Baldwin United Securities firm during the 1981-83 period, even though Baldwin was going bankrupt at the time.

Bowers's chief deputy James Googe said on May 22 that the state of Georgia was pursuing three types of actions against such firms as Merrill Lynch, E.F. Hutton, Prudential-Bache, Shearson Amex, and others: (1) seeking payment to the state of Georgia of brokerage commissions made by selling Baldwin annuities, to compensate defrauded customers; (2) seeking an injunction against the firms, so that if they do it again, they will be subject to contempt powers of the courts; and (3) seeking revocation of their licenses to sell stocks and annuities in Georgia.

In a related development, Chemical Bank is being sued for sabotage by David Paul of Centrust, the second largest S&L in Florida. Chemical sabotaged a real estate deal that a related entity of Centrust was involved in, causing a collapse in the S&L's stock. Cen-

trust S&L has now had to set aside \$11.7 million in loan loss reserves. As a result, Centrust chairman Paul is "afraid that Centrust may go out of business."

Ibero-American Debt

Argentine debt mission skulks off to IMF

An Argentine mission hustled into Washington on the morning of May 25 to urgently negotiate an economic program and new credit with the International Monetary Fund. Included in the delegation were the vice-president and director of the Central Bank, high ranking officials of the finance ministry, and the president of Argentina's Development Bank.

The visit immediately follows the huge demonstration of the CGT labor confederation on May 23 against the policies of President Raúl Alfonsín, where Argentine workers asked the government to focus its "bravado" against "international usurers like the IMF," United Press International reported.

Austerity

Shultz: Mismanagement causes Africa's plight

If it's up to George Shultz, the United States will not only not help Africa to develop, but will force-feed it the international bankers' murderous looting policies. Shultz told the National Association of Manufacturers in Washington on May 24 that the fundamental cause of Africa's plight is economic mismanagement by African governments. While industrialized countries should continue to send food aid to Africa, Africa will have to take major steps to "restructure" its economy, including raising food prices, Shultz said.

Africa and other developing countries "have to create an environment that encourages savings and investment," and have to realize that "attracting foreign equity investments is much more healthy than incurring large debts."

● **GOLDMAN-SACHS** investment firm is under attack, from a San Jose, Calif., grand jury, for conflict of interest in having advised the San Jose municipality in a deal which resulted in a \$60 million bond loss for the city, while "at the same time handling sale and receiving commissions." A leading Goldman-Sachs adviser is Henry Kissinger.

● **IS DON REGAN** "hooverizing" President Reagan? Columnists Evans and Novaks reported on May 22 that "White House Chief of Staff Don Regan has given primacy to the budget bottom line. An administration bent on a Republican realignment has thus retreated to Herbert Hoover's economic policies that ushered in the Democratic realignment."

● **SUDAN** faces worsening famine in several areas, the new Sudanese Prime Minister Gazouli Dafallah is telling government officials of Arab Gulf countries. According to the West German news agency DPA, Dafallah is touring the Gulf this week, accompanied by several Sudanese Cabinet ministers, to seek financial aid from Gulf countries.

● **PANAMANIAN LABOR** leader Rolando Ordóñez has proposed an anti-IMF alliance with the country's private sector, to save local industry from being dismantled on demand of the International Monetary Fund and the World Bank. Ordóñez's proposal came on May 22, after *EIR* analyst Carlos Wesley revealed during a radio program, that as part of agreements with the IMF and the World Bank, Panama would be forced to subject its industry to "free competition" from abroad.

● **"FIDEL CASTRO** has a way to solve the debt," centering on a proposal for a 10% cut of the U.S. defense budget, "to pay Third World debt," reports the *Wall Street Journal* of May 24.

The oriental roots of Henry Kissinger's deep philosophical commitment to socialism

by Lyndon H. LaRouche, Jr.

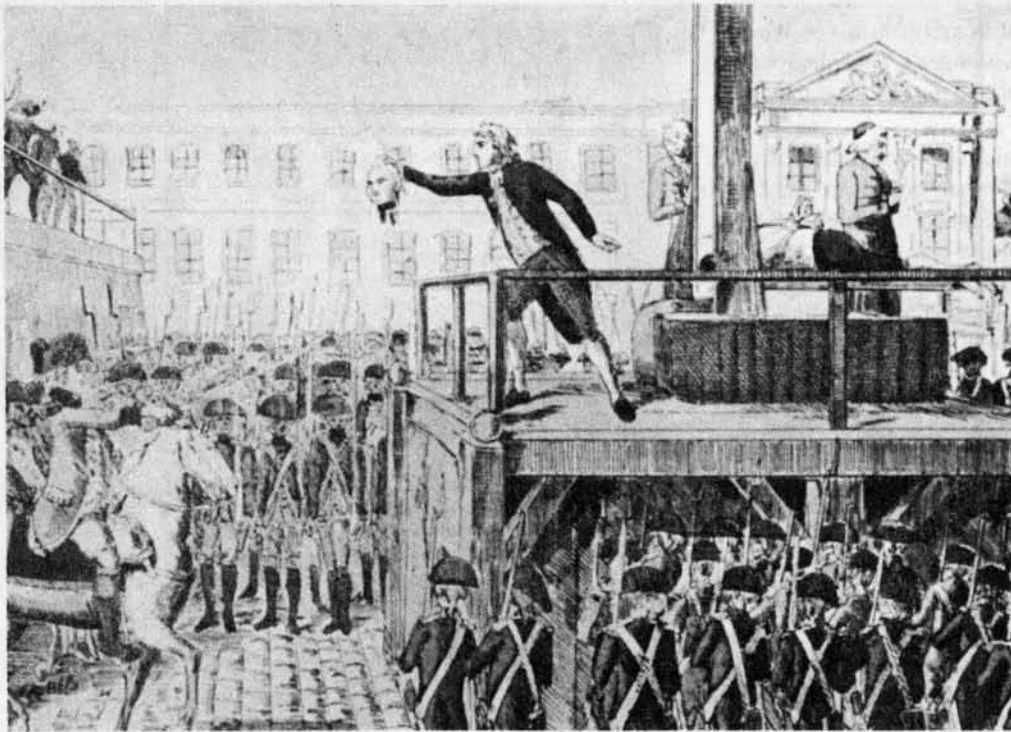
Until the early 1960s, when George Ball and Walter Sheridan purged the counter-intelligence experts from the U.S. State Department, Henry A. Kissinger was under active investigation as a suspected asset of the Soviet intelligence services. We had "hard information" copied from files in the headquarters of Soviet State Security, which identified Kissinger as part of a Soviet cell inside the U.S. Army Counterintelligence units in occupied Germany; Kissinger's Soviet code-name was "Bor."

The chief source for this information on Kissinger, was of the highest quality. The Soviet cell inside the unit to which Kissinger was assigned, was proven to exist; one of Kissinger's associates there was in fact exposed. There was extensive corroboration of the accuracy of this and other information supplied by the same source, including advance tipoff on the existence of an East German agent planted in a highly sensitive post inside West Germany, initial "G," who later turned out to be the Günther Guillaume caught inside the intelligence staff of Chancellor Willy Brandt.

This information intersected other leads. Some of this traced back to the Soviet war-time, Switzerland-based, cell, "DORA."

Ball's and Sheridan's key part, in shutting down the investigation of Kissinger, was widely interpreted as a favor done for McGeorge Bundy, who had retained Kissinger as a National Security Council consultant—until President Kennedy ordered Kissinger fired, later. The nagging suspicion against Kissinger was widespread, until another operation was run, in an effort to discredit the CIA's channel to Moscow KGB files.

The CIA source was a colonel of the Polish intelligence services, assigned to the Moscow headquarters of the Soviet State Security services. Although this colonel came into the picture during the 1950s, after Kissinger had left Germany, this CIA source had access to files covering Soviet-directed operations into West Germany during the 1940s period of the U.S. military occupation. Later, the Polish colonel was pulled out as a Soviet defector, by the U.S. intelligence services, an action taken as a well-informed precautionary measure. Although, this



During the French Revolution, the bloody Jacobin mobs were unleashed against the forces associated with the Marquis de Lafayette, who sought to spread the American Revolution's model of constitutional republics into Europe. Shown here: The execution of Louis XVI by guillotine in 1793.

colonel's information was only a corroborating feature of the general inquiry into Kissinger, his information was such a critical feature of the whole case, that Kissinger's career would be haunted by the matter, unless this colonel himself were discredited.

A special team, including a person with special training in brainwashing techniques, deployed to discredit the defector. The defector was induced to believe that he was an heir to the Czarist throne. Although this belief was induced in the defector after he had settled in the United States, it was used effectively to generate doubts about the earlier information supplied.

No competent counterintelligence officer would have closed the Kissinger investigation on such a pretext. The pretext worked, because of massive political pressures intervening to protect Kissinger's career. Kissinger was not only protected by the Rockefellers and McGeorge Bundy; he was the darling of very highly placed sections of British secret intelligence, including the London Tavistock Institute and Wheeler-Bennett's Chatham House. Three Presidents, as well as the liberal news-media, blessed Kissinger with positions of power in government, and the suspected Soviet agent has been placed thereby, "above suspicion."

So, George Ball's and Sheridan's action, and the later operation against the Polish defector, cleared the way for Kissinger's later career in government.

Put to one side, the fact that Kissinger's career would not have been possible, without corruption of sections of the intelligence services, combined with powerful political influences demanding the suppression of the evidence. The Kis-

singer case, typifies the kind of counterintelligence problem, with which U.S. intelligence institutions have been most poorly qualified to cope.

The best evidence at hand is, that some people and teams in U.S. intelligence services have shown excellent performance in what they do well. Given their head, they "do the job very well," especially in the dimension of technical services. The failures arise in what they are neither trained, nor authorized, to do. Put to one side, such problems as "bad apples" in the intelligence services' "barrels," and, too often, massive political interference in the form of pressures to falsify findings. Even at their best, U.S. intelligence services have a blind side as wide as the proverbial barn door, and adversaries have learned how to operate on this blind side. The Kissinger case, combines all three factors: "bad apples in the barrel"; massive political pressures, "not to develop facts potentially damaging to 'Dr. Kissinger'"; and, most important of all, a clear example of the blind-sidedness of U.S. intelligence services.

'Socialism'

The first fact, which ought to catch the eye of the counterintelligence specialist, is the fact, that Kissinger's profile from late adolescence, is that of a certain kind of "socialist." Instead, because of the specialists' blind-sidedness, they will almost deny this fact, by words to the effect: "Oh, you mean that Kissinger used to have 'socialistic leanings.'" They do not recognize, that Kissinger's behavior, since the publication of his first two books, during the late 1950s, has been consistently the behavior of a certain variety of "socialist."

Kissinger even stresses the point heavily, in his *A World Restored*; if they have studied Kissinger's published writings, the specialists simply do not understand what they are reading.

The narrower part of the specialists' blind-sidedness, is that, not only are they ignorant of what "socialism" is; they believe that they have expert knowledge on this subject. They suffer from either the merely ignorant opinion, that "socialism is the opposition to the free-enterprise philosophy," or, they have been more or less brainwashed into equating "socialism" with "command economy."

Pressed to the wall on this issue, the specialists will either quote supposed "experts on socialism," or will quote passages from socialist writings. They are even more ignorant of socialism, than the socialists themselves.

What those specialists do not know about socialism, includes the following:

Modern socialism and modern fascism, first emerged in an organized form, during the last decades of the eighteenth century, as Jacobinism. Approximately during the 1830s, eighteenth-century Jacobinism was replaced by the neo-Jacobinism of Giuseppe Mazzini's Switzerland-based "Young Europe" and "Young America" associations. During the 1840s, Mazzini's socialist association divided into two factions, rationalist (Karl Marx's faction), and the irrationalist current leading into the later emergence of modern fascism: Proudhon, Stirner, and Bakunin.

At the beginning of the 1870s, Karl Marx's faction was scuttled, and Marx remained an obscure figure from about 1872, until his revival around the Social-Democracy's *Erfurter Programm*, at the beginning of the 1890s. During the same period Marx's almost forgotten reputation was revived, and modern fascism was launched, the latter by a retooling of the irrationalist, or so-called populist current of Mazzini's socialist network.

Socialism and fascism are twins, not only by virtue of origin. If one scratches away the rationalist surface of Marx's socialism, his socialism has the same axiomatically irrationalist kind of underlying assumptions as anarchism and fascism. It is not only analytically truthful, and accurate, to point out the fascist-like understructure of Marxist beliefs. Without emphasizing that fascist-like understructure, it is not possible to understand how and why the Soviet empire today is both socialist and fascist at the same time, or to understand why the Lausanne, Switzerland-based Nazi International of today, is a willing and witting ally of the presently ruling, Andropov, dynasty in Moscow.

Although fascism was not unleashed as a mass-based movement until near the close of the 1890s, a very well developed form of fascism, usually known by the name of "Synarchism," had been developed in France by the 1840s, whence it spread through Spain and Portugal, into Central and South America.

The center of the development of Synarchism, was the



Mazzini's "Young Europe" set the continent in flames. Here: The revolution in Vienna, March 13, 1848.

French Ecole Polytechnique. This was a far cry from the 1794-1814 Ecole Polytechnique, under Carnot and Monge. It was the post-1815 Ecole, controlled by Carnot's and Monge's deadly adversaries, the circles under the influence of La Place and Augustin Cauchy, which included a degenerated Saint-Simon, and Auguste Comte. The French positivism of Comte and his followers, and Synarchism, are overlapping, and partly identical doctrines. Also produced by these French fascist circles, were ethnology (anthropology) and sociology, the commonplace academic specialties of French fascist (Synarchist) ideologues, down to the present day.

During the 1860s and 1870s, a full-blown fascist doctrine, was established by aid of the work of Franco-Swiss Synarchists Leon Walras and Leon Say. Walras was established at the Academy of Lausanne, Switzerland. From the "Lausanne School" of fascist political-economy, the ideologue Vilfredo Pareto made the French version of fascism international.

This should tell the intelligence specialist, "when" socialism and fascism were created. He must also learn, "how," "where," and "why" they were created, and "by whom"? The name, "Switzerland," constantly appears, as the center of these developments: Why so?

Jacobinism was created, sponsored, and directed, by a combination of British, French, and Swiss circles, coordinated by the most powerful banking families of Geneva and Lausanne. The name of the combined financier-interest of the families Mallet, de Neufize, and Schlumberger, appears prominently in this connection; the leading role of members of the Schlumberger family in socialist and terrorist politics, down to the present day, dates from the Jacobin period. This Swiss interest of the period, was the principal agency behind Voltaire as well as Rousseau, controlled the Duke of Orléans and his faction, directed the activities of Edinburgh's David Hume, and collaborated with Prime Minister William Pitt and Lord Shelbourne, in deploying the London-trained terrorists, Danton and Marat, to launch the Jacobin Terror.

A few highlights of the French Revolution, may help to refresh memory on this point.

It was the Duke of Orléans, who hired, armed, and directed the mob which stormed the Paris Bastille on July 14, 1789. This mob led away from the Bastille, carrying a bust of the former French minister of finance, the Swiss banker Jacques Necker. Necker was the Swiss banker from Lausanne, who had caused the bankruptcy of the French government in 1789. The mob demanded that Necker be appointed prime minister of France. It was the same Duke of Orléans, whose mob moved on Versailles by night, for the bloody massacre in which the Duke's forces kidnapped the King and Queen, in the process leading up to their guillotining. The leaders of the Jacobins, including Maximilian Robespierre, were deployed from the Paris salon of Necker's notorious daughter, Madame de Staël.

That tells our intelligence specialist, "by whom?" The next question to be answered, is "why?"

Go back a few years. Benjamin Franklin began to organize the American Revolution as an international conspiracy, beginning the year 1766, ten years prior to the U.S. Declaration of Independence. The center of his international operations was Paris. Franklin's leading opponent in France, was the same Duke of Orléans, who continued to be the leading adversary of the U.S. cause inside France through 1783. Our republic's war for independence, was not merely against the British monarchy and British East India Company; the financial center of the British and other forces deployed against the United States was French-speaking Switzerland, the same Swiss banking circles later behind the Jacobins. Our war for independence was as much a war against Switzerland, as against Britain.

The reason the Jacobins were deployed in France, was to defeat the faction led by the Marquis de Lafayette. In the crisis of 1789, Lafayette led those who proposed to save France from chaos, by establishing a constitutional monarchy, modeled upon the U.S. draft Federal Constitution of 1787. Lafayette was not opposed to the King, who had been a supporter of the American Revolution; Lafayette understood very well, that the problems of France were caused

chiefly by the combination of feudalistic landowners and Swiss-controlled financial aristocracy. To break the power of these Swiss-supported, feudalistic interests, the monarchy must be reformed through adoption of an American-style constitution. This reform was what the bloody Jacobin wrecking-crew was unleashed, jointly by the Swiss and the British monarchy, to prevent.

Socialism was created by an alliance of feudal aristocrats and Swiss-centered banking interests, as a battering-ram against the forces and institutions spreading the American Revolution's model of constitutional republics into Europe.

That is part of the "by whom?" and "why?"

Socialism after 1815

Vienna, 1815: enter, "Henry Kissinger, socialist." Not Kissinger in person, but Kissinger in the persons of those two figures he most admires, the two figures on whose policies Kissinger has based his career in public life: Britain's Lord Castlereagh and Clement Prince Metternich. We open the Kissinger Dossier, to Kissinger's Harvard dissertation and his 1957 book, dedicated to his patron, McGeorge Bundy, *A World Restored*.

In that book, Kissinger adopts Metternich's view, that the discovery of America, leading into the American Revolution, was the great mistake of modern history. To an intelligence specialist not illiterate in history, Kissinger's fanatical socialism begins to be obvious.

Some decades past, when serious attempts at teaching were still being made in the public school-systems of our principal cities, every pupil who even as much as merely passed courses in American and European history, knew that the Holy Alliance established at the 1815 Congress of Vienna, was a hideous step back toward barbarism. In fact, the special purpose of the agreements between Britain's Lord Castlereagh and Metternich, was to eradicate every trace of the influence of the American Revolution from Europe, and to set into motion new ventures for destroying the United States and its influence in the Americas.

Kissinger's book makes it clear that he is fully aware of these purposes of the 1815 Treaty of Vienna. Yet, Kissinger adopts those policies as a model for his career in U.S. public life. His backers around the New York Council on Foreign Relations, were fully aware of Kissinger's commitments, and are fully aware that Kissinger has faithfully served policies and practices modeled upon those of Castlereagh, Metternich, and Talleyrand, throughout his public life.

It is true, of course, that insofar as socialism has been associated with endeavors to ameliorate the circumstances of the poor, the farmers, and industrial operatives, it must appear entirely out of place, to attempt to attach the title of "socialist," to Kissinger. The appellation, "fascist," accords better with popular definitions. For the moment, let us concede to popular sentiment, and report that Kissinger is "a fascist variety of socialist," like the Josef Goebbels of Gregor

Strasser's "National Bolshevik" faction of the Nazi Party. With the case of Kissinger, we are examining the area in which the terms, "socialism" and "fascism," become interchangeable.

Leading Nazi historians, such as the Siemens Foundation's Dr. Armin Mohler, emphasize, correctly, that Nazism, as well as Mohler's own neo-Nazism, "universal fascism" or "neo-conservatism," is to be traced back through Friedrich Nietzsche and the composer Richard Wagner's circles, through Arthur Schopenhauer, to the same Madame de Staël from whose salon Robespierre was deployed to lead the Jacobins.

Kissinger, like his crony, the State Department's Michael Ledeen, is a "universal fascist," of the variety Ledeen praises in his book on that subject. The only essential distinction between Nazism and "universal fascism," is that Hitler's fascism was state-fascism. "Universal fascism," mixes the fascism of Hitler with that of Hitler's one-time ally, Count Coudenhove-Kalergi, the founder of the Pan-European Union. "Universal fascism" is "one-world fascism," "world-federalist fascism," the desire to transform the United Nations, or something like it, into a global fascist dictatorship.

The name for Madame de Staël's version of fascism, is nineteenth-century Romanticism. On the evilness of Romanticism and the significance of Madame de Staël's part in it, our intelligence specialist should include in his Kissinger Dossier, Heinrich Heine's published warnings on this subject.

The influence of nineteenth-century Romanticism, encompasses music (Franz Liszt, Hector Berlioz, Richard Wagner), romanticism, impressionism, realism, and neoclassicism, in music, literature, painting, sculpture, and architecture. It includes the existentialist school, including Nietzsche and the "Russian Nietzsche," Dostoevsky. In politics, it includes the irrationalist currents of socialist and populist movements. All of these currents in art, philosophy, science, and politics, provide the ingredients of which modern fascism, and Bolshevism, were assembled—at least, chiefly so.

To understand adequately the questions, "by whom?," "why?," "when?," and "where?," the various phases of socialism and fascism emerged, since 1815, the intelligence specialist must be broadly familiar, at least in broad terms, with the circumstances of Europe over the period 1815-1914, and the increasingly deep impact of the development of the United States upon European life and policy-making. A short summary of leading political developments in several nations, over that interval of modern history, is sufficient for our immediate purposes, here.

Despite the wrecking of the U.S. economy and military capabilities, chiefly through the Swiss Jacobin Albert Gallatin's influence over the second Jefferson administration and the Madison administrations, the United States Navy, through superior gunnery and seamanship, defeated Britain in the war of 1812-1815. Although the republican faction, of Schiller,

Stein, Humboldt, and Scharnhorst, in Germany, was almost obliterated by the 1815 Treaty of Vienna and the later Carlsbad decrees, the impact of the Stein-Humboldt reforms of 1809-1813, of the experience of the Napoleonic Wars, and Liberation Wars of 1813-1814, had embedded the republican spirit deeply in the German population. Although, economic and fundamental scientific progress were nearly crushed out of existence in France, soon after 1815, the rapid development of scientific progress in Berlin and Göttingen universities, fostered by Alexander von Humboldt, aided by patriotic forces in the German officer-corps, fostered rapid advances in agricultural and industrial technology throughout many parts of Europe, and contributed greatly to the advance of agriculture and industry in the United States.

In the eyes of the forces behind the 1815 Treaty of Vienna, significant economic progress, through scientific and technological progress, was inseparable from the kind of republicanism represented by the American Revolution and the 1787 draft of the U.S. Constitution. In this, the anti-American, feudalistic faction, was broadly correct. Wherever republicanism flourishes, science and technology must begin to flourish sooner or later; technology by itself, does not necessarily cause republican upsurges, but high rates of fundamental scientific discovery do, especially if the benefits of such discoveries are absorbed more or less rapidly as investments in agriculture and industry.

So, the feudalistic faction created Mazzini's neo-Jacobin insurgency, and deployed the enraged dupes lured into this socialist movement, against industrial progress. So, the descendants of those nineteenth-century feudalists, beginning late 1969, created an "environmentalist movement" out of the "New Left," and deployed this movement for destroying the economies of the United States and Western Europe. (In the latter case, the industry-smashing effort has been most successful over the recent 15 years.)

Our intelligence specialist reviewing the Kissinger Dossier, must discard some of his borrowed delusions concerning "free enterprise." Even under the influence of those delusions, he is prepared to accept the proposition, that a parasitical class of aristocrats, holding large inheritances of land, is "feudal." His borrowed delusions balk, at the characterization of Swiss bankers as "feudalists"; consequently, he is incapable of understanding the self-perceived vital interests and motivations of that complex of giant re-insurance and food cartels which operates chiefly from Venice-Trieste and Switzerland. As long as that intelligence specialist clings to his borrowed delusions, he is unable to recognize that the perceived self-interests of McGeorge Bundy and Bundy's incestuously extended family, the "Liberal Eastern Establishment," are those of a self-defined feudal aristocracy, the self-styled "American patricians."

Strictly speaking, feudalism is as old as the Chaldeans. Since approximately the Biblical Ur of the Chaldees, beyond the Fall of Rome and Constantinople, the Middle Eastern

region of the Euphrates, Syria, and Lebanon; was ruled by the unbroken continuity of collections of powerful families. Some of the particular families died out, but were replaced by additions to the roster; so, the oligarchical social formation as a whole never died out. Even when these families did not control the government in their own name, they controlled two things, finance and the priesthood. They created empires, and destroyed them from within, successively and repeatedly. It was they who created the Ptolemaic Empire of Egypt, the Roman Empire, and the Byzantine Empire. Out of the institutions of the Roman Empire, after its collapse, the institutions of Western European feudalism were built.

The chaldean system, otherwise known to the history books as the oligarchical system, is based on a triad of three ruling institutions: finance, the priesthood, and the military. Under the chaldean, or oligarchical, system of the Mediterranean region, over thousands of years to date, the families have always controlled finance and the priesthoods of their system, and have either directly controlled the military, or have controlled it indirectly, but quite efficiently, through the priesthood.

The principal source of income of the families of the chaldean tradition, has always been usury. This includes, principally, three types of usury. First, ground-rent, or what is sometimes termed "absolute rent." Second, ordinary financial usury. Third, monopolies of trade in primary agricultural and mineral commodities, and also monopolies of trade in some varieties of manufactured products.

So, the Swiss-style re-insurance and other financial interests, are feudal. Similarly, feudal forms of aristocratic land-holdings are feudalistic, chaldean. Similarly, Swiss-controlled international food-cartels, such as Cargill's and Nestle's, are feudalistic interests, as are the interests behind the Seven Sisters' petroleum-marketing cartel, and the London commodities-market cartels.

In industrial-capitalist banking, as opposed to feudalistic, or chaldean, banking, wealth is defined as physical product or analogous physical improvements. Those who have a surplus-product to sell, a farmer or industrialist, loan the value of this to a bank. The bank loans this value to buyers, on the assumption that the purchase will enable the borrower to generate an increase of physical wealth produced for society. To make such an industrial-banking system work, the government issues paper currency for lending to those who have, or will have, surpluses to sell. The borrowers use the lent money to make purchases for production or improvements; they buy useful goods which otherwise would not be sold. So, the turnover of physical capital in production is accelerated.

The Swiss type of feudalistic banker, concentrates upon preventing governments from issuing paper currency for industrial modes of bank-lending. The chaldean banker forces governments to borrow from feudalistic types of financial institutions, and uses the government's indebtedness to those

financiers, to control the monetary and economic policies of governments and national economies.

This feudalistic method of banking goes back to Babylon, and earlier. It grew out of Mesopotamian tax-farming. A Chaldean merchant-banker made an arrangement with the state, to collect the government's tax-revenues. The merchant-banker bid for the right to collect the taxes from some designated region, always bidding way below the total amount of taxes to be collected. Then, with government troops supporting him, the merchant-banker, the tax-farmer, went into the country to assess and collect taxes. If the taxpayer lacked the money to pay the assessed tax, the tax-farmer either seized the property, or took the taxpayer into slavery to pay the debt, or loaned the taxpayer the money to pay taxes at usurious rates. If he seized a farmer's property, the tax-farmer worked the farm with hired or slave labor, until the taxpayer bought his farm back, by paying the combined principal plus interest of the assessed taxes.

Look at the heart of Swiss finance today. That heart is not the Swiss banks; it is the re-insurance cartels, made up of cartels which insure insurance companies, in much the manner that major gamblers lay off the risks of the small-time gamblers. The re-insurance cartels almost never suffer a net casualty loss in a year; the companies they re-insure take all the insurance-risk. These cartels never actually risk any investment in the cartel. They simply pledge certain assets as security, covering all or the largest part of the total nominal value of their stock in the company. Their rate of profit is, nearly, mathematically infinite.

Now, the paper value of the re-insurance cartels' holdings serve as negotiable value for banking operations. The value of these holdings on the market is the value determined by a prevailing price-earnings ratio. In other words, the credit issued from the re-insurance cartels, is largely invented out of thin air. An example of such an operation is found in the gigantic wealth of the Venice-Trieste re-insurance cartels, which control a major chunk of the entire world's insurance and related banking business.

What can a farmer or honest industrialist do, against these cartels' power to create capital gains out of thin air? Every penny of profit which the farmer or industrialist makes on his production, must come from hard work and hard-cash payments for materials, equipment, and so forth. In other words, by any honest man's moral standards, most international finance today, is nothing better than a gigantic swindle.

It is for such reasons, that the economic and monetary system set up by the Founding Fathers of the United States, such as President George Washington and Treasury Secretary Alexander Hamilton, was called "protectionist." Any republic must have a policy of tariffs, combined with measures of exchange and capital-export-import controls, and regulated national banking, to keep the nation's economy from being looted and ruined by these feudalistic international bankers and their trade-monopoly cartels.



Britain's Queen Victoria: Her fecundity aided in incestuously fusing the royal families of Europe into a single, extended biological family, the Saxe-Coburg-Gotha.

In eighteenth- and nineteenth-century Europe, the political power behind the financial cartels was the feudalistic interest of powerful aristocratic families such as the Thurn und Taxis family. During the nineteenth century, the center of this aristocratic power, was the pan-European royal family of Saxe-Cobourg-Gotha. After the 1815 Treaty of Vienna, a sometimes murderous process was unleashed, to ensure that all of the royal families of Europe, and most of the other princely and ducal families, were all incestuously fused into a single, extended biological family, the extended family of Saxe-Cobourg-Gotha, a process much aided by the fecundity of one famous member of that family, Queen Victoria. Each of the branches of this family, and lesser-ranking families, is a financial corporation, modeled upon the Venetian *fondo*. The families' *fondi* each have the authority of a Roman *pater familias* over the members of the family, the power to disown or adopt heirs. The heirs do not control the corporation (*fondo*); they are the breeding-stock for the perpetuation of the *fondo*, the agents of the *fondo*'s interest.

The individual member of such a family has no individual right to the family's financial and political power. The personality of power lies not in the individual member of such a family; the personality of power is the corporate entity, the *fondo* in and of itself.

Such *fondi* exist not only for aristocratic families, proper.

Untitled, "bourgeois," financier families of greater and lesser degree, also constitute *fondi*. It is these *fondi*, usually operating behind the cover of small private banks, law firms, foundations, and so forth, which are the power behind the power of the re-insurance cartels and analogous financial institutions.

The issue between the republican forces, led by Benjamin Franklin, and the adversaries of the American Revolution, is thus defined more sharply. The form of republic established as the United States, threatened to contain and to destroy the system of wealth and power of the combined feudalistic interests. To defend their usurious system, the European oligarchy sought to crush the United States and its influence throughout the world. They did so during the late eighteenth century, during the nineteenth century, and are determined to succeed in that project, more fanatically than ever before, at the present time.

For the reasons we have indicated thus far, these feudalistic interests are anti-capitalist. Although these feudalistic interests have invested in modern agriculture and industry, they do so, not to promote agricultural and industrial development, but for the purpose of seeking to control agriculture and industry. While seeking to milk as much as they can out of such rural and industrial investments, the feudalistic financial interest seeks to control as much as possible of farming and industry, to the purpose of preventing independent farmers and independent industrial entrepreneurs from constituting a significant political power-base in the nation.

Case in point: Kissinger and Mondale

Walter Mondale, more obviously than Kissinger, is a socialist. He is a product of the Minnesota Farmer-Labor Party machine, which has always been a hard-core Fabian-socialist machine. Like the true socialist he is; Mondale's adult career has been intimately linked with a U.S. arm of Swiss finance, the Cargill branch of the international grain-marketing monopoly. The present center of control over Mondale's policies and career, is the Hubert Humphrey Institute of Minnesota, a policy-making arm of the Swiss grain cartel, whose chief executive officer has been Henry A. Kissinger. This institute is also one of the major conduits for the Soviet KGB's direct influence over making of U.S. defense and other policies, and has been one of the principal conduits through which the Nuclear Freeze policy was imposed by the Soviet KGB on the Democratic Party in 1983.

Mondale has been near or at the center of U.S. agricultural policy for more than two decades. He was formerly a law-partner of the Orville Freeman, who turned the U.S. Department of Agriculture into a system for destroying the American farm and U.S. citizens' food-supplies. Before and during the 1984 presidential campaign, Mondale's agricultural policy, was to eliminate the independent family farm entirely, and to replace it with "vertically integrated agricul-

ture," under which small-sized plots would replace family farms, and the farmers on those plots would be reduced to share-croppers, slaving for the profits and power of the Swiss food-cartels.

Mondale is a true socialist, Swiss-style. If he is also a backer of classically fascist policies, we have but to observe that Henry A. Kissinger is a leading figure of the Soviet KGB's favorite Minnesota vacation-spot, the Hubert Humphrey Institute. The destruction of independent entrepreneurship in agriculture and industry, is at the heart of the Swiss feudalists' policies for destroying the United States. Mondale and Kissinger, are true socialists.

Marx's socialism

From the time of Marx's recruitment into "Young Europe," at Berlin university, until Mazzini and the British dumped him in 1871-1872, Karl Marx was always the political property of the Swiss-centered interests behind Mazzini. From about 1844, Marx was shuffled into the control of the British intelligence service. There were pre-established features of Marx's views and character which recommended him to the British service, but the fact is, that he was recruited, and partially "brainwashed," by a British agent and sly scoundrel, Frederick Engels, who, after 1849, turned Marx over to a famous agent of British secret intelligence, the David Urquhart who coordinated British intelligence's interest in the Mazzini operations from his offices in the British Library ("British Museum"). Despite the official-socialist Marx-Engels-partnership mythology, the available documentation is more than conclusive.

Why Engels's section of the British intelligence service should have discovered an interest in Marx's potentials, is easily discovered, by poking back into the process leading into the establishment of the British Association for the Advancement of Science. Turn attention to Charles Babbage's circles and activities, from the 1820s onward; this is the faction of British intelligence to which Engels was directly attached.

For a moment, go back a bit further, to 1787, the year that the British government went into the international opium-traffic officially, by Act of the King's Parliament, and the period that the murderous Anglican priest, Thomas Malthus, plagiarized the work of Venice's clerical gentleman, Giammaria Ortes, to aid Prime Minister Pitt in repealing the Poor Laws of England: the birth of British "Malthusianism." From that time, into the 1820s and slightly beyond, it was British domestic policy, to halt all scientific and technological progress.

Beginning the 1820s, Babbage's faction of British intelligence, based at Cambridge and Edinburgh, starting clamoring that British Malthusianism at home had gone much too far. Not only was science dead in Britain at that time; but only one known mathematician in Britain was found capable

of following any among the major breakthroughs in science being accomplished on the continent of Europe and in the United States. Babbage's faction unleashed a coordinated and increasing attack upon Malthusianism, and against the supporters of Malthusianism at Oxford and in the London Royal Society. It was not the fact that British science was way below the level of Russian science at that time, which was found convincing in Babbage's arguments. Britain was no longer able to compete with the quality of continental-European and U.S. technology in production.

In this setting, young Frederick Engels was deployed to a bit of industrial espionage in the German Rhineland, entered the "Young Germany" section of Mazzini's "Young Europe," and, subsequently wrote an interesting paper, opposing Malthusianism. Later, in Brussels, Engels more or less successfully brainwashed Marx, inducing Marx to work on a pamphlet to denounce the founder of the German industrial revolution, Friedrich List. Marx was drawn into a small sect of Mazzinians based in Brussels, the Communist League, created in and exported from Mazzini's home-base in Switzerland.

By the 1840s, Britain's perceived need for industrialization, guided it to discourage the Luddite lunacy Britain itself had fostered in behalf of Malthusian domestic policies. By that time, especially after the events of 1848-1849, Britain had sufficient control over Germany's policies, to begin the process of preparing Germany for a war against Czarist Russia, hoping for the mutual ruin of both adversaries in such a war. On these accounts, it was considered prudent to build within the radical labor ferment of Europe, a pro-industrial faction of the Mazzinian assembly, especially in Britain and in Germany. After Engels dumped Marx, at the beginning of the 1850s (except for token contacts kept up chiefly through Marx's desperate pleadings for financial aid), Marx struggled along at the British Library, under the guiding hand of British intelligence's Urquhart.

Marx was resurrected from rather desperate isolation, by a personal intervention of Giuseppe Mazzini himself. Mazzini visited London for the purpose of founding a new organization, the International Working Men's Association. Mazzini invited Marx to the founding meeting, and after founding the association, left Marx more or less in charge of the operation. Later, after the first volume of Marx's *Capital* was published, in 1868, Mazzini and the British took steps toward dumping Marx. The royal family's bankers, the Rothschilds, were ordered to make certain arrangements. Richard Wagner's old sidekick, Bakunin, owned by Britain, through financial arrangements with Alexander Herzen, was called back from Russia, to head up an instantly created anarchist international. By 1871, the befuddled Marx was maneuvered into discrediting and isolating himself, and remained in increasing isolation the rest of his life. After Marx's death in 1883, Engels showed up to take title to the literary and myth-

ical remains of a Marx whom he had rarely visited since 1871.

Marx remained politically buried, until the beginning of the 1890s. On instructions to Karl Kautsky, from Engels in Britain, as much of Marx as Engels recommended be exhumed, was reflected in Kautsky's draft of the *Erfurter Programm*. Why this resurrection of dead Marx? A glance at the controversy inside Lord Milner's "kindergarden" and Coefficients' organization, at the beginning of this century, shows "why?"

Echoes of the Babbage warnings of the 1820s and 1830s! Britain's industry was once again in the doldrums, and World War I was foreseen as an inevitable development during the decades immediately ahead. On the eve of the Boer War, Britain's navy was an obsolete mass of eminently sinkable wreckage, and British infantry-tactics were still based on drill in eighteenth-century musketry volleys. Milner's group adopted a, strictly temporary, copying of Alexander Hamilton's economic policies. The British military had to be made ready for the coming general war in Europe, and British industry must be directed accordingly. Germany must bleed itself in dismantling the Russian Empire, but Britain and vengeful France must clean up what remained of the weakened Germany, and of the destroyed Austro-Hungarian and Ottoman empires. It did not work out quite as planned, but that is another matter. Destroy Germany in the end, but, first, be realistic: Germany must build up for the war with Russia.

So, Karl Marx was called back into British service, in Germany.

The births of Bolshevism and fascism

Essentially, Bolshevism was created on the Isle of Capri, among a circle surrounding Maxim Gorki. What was synthesized by the Russian theosophical cultists around Gorki, was not a doctrine of political-economy. What was synthesized was a cultural program: not Leninist economic doctrines, but the future liturgy of the Bolshevik cult. During the same period, the fascist movements of the twentieth century were synthesized, in large degree, on the same Isle of Capri.

Later, Benito Mussolini, who was personally privy to the circles which produced both fascism and Bolshevism on Capri, said that there had been two great social experiments in the twentieth century, Bolshevism and fascism. Of these two twins, Mussolini argued, the first had failed, and the second had succeeded. Today, since Bolshevism has fused with the Lausanne-based Nazi International, and the Soviet state become openly a fascist state, it may be judged that Mussolini's bragging was a bit premature, but otherwise not entirely incorrect.

It becomes impossible to trace the development of socialism and fascism further, beyond 1900, without digging directly into the cesspool of history, the decisive role of theosophical cults in shaping the dominant ideologies of Bolshevism and fascism. If there are cesspools in modern

history, the worst of them are Venice-Trieste and Capri, two cesspools which overflow richly into Switzerland. It is chiefly from these two cesspools, and Switzerland, that Bolshevism and fascism spewed into the twentieth century.

Strictly speaking, theosophical cults were an essential part of the deep background for Jacobinism, and for nineteenth-century socialism after it. The difference is, that a sensible and useful explanation of Jacobinism and socialism could be supplied, prior to the twentieth century, without digging into the theosophical cesspools to do so. For the new developments, from the onset of the present century, the role of the cesspools can no longer be passed over.

For example: The key to Karl Marx's development, during and after Marx's studies under Karl Savigny's influence at Berlin, is the theologian Ludwig Feuerbach. Feuerbach was a radical Gnostic, whose *Essence of Christianity* is a diabolically clever bit of Gnostic theosophy, a book which has been a major source for the introduction of rabid Gnosticism into the pulpits of Protestant churches in Europe and North America today. Although Marx owed his doctrine of "historical materialism," almost entirely, to the Romantic doctrine of "historical law," of Savigny, Marx's conception of "materialism," is rabidly Gnosticism, for which he was indebted chiefly to Feuerbach's *Essence of Christianity*. Nonetheless, it is possible to summarize the principal practical features of Marx's activity and influences, without referencing the Gnostic assumptions underlying Marx's doctrines. Respecting the innovations in socialist doctrine during this century, or respecting modern fascism, the Gnostic theosophical roots are the primary facts to be considered.

The secret of Capri

Capri's significance as a modern cult-center, is the fact that it was from there, that the Roman Emperor Tiberius ordered the killing of Jesus Christ by his in-law, Pontius Pilate. (The famous Jewish "jury," which formally sentenced Christ to crucifixion, was merely your basic pack of "Quislings," turned out for the occasion by the occupying Roman power.) On this account, Tiberius, the famous patron of the Mithra-cult, is worshipped as the "anti-Christ," among the inner circles of modern theosophists in the vein of Blavatsky, Besant, Crowley, Berdyayev, and Lucifer-worshipping Rudolf Steiner. This only touches the surface of that which makes Capri the cesspool it is today.

This modern cult-center role of Capri, is merely an adjunct to the traditional center of the power behind Capri, Venice and Trieste. Switzerland, in turn, is the piggy-bank redoubt, for the oligarchical interests historically centered upon Venice. These three, Venice, Capri, and Switzerland, are the center of operations for those oligarchical families of the West, who are working to destroy the United States, with Soviet help, today. These three, taken together, represent the center of the power on whose behalf the errand-boy, Kissinger, is deployed.

Contrary to Kissinger's conceits, in his *A World Restored*, it was not Castlereagh and Metternich who guided the 1815 Congress of Vienna; those two, were merely puppets of Venice. The controller of the Congress was a Venetian official, Count John Capodistria. Through Venice's control over Czar Alexander I, Venice had imposed Capodistria as Russian foreign minister. Shortly prior to the Congress, while he was Russian foreign plenipotentiary, Capodistria had been assigned by Venice to supervise the writing of the present-day constitution of Switzerland. At the Congress, in his capacity as Russia's plenipotentiary, Capodistria supervised the Treaty of Vienna.

Earlier, in 1453 A.D., Venice coordinated with the Ottoman Turks, to accomplish the conquest of Constantinople. As part of this bargain, when the Ottomans carved up Greece, Venice was given those parts Venice requested. As part of the bargain, the Ottomans gave Venice control over the Ottoman Empire's diplomacy and foreign-intelligence service, the dragomans. Byzantium did not come to an end in 1453; Byzantium continued under the Ottoman dynasty, with Venice controlling that dynasty from the inside, much of the time.

From as early as the thirteenth century, the Swiss robber-baron family of Habsburg (later Germanized as "Habsburg"), was a Venetian client. As Venice had established the Ottoman dynasty, it built up Austro-Hungary as a counterweight to the Ottomans. Assimilating its competitor, Genoa, beginning the fourteenth century, Venice controlled old Burgundy, and seized control of Spain with the accession of the Habsburg, Charles. It was Venice-centered interest which owned and controlled the Habsburg empire of the sixteenth and seventeenth centuries. During the last half of the eighteenth century, Venice took increasing control over Russian policy, through such creatures as the Orlov brothers and Prince Potemkin.

The methods of Venice are "chaldean methods." Just as the Chaldeans promoted and destroyed the empires of the Near East, so, over the interval 1453-1918, Venetian interests controlled, used-up, and ultimately liquidated the Ottoman, Russian, Habsburg, and British empires. It was Venice which organized the Balkan Wars leading into World War I, and Venice, largely through its agent, the same Count Volpi di Misurata who put Mussolini into power, which organized World War I and the Bolshevik Revolution of 1917. We must touch upon this, to make the socialist and fascist movements of the twentieth century comprehensible to our intelligence specialist, but we shall touch on as little as is indispensable to make the essential points clear.

In the case of the 1815 Congress, Metternich was controlled directly by Venetian interests. Castlereagh's case is only slightly more complicated.

Castlereagh was a member of the extended Scottish royal family of Stuart, who, like the powerful nineteenth-century family of Lord Acton, came under Venetian influence during the period of the Napoleonic wars. Establishing control was

not difficult. The modern British monarchy, starting with the Stuarts, had been brought to power in England by the Genoese (read "Venetian") financial interests, and Scotland's Bruce (Stuart) monarchy had been under Genoese and Templar control since the beginning of the fourteenth century.

True, the crowd around Castlereagh and Acton became rabid kooks under Venetian tutelage; but theosophical kookery, such as cabalism, had been so widespread at Cambridge and Oxford during the late sixteenth century, that Queen Elizabeth, for a time, had virtually shut those obscene institutions down. The seventeenth-century Stuarts and their circles around the London Royal Society, had been saturated with such theosophical cess as hermeticism, cabalism, and what-not by the Rosicrucian court-philosopher of the Stuarts, Robert Fludd, that the wags of England rearranged the initials of a Restoration Stuart cabinet, to spell the word "Cabal." As early as the Restoration period, the spread of satanism among the British aristocracy was typified by the proliferation of "Hellfire Clubs." The nineteenth-century Venetians were not the first to bring satanic cults into Britain, but they did supply the already kookish British aristocrats with a massive overdose of the filthy stuff.

Typical of the result, were such effects as Bulwer-Lytton's notorious *Last Days of Pompeii*, and the leading role of Oxford University's John Ruskin in the obscene "Pre-Raphaelite Brotherhood." Ruskin was the founder of British socialism, a utopian scheme for returning society to the guild-system of fourteenth-century feudalism; out of this, with an added dose of John Stuart Mill's hedonist "utilitarianism," George Bernard Shaw turned a kookish little "back to nature" club, into the beginnings of the Fabian Society.

All of this is essential to a right reading of Henry Kissinger's dossier.

Pompeii's cult-significance is twofold. In its own right, before it received the just fate of Sodom and Gomorrah, it was a center of the nastiest sort of oriental cult-practices; it was also the city directly linked to Tiberius's Mithra-cult center, on Capri. A bit of essential historical background, may be indispensable to grasp the general mental outlook of those Bolsheviks and others who made their religious pilgrimages to that island.

The island of Capri first enters history with the Roman Emperor Caesar Augustus, who established it as the center of the Chaldean Magicians' cult of Mithra, a military-cult version of the Great Mother cults, of Ishtar, Isis, et al. It remained the personal property of the families of the Roman emperors, until the fifth century A.D., when it was donated to the Benedictines, under the Byzantine emperor. The circumstances under which Augustus received the island, are key both to the establishment of the Roman Empire, and to the cult-mythology surrounding the island at the present time.

The transformation of Rome into an empire, was not an internal affair of Italy, in any essential respect. At the time of Julius Caesar, there were two centers of power in the

Mediterranean, Ptolemaic Egypt and Rome. The establishment of the Empire was a fusion of the two powers into one. So, near the close of the first century B.C., there were various pilgrimages to Egypt by ambitious Roman commanders, such as Julius Caesar, Mark Antony, and Augustus. There was some back and forth, as to whether the empire should be based at Alexandria or Rome; Cleopatra and Mark Antony lost the argument over that, fatally. Augustus succeeded in gaining the approval of the Egyptians, and the official center of the empire created, became Rome.

In this process, Augustus was met, on Capri, by a group of Chaldean cultists, called then the Magi or Magicians. The known circumstances of the matter suffice to tell us a great deal. Although Rome and Egypt were the centers of power at the time, the Syria-centered Near East contained the only significant military tradition and capability approximately matching that of Rome. The famous military tyrannies of the Diadochi illustrate the point. The fact that Augustus and his immediate successors entered into an agreement with the Magicians of the cult of Mithra, a military cult, represented a great advantage for Augustus in his dealings with Egypt, since the Syrians represented the balance of power. Moreover, the reorganization of the Roman legions, into a permanent force dominated by its own special military version of the Great Mother cult, determined the essential internal political history of the western Roman Empire until its collapse.

To the inner cult-circles of modern theosophists (Gnostics), it is the Capri of the Emperor Tiberius, which is central to their ideology. Tiberius's position as the "anti-Christ," is the focal point of that point of ideology.

Although the archeological expeditions on Capri date from the close of the eighteenth century, it was after the 1815 Congress of Vienna, that Capri began to attract cult-worshippers from around Europe. It was during the last part of the century, that Capri's cult-activities became the center of the creation of Bolshevism and modern fascism.

Without some insight into the significance of this, modern Bolshevism and fascism can not be understood. One instance helps to illustrate the point for our intelligence specialist reviewing the Kissinger Dossier.

Hermann Goering made a visit to Capri, for the purpose of purchasing Tiberius's site on the island, for Adolf Hitler. The owner of the property at that time was a Swedish figure by the name of Alex Munthe, who served as a high priest of the Tiberius cult there at that time. Goering confided: Hitler was a reincarnation of Tiberius, and therefore it was really Tiberius who sought to repurchase his own property. Munthe scoffed, insisting that it was he, Munthe, who was the current reincarnation of Tiberius. [Documentation of this affair is currently in the archives of British intelligence's "Occult Bureau," whose knowledge of Hitler's pagan superstitions was a prominent part of British psychological-warfare operations against the Nazi leadership, during World War II.]

'The Age of Aquarius'

Around the turn of the present century, two figures announced to the world, that the age of Pisces (Christ) was coming to a close, and that the age of Satan (Aquarius) was about to begin. These were Friedrich Nietzsche, the founder of modern Nazism, and Britain's Aleister Crowley, the man who later initiated Aldous Huxley and George Orwell into the theosophical cult-order of the Golden Dawn. Both were speaking *ex cathedra*, if we may assume the Devil keeps a bishop's seat in his cathedrals. Nietzsche was speaking as a kind of high priest of those Venetian aristocratic families of southern Germany who founded the mother-organization for the Nazi Party, the Thule Society. Crowley was the heir of John Ruskin's political mantle, and world-leader of the theosophists.

"Ugly stuff, but what practical significance does this have?" Our intelligence specialist must consider three leading points, otherwise he can acquire no competent understanding either of history, or of crucial features of the Kissinger Dossier:

- 1) No matter how persuasively the empiricists, the Marxists, and the psychoanalysts, purport to reduce human behavior to "seeking of pleasure, and avoidance of pain," all human motivation to act, is referenced to the "I" of a sense of individual identity. This means, that the basis for all human behavior is either explicitly religious belief, or some mystical belief which serves as a substitute for religion. The individual does not act, for example, for "pleasure"; the individual acts for the "pleasure" of his sense of "I-ness."
- 2) The governing role of the religious, or analogous, sense of "I," in human behavior, means that the guiding influence distinguishing the behavioral tendencies of large-scale social forces over successive generations, is a cumulative response to experience, as experience is interpreted by some equivalent of religious belief.
- 3) The oriental paganism, which is the form of the religious beliefs prevailing among the oligarchical families, is most broadly and fundamentally distinguished from Christianity, for example, in the respect that modern theosophy describes its oriental cultisms as "symbolic philosophy." To the strata of politically and financially powerful cultists orbiting around Venice and Capri today, the manipulation of symbols, "magic," defines the core of the mystical superstition dominating their collective behavior.

If our intelligence specialist hears himself protesting, "That's absurd!" let him promptly correct his silly outburst. Let him ask himself: "What percentile of the U.S. population, either argues, 'There must be something to astrology,' 'Believes in "luck"?' The Chaldean invention, astrology, which did not reach Egypt until approximately the second century



The "Aquarian Conspiracy," as seen in a New York City "gay rights" parade.

B.C., is the essence of the species of oriental mysticism on which all modern theosophy and "speculative freemasonry" are based.

Consider the setting, in which Nietzsche and Crowley proclaimed the immediate onset of "The Age of Aquarius."

Despite the apparently sweeping victory over republican forces and institutions, which was celebrated by the Venetians' victory at the 1815 Congress of Vienna, there was a resurgence of the United States, from the destruction wrought under Jefferson's and Madison's administrations, beginning approximately 1818-1819, and continuing into approximately 1832. If the enemies of the United States thought they had ruined the United States, under Jackson and van Buren, during the 1832-1837 period, the Whig resurgences of 1840 and 1848 painfully disappointed them. The failure of Mazzini's "Young America" conspiracy, to destroy the United States in 1861-1865, occurred after the Venetians themselves had abandoned hope in the Holy Alliance, and launched the 1848 revolutions to dismantle it. Czar Alexander II's pro-industrial reforms, the powerful rise of Germany's science, agriculture,

and industry, and the industrialization of northern Italy by Cavour's circle, underlined the failure of the 1815 Congress to establish a durable feudalistic order in Europe. The 1878 Treaty of Berlin, merely formalizing the long-established existence of European imperialism, was actually part of the pre-arrangements for the coming general war in Europe. The Venetian-centered European oligarchy, was committing itself to the general destruction of civilization, as the only visible means for ridding the planet of the stubborn seeds of republicanism.

The mystical prophesying of "The Age of Aquarius," by Nietzsche and Crowley, echoed, in the symbolic language of astrology, the down-to-earth strategic policy-decision among a growing portion of the ruling oligarchical families of Europe.

During the middle of the 1960s, U.S. foreign-policy insider Carroll Quigley published a fat book, which curiously appeared in only one edition after causing a monumental stir, *Tragedy and Hope*. Most of the comment on the book among putatively right-wing circles of "conspiracy buffs," was historically illiterate stuff. What fascinated those "conspiracy buffs," was the allegation that the United States was being controlled from abroad by the circles of the British Round Table, an entity traced to Oxford University's John Ruskin. Factually, Quigley's account was true, as far as it went. Most readers were so obsessed with debating Quigley's facts, that the point of the book was missed. Quigley's message in the book was, "Well, folks, it's all over but the final action: too late to turn back now." Quigley's logic was that of H.G. Wells's 1928 *The Open Conspiracy*: "Sure, we're conspiring to take over the world; why not expedite matters, by bringing our conspiracy into the open?"

As early as 1960, James R. Schlesinger had argued, that the success of Kissinger's owners, in negotiating a Nuclear Deterrence policy with Soviet dictator Khrushchev, meant that the way was cleared to turn the United States into a "post-industrial society." By 1964, Swiss grain-cartel agent, U.S. Secretary of Agriculture Orville Freeman, had installed the policies which would destroy the U.S. entrepreneurial farmer, beginning the end of the 1970s. By 1964, Robert Hutchins's Ford Foundation-backed Fund for the Republic, published its "Triple Revolution" report, announcing the form of "post-industrial society" which Zbigniew Brzezinski, a few years later, dubbed "the technetronic society." By the middle of the 1960s, President Johnson and his "Great Society," had begun the process of destroying the U.S. industrial economy.

In late 1969, influential financial interests inside the United States had pulled their agents from the "New Left" into conference, to instruct them on launching the "ecologist movement," which sprung into existence as a mass-movement, out of almost nothing, at the beginning of 1970. The Broadway musical "Hair," with its "Coming of the Age of Aquarius," signaled that a new, mass-based neo-Nazi movement, as hideous as Hitler's, was being set into motion around the slogan of Nietzsche and Crowley. Soon afterward, Willis

Harman's group at the Tavistock-linked Stanford Research Institute, proposed the "Age of Aquarius" as policy of the U.S. government; later, one of Harman's disciples, Marilyn Ferguson, published her *The Aquarian Conspiracy*, in which she came close to publishing the full content of Mr. Harman's Nietzschean diaper. In the midst of this, a rabid "Aquarian" with a rhesus-monkey-like grin, and family affinities for Moscow's Armand Hammer and Libya's Qaddafi, was appointed President of the United States, by the power associated with Coca-Cola and Henry Kissinger's David Rockefeller; James Schlesinger destroyed the United States' energy-supplies, and then Carter appointed Paul Volcker to the Federal Reserve chairmanship, to do the rest. Carter, bearing the doctrines of Satan, Aquarius, was called a "born-again Christian." Carter was no doubt as good an approximation of a Christian as a Baptist of the Rockefeller variety could find among that curious sort of governor who prepares Sunday-School lessons at an Allman Brothers' rock-concert, perhaps as good a Baptist as Salome.

Most emphatically, the United States and Europe have been destroying themselves from inside, for about 20 years. Actually, this is only the most recent, and advanced phase of the process of self-destruction. The "destruction" corresponding to Nietzsche's and Crowley's prophecy of the "Age of Aquarius," has been in progress approximately one hundred years, since the passage of the U.S. Specie Resumption Act, which placed the U.S. dollar at the mercy of Switzerland-centered foreign financier interests, and since those preparations for World War I called the 1878 Treaty of Berlin. As the Siemens Foundation's Dr. Armin Mohler prophesied, in his *The Conservative Revolution in Germany*, Adolf Hitler was never intended by his sponsors, to win a durable victory for the Nazi state; he was intended to be merely a next step toward the destruction of civilization as a whole. The worst, next phase of destruction, was to come after Hitler's phase had ended. Once we witnessed the rhesus-monkey grin of a President Jimmy Carter on our TV screens, we should have known that we had entered the final phase of our self-destruction. It did not stop after Carter. Paul Volcker remained. We are in the last phase. We have now almost destroyed our civilization, from within. The leering Soviet marshals, are but the vultures waiting to feast upon the fallen nations of the West.

If our intelligence specialist has been thinking through the facts reported, he has begun to suspect the true meaning of the Kissinger Dossier.

The theosophical symbolism

The religious, or analogous, belief, on which the sense of personal identity, and capacity for sustained policy, depends, is associated with a "need to believe." The actor needs to believe, in the actual or imminent importance of his identity, and needs also to believe, that the actions chosen in service of that identity, will be efficacious.

In the instance of the oligarchical families, and such of their camp-followers as a Henry Kissinger, the sense of individual identity is located within the oligarchical social formation itself. The individual's sense of identity, is, for him, the identity he possesses, or hopes to acquire, within the social strata of the oligarchy, and within the immediate family of which he is a member or retainer. He is conditioned by the oligarchy, to think in terms of not less than two generations ahead; his identity is the benefit he contributes to the regeneration of the family two generations ahead. It is not particular individuals two generations ahead, on which he must focus; he must focus on the well-being of the family as a whole, two generations ahead. Beyond that, he must define his choice of purpose and action, upon the relative power and well-being of the oligarchical strata as a whole, two generations or more ahead. He does not think this out in each choice of action, of course. He is guided by an adopted set of rules-of-thumb, which implicitly estimate the consequences of his actions two or more generations ahead.

Consequently, the oligarchical personality, like the superstitious Russian peasant, is not an individualist. He does not think for himself, not rationally. Like that Russian peasant, he is an anarchist by irrationalist impulse, but a pathetically "other-directed" personality, by character.

The superstitious Russian peasant, may become rational in certain aspects of his work, even scientifically proficient. In his emotional life, he remains an irrationalist; above all, he believes in powerful feelings, of a sort which seem to him to gush forth from a source beyond his control. Above all else, even contrary to all reason, he believes in those kinds of irrational surges of feeling which he shares with the majority of the fellow-Russians visible to him. He believes in a mystical force he describes as "the Will of the Russian People." He believes in the cult of "blood and soil," that the mysterious influence of the Great Mother, Matushka Rus, manifests itself through the collective blood which springs from her peculiar Holy Russian Soil, and so erupts, mysteriously, spontaneously, as the manifest "Collective Will of the Russian People."

The ideology of the oligarchy is of this same, chaldean, character. The prevailing opinion among the "families," their current fads in dress, opinion, and so forth, are the "way things are to be done," the things "to be overhead saying."

Complementing that "other-directedness" of the oligarch's flawed personal character, is the belief that he may commit any atrocity he chooses, as long as he is not caught, as long as he escapes the reproofing attention of his oligarchical peers. The Venetians, over centuries, are notorious for sallying forth, masked, after sunset, to commit all sorts of obscenities in this disguise. Of this, the Venetian tradition says, the more a man disguises himself, the more he becomes himself. There is something more than wicked play in this; it is a precise recreation of rituals of the Orphic mysteries. However, it typifies the personality of the oligarch, more



The Venetians are notorious for sallying forth, masked, to commit all sorts of obscenities in this disguise. "Carnival in Venice," an etching of c. 1610.

broadly than the Venetians in particular. Do any obscene thing you choose, during the week, as long as it causes no embarrassment to the family, and as long as you appear fully adorned in self-righteousness in the church's pew on Sunday—like Jimmy Carter, leaving an Allman Brothers' rock-concert orgy, to prepare the sickly self-righteousness he displays before his Sunday-School class. Many people do something of this sort, but murder and the darker obscenities, characteristic of the thoroughly powerful oligarch in the Venetian tradition, are not the stuff of ordinary wickedness.

There is a special aspect of the "other-directedness" of the oligarchy, which makes the chaldean species of religious cult indispensable to them. From this consideration, flows their disposition to become obsessed with a "symbolic philosophy."

In its relationship to God, mankind, and nature, the oligarchy as a whole mimics the gods of mythical Olympus. They set themselves up as powers, with the free privilege to impose upon the ruled nations whatever their capricious whims propose. Intrinsicly, as the classical dramatist Aeschylus emphasizes, notably in his *Prometheus*, in attributing to themselves a god-like power of capriciousness, they set

themselves into defiance of God and the laws of nature. Hence, sooner or later, the laws of nature destroy them.

They require a kind of religion, according to which, they have magical powers to command the invisible gods, by aid of those varieties of symbolic acts which the logic of Chaldean astrology implies. They demand "sympathetic magic," as a means for controlling the behavior of even the gods. If this is not made available to them, then they could not imagine to control the gods by their oligarchical wills, and they could not believe in the durability of their power over man and nature. They demand a religion based on such magical powers embedded in the symbolism of liturgy.

The symbolism of liturgy, is the core of the kind of religion in which they need to believe. They find what they need to believe, only in the kind of pagan cults associated with "symbolic philosophy." Other words for "symbolic philosophy," are "the magical power of symbols."

The center of their religion, is the need to believe that they can control the gods by propitiation, as a naughty child manipulates its mother. The "mother"-symbol is essential to them, since the only condition of the human mind which corresponds to belief in irrationalism, in magic, is the infantile condition of the suckling's jealous clinging to its mother. The essence of Chaldean "symbolic philosophy," is two-fold: that the highest god, is a Great Mother, and a coordinate dogma based upon what Gnostic doctrine terms "the feminine principle."

The earliest known version of the Great Mother cult, is the Shakti cult of Harrappan India. Shakti and her consort, the phallus-god Siva, are the model upon which all oriental cults are based. Shakti appears in the Semitic successor to the Dravidian colony of Sumer, as Ishtar, the New Testament's "Whore of Babylon." She is the Yemenite Athtar, the Phoenician Astarte, the Phrygian Cybele, the Hellenistic Isis, and Venus. Her consort, Siva, is the semitic Satan, the Phrygian Dionysos, the Hellenistic Osiris or Serapis, and so on. Ishtar is called the "Whore of Babylon," because of the liturgical exertions of her priestesses. So, Isis and Venus, are the special goddess of the ancient Mediterranean houses of prostitution, and the legacy of Venus is called venereal disease. Homosexual "rites of passage," are commonplace elements of the liturgy among such cults. Overall, all oriental Great Mother cults are sexually disgusting, and even more obscene in those rites which do not bear upon sexual intimacy between men and women. Human sacrifice is a commonplace feature of these cults.

Only the more adventurous and powerful among the oligarchs, tend to recreate the full spectrum of rituals of the oriental cults, although more than a handful do, and the evidence of spread of such monstrous practices in the United States since 1969, with the proliferation of witchcraft cults, is horrifying. It would make relatively little difference to the point at hand, if the oligarchs confined themselves to merely a symbolic recreation of such rituals. To the person whose

mind has degenerated into religious belief in "symbolic philosophy," a symbolic ritual has almost the same significance as the act symbolized.

Respecting the Roman cult of Mithra, it is a commonplace blunder, to attribute this to the Zend-Avestic culture. True, some of the ancient names of Avestic deities are deployed in the Syrian Mithra cult, but the evidence is conclusive that the Syrian Mithra cult adopted by Tiberius, is not worship of the Avestic Mithra. The connection is merely syncretic. Just as the Gnostics substitute the names of Christ and Mary for the doctrines of the Hellenic Horus and Isis, as Ludwig Feuerbach does explicitly in his Gnostic *The Essence of Christianity*, so the Chaldeans used the names of Avestic deities for Babylonian cult-figures.

Doubts respecting essential features of the Zend-Avesta are conclusively resolved by Vedic scholarship. As Tilak and others have demonstrated, where the Chaldeans put astrology, the Vedic puts astronomy. The Avestic writings, while suffering more extensive alteration and fragmentation than the Vedic from which the Avestic were also drawn, show their roots in common with the Vedic. The most uncomplimentary references to the religion and morals of the Harrappans, in the literature of the Indo-European invaders, describes essentially the Chaldeans as we know them and their religion historically. The original Avestic must obviously have been of kindred opinion toward a religion like that of Chaldean astrology.

If there is anything in the Syrian Mithra cult which owes something significant to Avestic culture, this must be limited, essentially, to the distinctive military aspects of the Mithra cult, the tradition of the Achaemenids' "Immortals." If that be the case, and there is abundant circumstantial evidence from the history of the Near East, to imply that this might be the case, then that feature of the Syrian Mithra cult may be virtually the only substance borrowed from the Avestic, but it is a significantly efficient element.

This military feature of the Syrian Mithra cult, shows up repeatedly in the Near East, including its embodiment in the Sufi chivalric-love doctrine, and the appearance of the Sufism of Omar Khayyam and Hassan e' Sabbeh, the Assassin, in the form of the chivalric cults of Spain and southeastern France. From Spain and the Cathar tradition of southeastern France, this Sufi cult turns up in Richard Wagner's proto-Nazi singing orgies, as the Holy Grail cult, and the later adoption of the Cathar cult by the Nazis themselves. It is also encountered in such manifestations as the pseudo-Christian Sufi cult of Tradition, Family, and Property, in present-day Brazil.

In the case of Benito Mussolini, he was most generally a Mazzinian, outwardly molded into a fascist, not only by the patronage and guidance of Venice's Volpi di Misurata, but also by the ideological formulations of the French Synarchists, the Swiss-based Pareto, and the French socialist, Sorel. The case of Sorel is directly to our immediate point. The

ostensible contribution of Sorel to fascism, was his articulation of the principle of the fascist mythos. At least, the principle of the mythos is carried to the extreme in the instances of the fascists, including the Russian Nazi, Fyodor Dostoevsky. It is a significant feature of socialism generally, and has been increasingly a feature of Bolshevism, as the Soviet state has moved at an accelerating rate toward pure and simple fascism. Relatively speaking, overt profession of emphasis upon symbolism and mythos is distinctively fascistic.

The chaldean mind requires, more or less absolutely, a mythos dripping with "symbolic philosophy," or else it can not mobilize itself for drastic undertakings.

Similarly, today, we know with certainty, that the present Soviet dynasty is preparing to launch thermonuclear war against the United States, "from a standing start," by approximately 1988, not merely because the direction and pace of Soviet deployments and military exercises points in no direction but such action. Once we take into account the relevant points of military intelligence, we know that the Soviet leadership is actually committed to such an adventure on two counts. First, the propaganda which the Soviet leaders and news-media are daily directing to the minds of the Soviet population, embodies a form of symbolism and mythos which has no effect but to condition the "collective will of the Russian people" for nothing but such an early general war. The pace of the symbolism, indicates that the action intended, must occur before the close of the present decade. Second, we observe that the Soviet government is making massive preparations for a gigantic religious celebration during 1988, celebrating the 1,000-year anniversary of the formal adoption of Byzantine religion by Vladimir of Kiev Rus. After the experience of the first year of war, in 1941-1942, the Soviet leadership will never again launch general war without an accompanying religious orgy of the Russian people. Since the orgy will reach its peak during 1988, the Soviets plan to launch general war during an interval which begins shortly before, and ends not later than shortly after, those 1988 religious celebrations.

Such would not be the case, at least to nowhere the same degree, in the case of a relatively rational culture, such as that of Western continental Europe or the United States today. In the case of a mystically depraved culture, such as present Soviet or oligarchical culture, symbolism and mythos reveal not only a clear intent, but signify that the will of the believers is being conditioned to such effect, that they will be unable to resist unleashing the actions which the symbolic actions demand.

Practical Americans, for example, tend to snicker at elaborate symbolism and liturgy. It is a good thing, to abhor such practices, but it is a dangerous error, to assume that mystically-inclined populations are not powerfully controlled by artful liturgical practices of such varieties.

To mobilize itself for the destruction of western civilization, to mobilize itself for the deed, and to condition itself to

accept stoically the unpleasantness which the oligarchy must suffer itself in the process, the oligarchy could not sustain such a policy as stubbornly as it has, without a powerful self-indoctrination with instruments of "symbolic philosophy." They are really, very superstitious and irrationalist savages, emotionally. To sane people, the astrological cult-babbling, about the "Age of Pisces" (Christ) being replaced by the "Age of Aquarius" (Satan = Osiris = Dionysos = Siva), may be meaningless mumbo-jumbo. To the superstitious mind of the hard-core oligarch, this is a matter of fanatical religious belief. Such obscene pagan belief, the satanic version of religious fundamentalism, is but "religious-cult" fanaticism, nonetheless.

The arts of liturgy

Grant, there can be no competent denial of our facts concerning the role of Capri as the central cult-center for synthesizing twentieth-century Bolshevism and fascism. If you acknowledge this to be a fact, must you also assume, that we are justified in concentrating on the role of the Isle of Capri, as much as we have, in analyzing the content of Bolshevism and fascism?

There are two points, which suffice to prove that neither modern fascism, nor Russian Bolshevism, can be understood, except by placing the greatest emphasis on the fact that both are cults directly based on the chaldean models.

On the first point, we have already indicated, that not only Nazism, but fascism generally, is such a cult, flagrantly and religiously so. On the same point, we have indicated, that Russian Bolshevism is also a cult of the same genre, although, so far, the religious overtones have been less broadly recognized than in the case of fascism. Moreover, on the same point, we have also shown, those leading strata among the oligarchical families, who designed both Bolshevism and fascism, represent a chaldean species of social formation, with a chaldean policy of government and society, a social stratum saturated with chaldean "symbolic philosophy."

On the second point, the persistence of the chaldean (oligarchical) phenomenon, over more than 5,000 years of Mediterranean cultures to date, is made possible only by the efficiency of certain chaldean methods employed to "brainwash" both large portions of subject populations, and the oligarchy itself. These methods of "brainwashing," are typified by the central feature of chaldean cult-doctrine, the stoical "symbolic philosophy" of astrology and sympathetic magic. The significance, the efficient aspect, of cults, including fascism and Bolshevism, is the fact that the cult more or less consistently conforms to the principled features of "symbolic philosophy" as a method of "brainwashing."

Take a typical banker from Geneva or Lausanne, whose professed Calvinism is nothing but a thin disguise for pagan stoicism: "predestination, with a margin for cheating." The pagan gods have "predestined" the fate of each person, each society, "so sayeth the astrologers"; but, through propitiatory

magic, "we may cheat, by manipulating, or deceiving, the gods."

The sensitive point here, is that not only the bankers of Geneva and Lausanne, have disguised oriental cults as pseudo-Christianity. With the legalization of Christianity as part of the pagan pantheon, by the Caesar-Pontiff Emperor Constantine, the Roman emperors assumed the power to appoint bishops of the church's hierarchy from above, with Gnostic cult-priests such as Constantine's Bishop Arius, proliferating in the church's hierarchy and religious orders, as a result. The Gnostic power so entrenched within Christian religious institutions, introduced "symbolic philosophy" to church rituals, liturgy. On the one side, the Roman Catholic Church fought against such syncretic corruption by Gnostic paganism; yet, because these methods of "symbolic philosophy" are effective methods of inducing and maintaining beliefs among the more ignorant strata of prospective and actual converts, there has been a constant temptation among both Catholic and Protestant factions of Western Christianity, to take advantage of the efficiency of some of the borrowed methods of "symbolic philosophy." The recent controversy over the Jesuits' "Liberation Theology," and its subsumed "Christian-Marxist dialogue," is an example of Church resistance to such borrowings of Gnostic methods of syncretism. Not only did the Byzantine emperors impose the robes of the priests of Isis upon Christian priests; a significant amount of chaldean "symbolic philosophy," centered around iconography and aromatic usages of the word "mystery," was inserted into the body of the liturgy itself.

Today, there exist too-numerous branches and factions of Protestantism, and chunks of religious orders under Catholic labels, which are purely and simply pseudo-Christian, Gnostic, cults. Auditing sermons, observing liturgy in practice, in published literature or on some television channels today, recalls vividly to the informed observer, a precise copy of the symbolic methods of "brainwashing" used by one or more specific historical varieties of chaldean worship of "The Great Whore of Babylon." Harvard Divinity School, and other prominent universities' divinity schools and theological seminaries, are Hell-holes of such wicked stuff, today. Yet, even among bodies which are indubitably Christian, a peripheral taint of such practices is clearly evident.

Hence, to address directly the kind of "symbolic philosophy" at the center of the fascist and Bolshevik cults, is to touch a very sensitive issue among both honest Jews and honest Christians. We are obliged to state summarily, the distinction between the ecumenical core of Judeo-Christian theology, and the corrupting influence of cabalism and other aspects of "symbolic philosophy" among Jewish and Christian congregations.

The ecumenical commonality of Judaism and Christianity, is summarized in the first chapter of Genesis, as reflected in the first three Chapters of the New Testament Gospel according to St. John:

In the beginning, God created the heaven and the earth. And the earth was without form, and void; and darkness was on the face of the deep. . . . And God said, "Let us make man in our image, after our likeness: and let them have dominion over. . . ." . . . And God blessed them, and God said unto them: "Be fruitful, and multiply, and replenish the earth, and subdue it; and have dominion over. . . ." [Genesis 1: 1-2, 26, 28; King James Vers.]

In the beginning was the Word [*Logos*], and the Word was with God, and the Word was God. The same was in the beginning with God. All things were made by him. . . . [John, 1: 1-3, King James Vers.]

There is nothing arbitrary in the implications of these passages.

As Cardinal Nicolaus of Cusa indicates in his sermons, and in such books as his *De Docta Ignorantia (Of Learned Ignorance)*, Cusa reworked exhaustively, Archimedes' exploration of the quadrature of the circle, to discover, and to prove, what he called the "Maximum Minimum Principle," known since the time of Benjamin Franklin as the "isoperimetric principle." This principle shows, that neither "straight lines" nor "points" exist self-evidently in our universe, and that the methods of deductive logic, as employed in the Ptolemaic rewriting of Greek geometry, Euclid's *Elements*, are absurd. In the universe, only circular action is self-evidently existent.

Physics since Gauss, has demonstrated conclusively, that Cusa's discovery is true beyond doubt. Whenever physics employs what are called functions of a complex variable, in electrodynamics, for example, physics is saying, and showing experimentally, that a beam of light is not proof of the self-evidence of "straight-line" action. The sine-wave form of coherent light, as shown simply on an oscilloscope, is merely a projection, as onto a plane, of a cylindrical, helical, spiral. So, because of this, we must describe all electrohydrodynamic processes, in physics, by means of functions of a complex variable. In a complex variable, the so-called "imaginary" component, is the rotational action of the cylindrical helix, which generates the sine-wave image projected upon the plane, but whose helical actuality the organism of our brain prevents us from seeing.

More recently, there has been extensive mapping of the brain, of which the eye is a part, to discover the processes by which the brain perceives visual images. Although the brain can distinguish images which are not commensurable with a constructive form of Euclidean geometry, otherwise the brain is able to "see" only Euclidean space. It can see in transcendental functions, which are the incommensurables, only the characteristic singularities and the variable density of those singularities, a definition of actuality and density of singularities visually defined in terms of Euclidean space-imagery.

The way in which our brains distort physical reality, to squeeze actuality into the tight boot of Euclidean space-imagery, does not signify that our experience is intrinsically false knowledge. Since the middle of the nineteenth century, we know very well the geometrical principles of stereographic projection, to the point that we can determine precisely how images in the real physical universe, a Riemannian hypersphere, must appear, as the images of such a real universe are projected into the Euclidean mirrors of our brain's physiology. We know what crucial features of the original are preserved within the Euclidean sense-imagery of the brain. What is preserved are termed "topological invariances" sustained through projection from a Riemannian hypersphere to a Euclidean imagery.

Our perception is fundamentally at fault, to the degree we assume that the real universe is literally Euclidean (or, the same thing, Cartesian or Newtonian) in composition of matter and of cause and effect. To the degree, we restrict sense-certainty to the topological invariances of imagery, only, sense-certainty is of the quality of true fact.

To create a Euclidean universe, out of a formless, measureless void, we need nothing but the circular action which Cusa discovered, and which Leibniz renamed his Principle of Least Action. However, this circular action must be continuously triply-self-reflexive: In Euclidean space, this may be portrayed as circular action B acting upon every small interval of circular action A, and circular action C acting upon every small interval of circular action B, such that each of these three circular actions is at right angles to both the other two. "Continuously," signifies that whatever is constructed by such triply-self-reflexive action, is itself acted upon by triply self-reflexive action.

However, in physical space-time, simply circular action does not exist so simply. Perception exists only as experience of some transformation within not less than some finite interval of physical space-time. The simplest experience of circular action A, for example, can be only a cylindrical helical action in time. In the case that circular action increases or decreases in time, as this is the case for physical space-time generally, the least-action form, of constant increase or decrease, is conical self-similar-spiral action. So, our physical universe is being continuously created, by continuously triply-self-reflexive, conic, self-similar spiral action. Our universe is functionally of the form of the Riemannian hyperspherical function generated by continuously triply-self-reflexive, conic, self-similar-spiral action.

Therefore, only the Gauss-Riemann forms of functions of a complex variable provide the basis for a competent mathematical physics.

Circular action A, as the only form of action in the universe, suffices to transform a formless, measureless void, into a circle, with nothing existing outside that circle. Circular action B, upon all of circular action A, transforms the circle into a sphere. Circular action B, on some small interval

of circle A, "folds" the universe perfectly against itself, defining the diameter of the circle, and introducing measure by $\frac{1}{2}$. Circular action C, upon some small interval of a semi-circle, generates a point, and introduces measure by 2. Circular action C, upon the sphere, creates a hypersphere. From circular action, plus the construction of the straight line and the point, by circular action, everything commensurable within Euclidean space can be constructed.

The first number is 0, signifying the self-evidence of triply-self-reflexive circular action, or of continuously triply-self-reflexive, conic, self-similar-spiral action. In physics, the number 0, or the complex-number form of 0 in a Gauss-Riemann manifold, signifies "the universe as a whole," the "microphysical domain" (within a range probably smaller than 1 Angstrom Unit), and the physical state of matter at thermodynamic Absolute Zero: the three known "force-free" states of matter. The second number is the number "2," the introduction of measure. The geometric construction of the number "2," generates the notion of the number "1."

All so-called rational numbers, numbers commensurable in Euclidean space, are constructible geometrically by addition and subtraction, and all numbers excepting prime numbers, are constructible by multiplication and division. The density of prime numbers, can be determined only in a Gaussian manifold, as the Eucler-Riemann function shows. The non-commensurable numbers, the transcendental numbers, are determined by geometric construction of functions of a complex manifold in a Gauss-Riemann manifold.

This summarizes, as briefly as possible, our supporting element of argument on theology. The content of the statements from Genesis and St. John, referenced above, is knowable, verifiable, independently of the authority of words of the text. The *Logos* [the "Word" of the King James passage from St. John], or Holy Spirit, is that efficient principle of the process of creation which mankind's mind may comprehend, as our interpolated report on the fundamentals of mathematical physics indicates this to be the case. God, the universal existence corresponding to the *Logos*, is incomprehensible to the mind of man, except as to the certainty of His Existence.

This comprehension existed long before Cusa, Leibniz, Gauss, and Riemann, in Plato's writings, emphasizing the *Timaieus*. Plato names God "The Composer," there: His Existence is manifest in the universal lawfulness of the power exhibited in His Composition. (The mystical "Neo-Platonism" of oriental "symbolic philosophy," is altogether a fraud and a hoax, in total opposition to Plato and to the "neoplatonism" of St. Augustine, Cusa, et al.) Without going into details of the history of the matter here, Plato's conception of God is that of Judeo-Christian ecumenicism, a conception of God hateful against all oriental varieties of "monotheism." The rest is "faith, works, and love," all governed by love of service to God through service to the adducibly lawful principles of His process of universal cre-

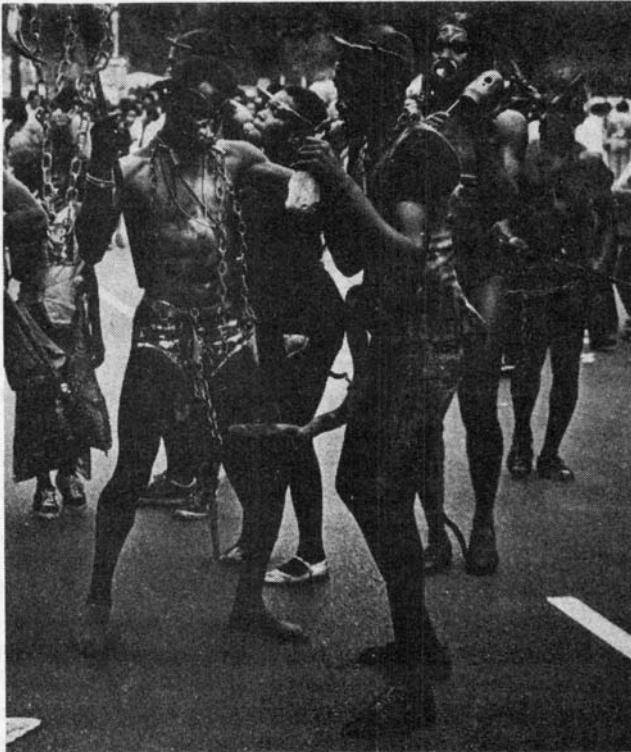
ation, His "Harmonic Composition." On this count, except as aspects of Judaism have been corrupted, like Christianity, with chaldean "symbolic philosophy," the only difference between Judaism and Christianity, is that of the doctrines of Christ and Christ's "New Dispensation." The Christian is obliged to be self-ruled by Reason, in "imitation of Christ's perfection," rather than fixed codes of uncomprehended edicts. To the Christian, God is an Absolute, but Constitutional Monarch, who never violates His Own Constitution, and Whose Constitution may be known, with decreasing imperfection of knowledge, by man. A Christian is responsible not merely to obey God's Law, but for that portion of God's Law which the Christian should have known without being instructed so.

There is no "symbolic" mumbo-jumbo in the ecumenical principles of Judeo-Christian monotheism. Among Jewish and Christian communities, there are, unfortunately, variously evil or merely foolish religious teachers, who intentionally or foolishly draw in some satanic stuff, such as cabalism, sometimes with such moronic chaldean drivelings, as the mystical doctrine of "The Destruction." Wherever astrology, cabalism, and such are expressed in the notion of "The Destruction," be on guard; this form of chaldean cultism, the doctrine of "The Destruction," is the essence of Nazi dogma; believers in such, in whatever guise they reappear, are being transformed rapidly into murderous beasts!

The kernel of the method of chaldean priesthoods, is the creation of synthetic religions. The core of that kernel, is the principle of liturgy; this is the essence of "symbolic philosophy." Whenever you encounter a specialist in the concoction of liturgy, beware! Herein lies the crucial role of Capri, in the concoction of the synthetic religions known as Bolshevism and fascism.

The function of synthetic chaldean religions, is to control populations. In oriental imperialism, this becomes a generalized practice. As people are subjugated, the control of the subjects is most efficiently accomplished by liturgical methods. The priests occupied in such enterprise, "explain" to the credulous subjects, that they are about to receive knowledge of the wonderful mysteries hidden behind the existing religious beliefs of the subjects: "What your god really meant to say to you, is. . . ." Either such priests take up the names of the local deities, and the local mythologies, and rebuild them according to the chaldean model, or they impose a newly concocted set of gods and mythologies, attaching new names to aspects of the chaldean pantheon. Then, they control the subject population, by complicity of priests assigned to maintain and embellish the concocted liturgy.

By inducing the subjects to believe in the symbolism of the liturgy, to view that symbolism as an efficient, if mysteriously spiritual force, as astrology illustrates such credulousness, the use of the symbolism controls the believers'



NSIPS/Carlos Wesley

Satanic cults perform during Mardi Gras in Brooklyn, New York

behavior. Thus, one of the most dangerous weapons in the hands of the Soviet KGB today, would be a U.S. network of astrologers, working, wittingly or unwittingly, for Moscow. Wherever witchcraft and astrological cults are being proliferated in a nation, some adversary of that nation is working to destroy it from within.

Let our intelligence specialist make himself alert to this matter.

One of the best exercises which might be chosen, to understand what was really transpiring among Bolshevik and fascist cultists on Capri, is a critical examination of the fascistic pseudo-sciences spawned in France (especially), during the nineteenth century: "statistics" as a substitute for scientific method, and the so-called "new sciences," of ethnology, sociology, and psychology. When British Brigadier Dr. John Rawlings Rees, proposed to destroy the United States and other nations, by assembling and deploying, anthropologists, sociologists, psychologists, and complicit physicians, as "Reesian shock-troops," with complicity of Aldous and Julian Huxley, in the postwar period, Rees was merely copying, rather faithfully, the magician's tricks of the chaldean priesthood. These so-called "sciences," are worse than garbage; they are explicitly, axiomatically evil.

We summarize the point already made. The explicit history of "statistics" ("luck"), ethnology (anthropology), sociology, and psychology, begins in France with the ap-

pointment of LaPlace as head of the Ecole Polytechnique, in 1815. Out of the cult-ridden, post-1815 Ecole, of LaPlace and Cauchy, came French fascism, Synarchism, and its ideology, known as "positivism." All of these, and positivism most generally, are merely copies of "symbolic philosophy."

In Germany, the rise of sociology and psychology, is traced from the work of Savigny's Romantic school of "historical law," and Savigny's *völkisch* doctrine of law, later the center of Nazi law. Savigny's influence was chiefly responsible for the propagation of a gigantic fraud, dividing human knowledge arbitrarily, into *Naturwissenschaft* (Natural Science) and *Geisteswissenschaft* (Social Science and Art), such as Oxford Ruskin did in Britain. Savigny did this, for the most immediate reason, of excluding the methods of natural science's rationalism, from doctrines of law. During the second half of the nineteenth century, this paved the way for Wundt, Max Weber, and the spread of Lucifer-worship in the form of Blavatsky's, Besant's, Rudolf Steiner's, and Crowley's theosophy. It was expressed in musical composition, by the Romantic irrationalism of Liszt and Wagner, the attempt to overthrow Beethoven's principles of composition, most explicitly, leading into the non-music of Schönberg and Stockhausen. Out of this came Sigmund Freud, and, more revealingly, the pro-Nazi psychoanalyst, Jung. Jung exposes directly the fact that the "positivist, new sciences," are premised axiomatically on chaldean symbolic philosophy. Jung's accomplice, Wolfgang Pauli, exhibits and states clearly how the same cultism, of Robert Fludd, lies at the axiomatic basis of Pauli's factional standpoint in physical science.

Like such "new sciences," chaldean liturgical methods generally, concentrate upon embedding in the "belief structure" of the credulous, an axiomatic quality of symbolic philosophical thinking, which will cause the characteristic behavior of the dupes to converge on the kinds of cumulative action consistent with the policy chosen for those dupes, by the oligarchy.

In other words, chaldean methods avoid exposing directly the hand of the priests in giving explicit orders to the members of the cult. Instead of telling the cult-dupes what to do, they predetermine the way in which such dupes will think, will react to developments. Explicit orders, thereafter, are given only by expendable instruments of the chaldeans among the dupes, such as Adolf Hitler. Thus, the priests give direction to the behavior of the unwitting dupes, and accomplish this from behind the scenes.

Another name for such magical tricks, is "induce a cultural paradigm shift," as has been done to a growing portion of the U.S. population since about 1966, for example. Change the axiomatic "belief-structure" of the duped population, such that the population will act, increasingly, as that practice-strengthened set of induced elements of "belief-structure" habituate it to respond to developments. The "envi-

ronmentalists," more narrowly, and the "counterculture," more broadly, represent a deliberate "cultural paradigm-shift" in the U.S. population, as designed by the second half of the 1950s. More and more, the members of the counter-cultural cults, today, converge upon "instinctive belief" in the religious dogmas of the "Whore of Babylon."

At Capri, circles of future Bolsheviks and fascists, were assembled in the grottos. Those assembled represented a selected "pilot group," typical of their existing culture to the degree that what they could be induced to create as a "belief-structure," under the guidance of the Tiberius cult, would conform, axiomatically, to the kind of "belief-structure" suitable for experimental deployment against the larger population among which those members of the pilot-group might become influential. So, although Lenin was briefly among those assembled at Capri, Lenin had much less significance for the cult-side, the cultural aspect, of Bolshevism, than Maxim Gorki.

Bolshevism and modern fascism, were, as Mussolini aptly referenced this fact, "twin experiments," created and deployed by Venice and the Capri operations, to the purpose of supplying a leading part in the intended destruction of civilization. The essence of both experiments, is not to be defined as the specific programs and actions of either "movement," at any particular point in time. The essence of both, including their lawful convergence, lies in that which is, so to speak, "topologically invariant," through all the changes in detailed features of stipulated policies and actions. This "topological invariance," reflects more or less directly the underlying "belief-structure" of the credulous populations, a "belief-structure" which commands their response to developments, but of whose artificiality those dupes are unwitting. Here, in this precalculated artificiality, one adduces directly the hand of liturgy.

It is to this aspect of the process, that our intelligence specialist, studying the Kissinger Dossier, must open his eyes.

Socialism, once again

Characteristically, liturgically, socialism, like its experimental twin, is an instrument deployed for the rebirth of feudalism, and has always been nothing else. This does not mean that the dupes attracted to socialism, are either wittingly pro-feudalist, nor does it imply that the dupes would not abhor "world-federalism's" feudal revivals. On this account, the dupes do not know what they are doing; they are responding to real grievances, which they imagine to be heaped upon them by the malevolence intrinsic to industrial capitalism, and thus delude themselves, that the elimination of the industrial-capitalist interest, will eliminate the source of all important grievances of that kind. The issue is not what the dupes believe. The issue is what socialism was constructed, liturgically, to accomplish.

The minimal task of socialism, and fascism, is to contrib-

ute to the erosion and destruction of industrial capitalism. This includes diverting attention away from the guilt of the oligarchy, by focusing the rage against the image of the industrial capitalist. If the socialist sees the bankers as usuriously wicked, he accepts the delusion that the bankers are merely a product of industrial capitalism. Therefore, if a banker comes to their side, against the industrial capitalists, as Rockefeller does, the dupes cheer, that Rockefeller or a Corliss Lamont, has made himself a "good capitalist." Bankers are good, in the eyes of the dupe, only as they find common cause with the socialists in weakening the power of the "big farmers" and the industrial entrepreneurs.

The maximum potential of socialist, and fascist, insurgencies, is that they might become the government. What then? What is the oligarchy's view of this contingency? In the last analysis, the oligarchy desires that a synthesis of socialism and fascism, such as Synarchism, come to power, to replace industrial capitalism. So, now that the Soviet ruling class, the *Nomenklatura* of Soviet power, has become matured as a purely oligarchical class, ruling over a state itself saturated with chaldean religious and secular "symbolic philosophy," there is nothing about the Soviet oligarchy's rule over a Soviet empire which is objectionable to the Venice-centered oligarchy and its Saxe-Cobourg-Gotha kernel. They are as much disposed to have the Soviet empire prevail over a ruined United States, as Venice was in plotting to destroy Paleologue Greece, in 1453, to install the Ottoman dynasty over the Byzantine empire.

The only point of this which causes more than slight nervousness among the oligarchs, is whether the Soviets will continue to honor the agreements over division of the world, once the Soviet rulers no longer require the assistance of the Venice-centered oligarchy to bring down the United States. On condition, they believe the Soviets will share power with oligarchies ruling over semi-autonomous Soviet imperial satrapies, the oligarchy will rejoice at Soviet defeat of a ruined United States.

It is to this end which "international Bolshevik," and white racist, Henry A. Kissinger, explicitly dedicated his career in public life, in his *A World Restored*. Apart from stealing and kindred personal crimes conducted, by instinct, along the pathway of his career, Kissinger has never deviated from Talleyrand-like treachery in the service of the policies of Metternich. Whatever is consistent with that, he has done, or at least wished he had done.

Kissinger is, in that liturgical sense, a life-long socialist. He is also, of course, a fascist. In his case, and similar cases, there really is no difference. Of course, he has systematically betrayed the United States in Soviet interests, his entire public life, and has done this to the extent the opportunities to do so were presented to him, to the extent "the traffic would bear."

That is the way in which our intelligence specialist should study the Kissinger Dossier.

British lead full-scale assault on beam defense

by Vivian Freyre Zoakos

In one of many commentaries on the May 22 NATO Defense Ministers meeting, Radio Moscow gloated that, "The defense ministers in Brussels have now agreed that it is impossible to work out a common approach to President Reagan's Strategic Defense Initiative plans. U.S. Defense Secretary Weinberger's pressure has not yielded good results." Soviet television added: "No European country wants to participate in the Strategic Defense Initiative plans."

Well might the Soviets gloat. The May 22 NATO defense ministers meeting was a watershed for the West: The United States was thoroughly trounced.

The secretary-general of NATO, British Lord Peter Carrington, ruled out discussion of President Reagan's strategic defense program, which was to have been the principal topic, from the conference agenda. With Caspar Weinberger thus muzzled, the shortest defense ministers conference in the history of NATO confined itself to agreeing to an initiative prepared by the same Lord Carrington's staff. The Carrington program, for limited conventional defense improvements, was hastily approved by the 14 NATO defense ministers, and Carrington's staff given a mandate to work out a detailed list of areas of conventional defense requiring such improvements. Discussion of the SDI was deferred to the June 6 NATO Foreign Ministers meeting in Lisbon, Portugal.

Some days earlier, on May 16-19, Soviet Foreign Minister Gromyko had met with his British, American, Italian, French and West German counterparts in Vienna. After three days of meetings, the Western ministers—including George Shultz of the United States, Hans-Dietrich Genscher of Germany, and Giulio Andreotti of Italy—announced in so many words their determination to kill the SDI.

This was not the first time the foreign ministries of the Western nations had shown themselves to be traitors, in the name of appeasing the Soviet Union. It was to *these* gentle-

men, then, Carrington's ideological allies, that the defense ministers deferred discussion of the Strategic Defense Initiative. No wonder Moscow crowed.

A series of interlocking developments made possible the Carrington victory. Primary among these was the "coup d'état"—as columnists Evans and Novak termed it—in Washington during and after President Reagan's visit to Europe the first ten days of May. As Weinberger put it to the *Financial Times* of London after arriving in Brussels, Belgium, for the NATO meeting: Where, he asked, will I get the authority to convince the Europeans to increase their defense spending, when the U.S. Congress is forcing the administration to back down on its promises and accept a freeze on our own defense allocations?

Not only had the appeasement faction inside the U.S. flexed its muscles prior to the NATO meeting, by starting to slash the Reagan defense budget—isolating Caspar Weinberger—but Shultz's State Department was weakening the already precarious situation of the chief pro-SDI, American ally in Western Europe, the government of Chancellor Helmut Kohl of the Federal Republic of Germany.

Right after Kohl's Christian Democrats lost an important regional election in North Rhine-Westphalia on May 12, the State Department obliged Soviet interests by putting out the line that Washington considered Kohl a "lame duck." This became a scandal when the German press leaked the story. Later, on May 24, the Swiss *Neue Zürcher Zeitung* newspaper revealed that Richard Burt, slated as likely replacement for the retiring U.S. ambassador to Bonn, was disadvising the Europeans *on behalf of the State Department* to take any decisions on the SDI, since these might "interfere" with the ongoing U.S.-Soviet disarmament talks in Geneva.

Meanwhile, Kohl was also faced with the public blackmail of his foreign minister and coalition partner, Hans-

Dietrich Genscher, whose new leverage came from the victory of his Free Democratic Party in the North Rhine-Westphalia polling. The Genscher blackmail, as per his promise to Gromyko in Vienna, was of course focused on demanding German retreat from support of the SDI.

Political expediency convinced Kohl to fence-straddle between his domestic troubles, which Washington circles were making worse, and his policy of continued support for the SDI. The results were graphically shown when the Chancellor addressed the North Atlantic Assembly meeting in Stuttgart, on May 18—four days before the NATO defense ministers meeting. Kohl's speech, while still endorsing the SDI, contained two "conditions" for continued such support. The conditions were that, first, "The MAD doctrine must be reaffirmed and maintained" even if the SDI goes ahead and, secondly, that "The SDI must not lead to decoupling" of Western Europe from the United States.

The core of the SDI project is the replacement of MAD (Mutual Assured Destruction) with a new doctrine of Mutually Assured Survival. By developing the technologies to provide the Western Alliance with an umbrella of strategic defense, the SDI would obviate MAD. Instead of threatening the Warsaw Pact with a massive retaliation of ICBMs in the aftermath of a Soviet first strike—MAD—such "revenge" would be replaced by defensive weapons that could prevent a successful first strike in the first place.

Kohl's atypical insistence on keeping MAD was a pure echo of Genscher's statements to the press following meetings with Gromyko and George Shultz two days earlier, when Genscher announced that "the MAD doctrine must be reaffirmed and maintained." Similarly, Kohl's caution that the SDI "must not lead to decoupling" was a page taken from the book of Genscher, Carrington, et al., who from the time of Reagan's announcement of the program had tried to torpedo European support for it by lying that it would decouple Europe from the United States. The fact of the matter, however, as Kohl also knows, is that informed European circles, particularly in the military, have supported the SDI because they are rightly terrified that the MAD doctrine was leading Europe toward appeasement of Moscow, and hence decoupling from America.

The NATO defense ministers conference was not the only forum in which the SDI was handed a defeat the week of May 20. While the ministers were meeting in Brussels, the Western European Union (WEU) convened a three-day conference in Paris, chaired by the ever-present Herr Genscher. Genscher and Lord Carrington have played leading roles in reviving the WEU, until recently nearly defunct, as a weapon against the American SDI. Before the meeting convened, both had stated it would be used to replace European-American cooperation with a concept of exclusive intra-European economic and military cooperation, that would omit the SDI.

They were helped in this endeavor, once again, by Shultz's State Department. According to the Swiss *Neue Zürcher Zeitung*, Assistant Secretary of State Richard Burt's admo-

nation to the Europeans to lay off the SDI topic was particularly addressed to the WEU gathering.

Genscher, presiding over the meeting, not only ruled the SDI off the WEU agenda, but counterposed it to the so-called Eureka proposal of French President François Mitterrand, giving out the line that "both the European (French) and the American proposals have to be examined more thoroughly before an opinion can be formulated."

'Eureka' waxes as SDI wanes

"The SDI is just an episode. Eureka is a real project," French Foreign Minister Roland Dumas told the press May 23, following two days of talks with Genscher. Genscher, who stood by as Dumas spoke, added later that. "We fear once there is massive European participation in the SDI program, the Eureka-project will be dead." The Americans, he concluded, are "just out to travel to Europe with a big purse . . . to buy off our scientific brains. We will make sure there is no such brain-drain to the United States."

The Eureka program was authored by the Analysis and Prediction Center, a think tank attached to the French foreign affairs ministry, solely as a foil to the SDI. First generating little interest when aired by President Mitterrand in March, Eureka's fortunes have climbed as counterorganizing to the SDI met with increasing and dangerous success. Eureka presents an empty, non-threatening, alternative to the SDI's strongest selling point in Europe: the fact that it would generate technological breakthroughs with dramatic civilian applications, such that non-participants risked finding themselves with obsolete, non-competitive industries.

Eureka proposes trans-European cooperation on a series of "frontier" technologies. The giveaway on the program's political content is that, 1) it is strictly "civilian," and promises to stay away from any military applications, and 2) as drafted by the Analysis and Prediction Center, it will mostly shun technologies based on "new physical principles" (the core of the SDI) to concentrate on the post-industrial society laundry list of what the French call generically "telematique," i.e., computer- and artificial intelligence-related fields. Eureka is thus tailored to the swindle of the post-industrial society, to a West incapable of producing its own defense requirements.

Besides Genscher's endorsement of the Eureka hoax, the British have now also given it their blessing—the same British who used to give lip service to supporting the SDI. British Foreign Secretary, Sir Geoffrey Howe, met in Paris May 21 with Dumas and declared himself "highly interested" in Eureka. This was a turnabout for the British, who had at first greeted Eureka with a lukewarm reception. According to the French newspaper *Le Monde*, following the Howe-Dumas meeting, London wants to set up a multilateral group of experts charged with hashing out the details of the French proposal.

Moscow, which is viscerally opposed to the SDI, has shown absolutely no objections to "Eureka."

Economic pacts mark Gandhi's Soviet trip

by Susan Maitra

Prime Minister Rajiv Gandhi's May 21-26 state visit to the Soviet Union was highlighted by the signing of two economic cooperation agreements, pledging \$1 billion of ruble credits for Soviet participation in a series of industrial and infrastructure projects in India.

Though the Indian leader's reception was lavish, and Mr. Gandhi and Soviet General Secretary Mikhail Gorbachov had nearly three hours of private talks in addition to several formal sessions, the visit did not appear to formally advance Indo-Soviet relations in any new direction. Prime Minister Gandhi made clear that India's economic development and rapid modernization were the top priority in bilateral relations with the big powers. And in this, he has set the tone in his Soviet visit for the forthcoming U. S. visit as well.

"One has to go somewhere first," a candid Mr. Gandhi replied to the question of why he went to Moscow before Washington—the umpteenth query aimed at discerning a new "tilt" from the packed room of international reporters at a press conference after the first full day of the visit. Mr. Gandhi had opened with a statement on India's cordial and long-term relations with the U.S.S.R. "Our friendship is not aimed against any one. It is for the development of our country," he said. "We look forward to greater bilateral cooperation."

While Mr. Gandhi stated plainly his concern over the U.S. military relationship with Pakistan, and especially apparent U.S. indifference to Pakistan's bomb-making enterprise, in response to press queries, he also said that he had discussed the Afghanistan problem with Mr. Gorbachov and flatly repeated India's rejection of outside interference "by any country." Similarly, while he restated India's official endorsement of disarmament and praised the Soviet response to New Delhi's "Six Nation Initiative," he politely dismissed Soviet leader Gorbachov's "Asian collective security" proposal.

The most significant initiative from the Soviet side was undoubtedly Gorbachov's decision to refloat the 1969 "Brezhnev Doctrine." In his dinner speech in honor of Rajiv Gandhi on May 22, the Soviet leader proposed an "Asian Helsinki." After reviewing the many proposals and projects of the "détente era," from the Helsinki accords to the Indian

Ocean "zone of peace" proposal, Mr. Gorbachov reported that both nuclear powers in Asia had pledged no first use of nuclear weapons, and stated:

"Now the question arises: Is it not advisable, considering all these initiatives, and, in some measure, Europe's experience, to think of a common, comprehensive approach to the problem of security in Asia and a possible pooling of efforts by Asian states in this direction?" Of course the road to Helsinki wasn't easy, and this won't be either, Mr. Gorbachov said, and suggested that "bilateral talks and multilateral consultations" could lead to a future "all-Asian forum."

"It is an old idea," Mr. Gandhi is reported to have told the press, acknowledging its mention by Gorbachov but stating that no specific proposal had been advanced. Moreover India has its own proposals, and the other Asian nations have their proposals, he said. Mr. Gandhi has often stated publicly his foreign policy priority to improve relations with India's Asian neighbors, and an expansion of trade and other relations with the Southeast and East Asian nations is also clearly underway.

Mr. Gorbachov's "Asian security" gambit might have been taken as a clumsy bid to cripple that initiative and isolate India within Asia. In any case, the matter was softly but firmly laid aside, as it had been repeatedly by Mrs. Indira Gandhi from the time it was first put on the table by Leonid Brezhnev in 1969.

A similar fate apparently befell the Indo-Soviet Treaty of Friendship and Cooperation, the 15-year pact signed in 1971 and due to expire next year. While neither the transcripts of Rajiv Gandhi's statements and speeches nor the transcripts of the press conference are available in India, other than an enthusiastic mention from Gorbachov, there is no indication that the treaty and its fate received a word of discussion.

India's substantial defense relationship with Moscow, based on extensive purchase of equipment and transfer of technologies for establishment of defense production capacity in India, did not figure into discussion. A large delegation headed by defense minister Narasimha Rao visited Moscow recently, and the Soviet air chief quietly visited New Delhi just days before Mr. Gandhi left for Moscow. But despite press rumors of grand new military offers from the Soviets, no developments in this field have been announced—perhaps out of diplomatic consideration in view of the upcoming U.S. visit.

For the Indian delegation in Moscow, economic matters took first place.

The first of the two agreements signed relates to a virtual grant of one billion rubles credit to finance Soviet participation in projects in the power, oil, coal, machine building, and ferrous technology. The credit carries a three-year moratorium and 20-year repayment period and an interest rate of 2.5%. In line with previous Indo-Soviet trade agreements, repayments will be in Indian rupees for use, in turn, by the Soviet Union for purchase of goods from India.

The credit is directed for a series of projects that are

included in the Indian Five-Year Plan. The Soviets will participate in construction of the 840-megawatt thermopower plant at Kahalgaon in Bihar. In the coal sector, the Soviet Union will assist in an open cast mining project with washeries in the Jharia coal fields, two others in the Singrauli coal fields, as well as the establishment of an institute for coal technologies.

In the oil sector, where the Soviets have been instrumental in exploration and development work, the Soviet Union will set up a project for integrated exploration of hydrocarbons in on-shore areas as well as providing equipment and specialist services.

In the ferrous and machine building sector, the credit allocations have been kept open to modernization and reconstruction projects as they are identified.

The second agreement that was signed is a long-range perspective document outlining the main directions of economic, trade and scientific and technical cooperation between the two countries through the year 2000. It is a pledge to develop new forms of economic cooperation, keeping in view the evolving pattern of technology development and domestic capabilities of each country.

The broad agreement provides for participation of Indian organizations in civil and industrial projects in the Soviet Union, and for consideration of proposals for cooperation in industrial and other projects in third countries, according to press reports in New Delhi.

The economic accords were prepared in late April, at the ninth meeting of the Indo-Soviet JEC (Joint Economic Commission) in Moscow, presided over by Indian Home Minister S.B. Chavan, and Soviet First Deputy Prime Minister Ivan Arkhipov. In Moscow for the signing of the accords were Commerce Minister V.P. Singh, the foreign ministry's policy planning chairman G. Parhasarathy, minister of state for power Arun Nehru, the prime minister's Parliamentary Secretaries Arun Singh and Oscar Fernandes, foreign secretary Romesh Bhandari, the prime minister's press adviser H.Y. Sharda Prasad, and Additional Secretaries G.K. Arora and C.R. Garekhan.

Present on the Soviet side were Mr. Tikhonov, Foreign Minister Andrei Gromyko, Defense Minister Sokolov, and First Deputy Prime Minister Ivan Arkhipov.

Though the ruble credit figure is flashy, the pact cannot be considered groundbreaking. The pledge to find "new forms" of economic cooperation is at least in part an acknowledgement of the failure of the rupee trade. In India it has been the repeated experience that certain export sectors have built up a wide base of supply under the rupee trade umbrella, only to be left high and dry when the Soviets decide they don't need so much of X any more. And India's large and persisting rupee balances attest to the paucity of Soviet offerings.

In truth, the Soviet economy cannot begin to deliver what India really needs in the way of equipment and technology at this point, and this cannot fail to have been recognized by the Indian leadership.



**Attend Pittsburgh's
New Product Marketplace
held in conjunction with
Computer & Electronics Exposition**

**JUNE 20-22, 1985
D. L. Lawrence Convention Center
Pittsburgh, Pennsylvania**

SEE the biggest business trade show ever assembled in the tri-state area.
DISCOVER the innovations and products changing the Pittsburgh economy now.

Information - CALL 412/288-1343

Please send me _____ tickets to INPEX at \$5/person.
My check for \$ _____ is enclosed payable to INPEX.
Mail to 701 Smithfield St., Pittsburgh, PA 15222
Name/Title _____
Firm _____
Address _____
City/State/Zip _____
Telephone (_____) _____

**INVESTMENT OPPORTUNITIES
OFFERED**

by
ZAMAHAMI ARABIANS

located at

Moehlmans' **BM** Ranch and
Training Stable

home of

ZARABO + + +

**TRIPLE NATIONAL CHAMPION
STALLION—
LEGION OF SUPREME MERIT**

National Champion Sons &
Daughters of ZARABO + + + Available

For Further Information Contact—
Marge Moehlman, Manager
P.O. Box 1567
Greenville, Texas 75401
Telephone: Peoples (214) 862-3620

Russia's 'Muslims' menace south Asia

by Rachel Douglas

The appointment of a new Soviet ambassador to Pakistan portends trouble for that country and its neighbors, including India. Moscow's new man, it was learned in May, will be Abdul-Rakhman Khalil ogly Vezirov, a former party official in Soviet Azerbaijan. Vezirov is a protégé of Geidar Aliyev, the Azerbaijani member of the Soviet Politburo and career KGB agent, who specializes in the creation and control of separatist and terrorist movements for Soviet ends.

Pakistan already experienced one Soviet ambassador, Sarvar Azimov, who was linked to the deployment of several hundred KGB agents into the Baluchi ethnic area of Pakistan, to foment separatism. A Soviet Uzbek writer and cultural official, Azimov was posted in Islamabad from 1974 until 1980. He was so open in making public remarks like, "Pakistan is the friend of our enemies," that the Pakistani government officially protested his activities more than once.

The current ambassador, Vitalii Smirnov, has been very active recently, as the U.S.S.R. stepped up political pressure and military strikes against Pakistan, for harboring *mujaheddin* fighters from Afghanistan. On May 14, Smirnov charged that the death of 24 Soviet and Afghan Army POWs, in an escape attempt from detention by Afghan guerrillas on Pakistani territory, "proved" that Pakistan was involved in a war against Afghanistan. Pakistan was guilty of "blatant violation of international rules," said Smirnov, for the consequences of which it would be "entirely responsible."

Based on what he heard from Soviet party boss Mikhail Gorbachov at their March 14 meeting in Moscow, Pakistan's President Zia ul-Haq told a British interviewer in early April, that he thought the Soviets might commit as many as 500,000 fresh troops to Afghanistan. Already, the Soviets have escalated artillery bombardment and air strikes against Pakistan's border region adjacent to Afghanistan, where the refugee camps shelter guerrillas, as well as the non-combatant displaced population. Pakistani officials count as many Soviet violations of Pakistan's air space so far this year, as there were in all of 1984.

With the arrival of Vezirov, the density of Soviet political operations, on top of these military forays, may be expected to increase. After riots among the Pathan ethnic minority in

Karachi this spring, some Pakistani officials have reported their concern, that the Soviets would rekindle separatist agitation in other parts of the country, such as the Baluchi region adjacent to Iran.

Vezirov is one of those operatives from predominantly Shiite Muslim Soviet Azerbaijan, like KGB agent Kikhmat Madatov who has worked out of the Soviet embassy in Kuwait, who came up under the tutelage of Aliyev. Vezirov, born in 1930, was already traveling to Egypt and Iraq, as a Muslim-born Soviet youth emissary, in the 1950s. He rose rapidly through the party ranks in Azerbaijan in the early 1970s, when career KGB officer Aliyev had taken over leadership of the Azerbaijani party and was purging it. Like many of Aliyev's bright young henchmen with Turkic surnames, Vezirov made his move to the diplomatic service with an assignment in the developing sector; from 1976 to 1979, he was the Soviet consul-general in Calcutta, India, and, after that, Soviet ambassador to Nepal.

Islamic fundamentalism

The activation of Moscow's Islamic specialists at this highly visible, diplomatic level, bespeaks a broader move afoot in the region. The Soviets, naturally, have their stake in the push for a unification of Islam on a radical fundamentalist basis, which poses a threat to nations throughout south and southwest Asia. (See *EIR*, May 21, "Behind the conspiracy to create a unified, fundamentalist Islam.")

Dr. Kalim Siddiqi, sponsor of the "Assembly of United Islamic Movements," for example, has made his trips to the U.S.S.R. and come into the orbit of Aliyev and of the Soviets' "Third World"-oriented political and cultural operations center in Tashkent, Soviet Uzbekistan. This track of Aliyev's "Muslim card" shows, that Soviet activities in the region threaten not only a country like Pakistan, to which Moscow is openly hostile, but also India, which is otherwise the recipient of oodles of heavy-handed Soviet "good-neighborliness."

An associate of Siddiqi recently stressed that there is a now a common interest between radical Muslims in India and Sikh terrorists, despite religious differences. "As far as their struggle for Kalistan is concerned with the destruction of the Indian nation state," he said, "there are obviously convergences." (This individual boasted that the "Islamic revival" of today is rooted in the work of Al Afghani, the 19th-century Shi'ite; Al Afghani, while based in Moscow in the 1880s, worked hand in glove with a Sikh prince named Maharajah Duleep Singh—under sponsorship of the predecessors of today's Soviet imperialists, the Russian Slavophiles.)

The World Sikh Organization (WSO) of Jagjit Chauhan Singh (another erstwhile visitor to Tashkent), who has boasted of the murder of Indira Gandhi, also took up the cause of joint action by Sikh and Muslim separatists in India. At the WSO convention on May 6-8, there was extensive discussion of how all the minorities in India might unite against the nation-state.

Sri Lanka turns into a flash point

by Susan Maitra

Sri Lanka's Buddhist hierarchy held a conference with opposition groups, headed by former Prime Minister Mrs. Sirimavo Bandaranaike, on May 18, and decided to canvas for a general election on the government's handling of the ethnic crisis that is ravaging this tiny island nation. All opposition parties willingly accepted the Buddhist initiative, which included a proposal that the northern Tamil-majority sector of the country be handed over to the military outright.

Activation of the Buddhist clergy in a nationwide mobilization could give the Opposition—which is otherwise powerless to force general elections, having no more than a combined total of 16 out of 169 parliamentary seats—the leverage to oust President Junius Jayewardene.

With this, yet another dangerous iron has been thrown into the fire. Jayewardene has so far not been able to defuse the explosive combination of a ruling coalition containing a faction of Sinhala hardliners, a military that is both Sinhala-dominated and professionally unprepared for battle with terrorism, and a web of regional and international political complexities. Despite his errors, Jayewardene is probably the only Sri Lankan political figure who could achieve a political solution to the crisis.

Terrorist onslaught

The clergy was apparently galvanized into action over what it deemed the lack of adequate government response to the Tamil terrorist assault on the sacred city of Anuradhapura, and killing of some 150 civilians there on May 14. The Anuradhapura incident followed by a month the outbreak of Tamil-Muslim communal violence in the eastern province of Sri Lanka. According to correspondents in Sri Lanka, Tamil agitation was drawing no response from the large, business-oriented Muslim population in the province, and efforts to escalate were met with fury by the younger generation of Muslims.

At the same time, during the past several months, the "human rights" apparatus has gone into motion internationally, while new and old political parties and groups are springing up to say that the issue in Sri Lanka is not an ethnic clash, but a struggle "against our common enemy, the imperialists and their hangers-on"—in the words of "National Liberation Organization" head Nihal Perera.

The World Peace Council, the Soviet front group headed by Romesh Chandra, has launched a campaign against the

"repression of the Tamils, and the presence of American troops at a base provided by that country."

The Sri Lankan crisis has put a challenge to the initiative for regional cooperation in which India has taken a new lead. Indian Prime Minister Rajiv Gandhi held a meeting with Sri Lankan National Security Minister Lalith Athulathmudali in February, and in early April, Indian Foreign Secretary Romesh Bhandari held consultations in Colombo on Mr. Gandhi's instructions.

In response to the recent escalation of violence on the island, however, pressure built in India's southern state of Tamil Nadu for Indian intervention on behalf of the Tamils. There are also widespread suspicions that the Tamil guerrillas in Sri Lanka are being harbored in Tamil Nadu. A measured statement in parliament by Prime Minister Gandhi, announcing the formation of a special advisory committee to work with him on the matter, was followed by a rather strong and pointed statement by Minister of State for External Affairs Khurshie Alam Khan.

The Sri Lankan government immediately protested, and declared that it would boycott the meeting of the South Asian Regional Commission (SARC), in Thimpu, Bhutan, on May 15. Sri Lankan authorities arrested the Press Trust of India correspondent in Colombo, charging him with willfully misreporting President Jayewardene's dinner speech during British Prime Minister Margaret Thatcher's visit in Sri Lanka. The PTI report that Jayewardene had asked Thatcher for troops, was parlayed into a major issue in New Delhi. But as of this writing, the PTI incident has been quietly buried. Intervention by India, Pakistan, and Bangladesh, convinced Sri Lanka to send a special presidential emissary to Thimpu, and then to Delhi to meet with Prime Minister Gandhi.

On May 18, President Jayewardene publicly admonished the Sri Lankan security forces to maintain discipline in the face of the terrorist onslaught. He also announced the meeting of all the country's religious leaders to launch a new attempt at reconciliation, and, on May 21, Sri Lankan National Security Minister Athulathmudali hinted that new Indo-Sri Lankan cooperation was at hand.

There have been indications, that concerted steps are being taken to identify and cut off the terrorists' supply of weapons. Two Singaporeans were detained on May 8 as a result of Madras customs' detection of a shipment of arms and ammunition, headed for Andhra Pradesh. Sri Lankan authorities claimed that although the ship sailed from Singapore, the arms actually came from Britain.

According to AP and the United News of India dispatches from Colombo, the separatists claimed to be equipped with AK-47 and G-3 rifles, light and medium machine guns, rocket-propelled grenades, and remote-controlled mines. The militants further claimed that some of their ranks have been trained with anti-aircraft weapons in "foreign war zones" which they refuse to identify, but have not yet acquired such weapons in Sri Lanka.

New U.S. Asia policy must dump IMF

by Gail G. Billington

One hundred ranking Thai military, government, and private businessmen, and diplomats from several Asian countries, gathered in Bangkok May 14-15 to discuss the economic and security problems of Southeast Asia. The conclusion: The gravest security danger to the region is continuing U.S. strategic withdrawal and Washington's adherence to the International Monetary Fund (IMF), which is leaving the region vulnerable to the designs of the Soviet Union and China.

The conference, on "Southeast Asia: Economic Development and Security: 1985-1995," was sponsored by *EIR* and the Fusion Energy Foundation (FEF), and served as a direct counter to the plethora of forums and seminars recently held in the area under the auspices of Kissinger cronies at the U.S. State Department and British intelligence. These forums have been brainwashing sessions to reinforce the status quo—of U.S. withdrawal from Asia, and the looting of the region's rich resources at the direction of the IMF.

In contrast, this Bangkok conference put the political principles of republican statecraft of Lyndon H. LaRouche, Jr., founder of the FEF and of *Executive Intelligence Review* magazine, squarely on the map in Southeast Asia. Just as the two-year-old *EIR*-FEF campaign for construction of a sea-level canal across Thailand's Kra Isthmus has defined the debate for economic policy in Southeast Asia and Japan, so this conference left its mark on military and political policy thinking in the area.

'Friendly relations, mutual interest'

The tone for the two-day session was set in the inaugural remarks of Thai Deputy Prime Minister, Admiral Sonthi Boonyachai. The Deputy Prime Minister recalled the roots of Thai-American friendship, going back 150 years to the reign of King Rama IV and President Abraham Lincoln, when the United States "was a young nation, a nation seeking to establish friendly relations based upon mutual interest, a nation that had just won her freedom, a nation that sought to dominate no one."

Thailand, he said, is threatened on all its borders, but economic development is the key to national security, and Thailand's economic problems must be situated from a global standpoint. Admiral Sonthi called for a global approach to the alarming situation of Third World debt, now reaching the

\$970 billion mark, and applauded President Ronald Reagan's war against drugs.

"Whether we will be able to tackle this problem successfully," the Deputy Prime Minister said of drugs, "will determine the welfare of our future generations. . . . I hope that the United States will once again play a major role in guaranteeing the physical security of this region. And, I hope, that the United States will realize that to fight drugs efficiently, conditions for economic growth and industrial development must be created."

Toward a new U.S. Asia policy

Uwe Henke v. Parpart, FEF director of research, led the first panel with a review of U.S. policy toward Asia. Right after World War II, Henke explained, the United States carried out a MacArthur-Roosevelt policy of economic reconstruction in Asia. But, as the U.S. began to back France in the Indochina War—and eventually itself became enmeshed in Vietnam—the U.S. shifted away from this positive approach.

Since then, U.S. policy has deteriorated to Kissingerian "balance of power" politics, leading to the disaster of the Vietnam War and such U.S. policy failures as the "China Card," which provided the cover for U.S. withdrawal from the region.

U.S. foreign policy must now shift again, back toward the approach of the immediate postwar period, based on taking initiatives for forging cooperation to industrialize the region.

Mr. M. Rajaretnam, a consultant in Singapore, detailed the U.S. economic and military withdrawal. "It might have been thought," he said, that this "would make it easier to be non-aligned, but that is not the case. Instead, the Soviet Union has filled the vacuum, and ASEAN now faces being squeezed between two rival communist powers, the U.S.S.R. and China."

The Kra Canal, he said, is exactly the way the United States can support the ASEAN countries, first, because it brings the U.S. back into the region positively, with Japanese backing. Second, ASEAN needs the United States because it cannot act as a military counterweight to the Soviets.

An hour-long debate then started, centered around Rajaretnam's thesis and Henke's proposal that ASEAN must

change the agenda on the Kampuchea conflict. Kampuchea, Henke said, is not a problem of Vietnam and ASEAN; it is a problem of China, the Soviets, and the United States that is acting as a brake on the entire region's development.

IMF flunks its own test

Afternoon discussion centered on economic development. *EIR* Bangkok representative Sophie Tanapura read the speech of Mr. Boonshu, president of the Siam Commercial Bank, in which he reviewed ASEAN economic progress in the 1960s-1970s, noting that in the '80s, progress had stopped. This stagnation, he said, cannot all be laid at the door of the international collapse, because often resources and potentials have been wasted. Thailand can no longer afford to think as a small country—in the 21st century, there will be 70-80 million Thais. The three major issues to be solved are increasing agricultural productivity; education, for full-scale industrialization; and the building of new urban centers.

Then Pakdee Tanapura, FEF Bangkok representative, demonstrated that the November devaluation of the Thai currency, the baht, foisted on Thailand by the Wharton School and the International Monetary Fund, is a total failure, even by the IMF's own twisted logic. It has contributed to raising inflation from 0.9% to an expected 7% by the end of this year. It has *increased* the trade deficit, which was previously coming down! The devaluation has also punished agriculture, Thailand's most crucial industry.

Pakdee enumerated necessary development projects, including the Kra Canal and the development of the eastern seaboard, showing how these will change Thailand from a largely agricultural, to an industrial economy.

Drugs and insurrection

Thai Police General Chavalit Yodmani opened the second day with a comprehensive report on the Golden Triangle drug traffic, as it affects Thailand. Drug production has not decreased, he said. And Thailand, a country of 50 million people, has a heroin-opium addicted population of 300-400,000 people. Among the country's hill tribes, opium addiction is 30%.

Paul Goldstein of *EIR* then described the war on drugs launched by the Reagan administration, and showed how the IMF and banks like Bank of Boston are the real controllers of the international drug trade. He outlined the 15-point military war on drugs put forward by Lyndon LaRouche in March.

The discussion was attended by the drug attachés of all the Southeast Asian embassies, and law enforcement officials from Interpol and Thailand.

In the afternoon, attention turned to the strategic issue facing the region, with attendance by generals from the Thai National Defense College, and military attachés from all the embassies, including the United States. The consensus emerging from the discussion, led by Zainuddin Bahari of the Malaysian Institute for Strategic and International Studies

and Dr. Henke, was that economic development, especially involving the United States, can be a strategic flank to begin to solve the Indochina conflict.

Conversely, *EIR* correspondent Sophie Tanapura showed, U.S. backing for the IMF has created a communist insurgency out of nothing in the Philippines, once the strongest U.S. ally in the region. There is no way out for the Philippines, she said, unless IMF policy is defeated.

Henke then showed how the IMF's arguments to force austerity on nations, are a hoax. If the burden of the 1979 oil price hike and the high interest rates imposed by the U.S. Federal Reserve are removed, he showed with statistics, then ASEAN countries and other underdeveloped countries would be able to pay their debt with little problem. The IMF, he said, is the biggest security threat nations face.

The Reagan administration, Henke continued, has taken on the oligarchical faction behind the IMF on the Strategic Defense Initiative and on the war on drugs. Now it must be forced to shift U.S. economic foreign policy and break with the IMF.

This is absolutely crucial for Asia. At the recent conference of the Asian Development Bank, the United States insisted that the ADB become a "regional IMF"—that is, no loans without conditionalities. Henke issued the call of Schiller Institute founder Mrs. Helga Zepp-LaRouche for an emergency Indira Gandhi Memorial Summit, to shut down the IMF and create a new world economic order, pegged to a gold-reserve monetary system.

Documentation

'We are masters of our own destiny'

Admiral Sonthi Boonyachatt, Deputy Prime Minister of Thailand, opened the EIR-FEF conference in Bangkok, May 14-15, on "Southeast Asia: Economic Development and Security: 1985-1995," with the following address (excerpted).

As all of you know, Thailand is faced with border problems, problems which have lasted for over decades, problems which have lasted so long that we begin to wonder if there will ever be an end to them, especially when these are wars by proxy. The persistent and systematic buildup of Soviet forces in the region is creating great concern among nations. Deputy Foreign Minister Kapitsa last month offered that the Soviet Union be the guarantor of peace in the region. It was a generous offer, but how sincere can it be when Afghanistan and the Korean Airlines incident are blatant examples of Soviet generosity? When we talk of security, we must not only be concerned with military security.

Today the state of the world economy is alarming. Third World debt has now reached the \$970 billion mark. It is urgent that we find a solution to this problem. Thailand's economic problems must be looked at from a global standpoint. A weak economic situation is the source of instability and the Philippines is, unfortunately, a clear example of this. Continued instability in the Philippines, the danger of disintegration of our neighbor, the Philippine nation, will have devastating repercussions on the overall situation of the ASEAN nations.

I am also pleased to see that this conference will touch upon a very important question, that is, the question of drugs. Whether we will be able to tackle this problem successfully will determine the welfare of our future generations. On this matter, I would like to especially applaud President Reagan's initiatives to seriously suppress international drug traffic. I totally share his truly generous concern for the world's population that the United States will once again play a major role in guaranteeing the physical security of this region. And, I hope, that the United States will realize that to fight drugs efficiently, conditions for economic growth and industrial development must be created.

I would like to remind the participants of this conference today that since 150 years, since the period of colonialism, Thailand has never known a better friend than the North American republic on the other side of the Pacific. During the reign of his Majesty, King Rama IV, the United States was a young nation, a nation seeking to establish friendly relations based upon mutual interest, a nation that had just won her freedom, a nation that sought to dominate no one. More recently, after the Second World War, it was again the United States that prevented former colonial powers from taking over Thailand. Today, Thailand is being encroached upon once again by a new imperial power. I hope that the United States will once more be the beacon of hope and act, once more, to uphold the rights to life, liberty, and the pursuit of happiness of the world's population.

In dealing with questions of security and economic development, all too often short-term solutions are adopted at the expense of a more thought-out long-term consideration. This is one remark I would like to leave with the conference organizers and participants who will be debating these issues for the next two days.

The world economic situation may be alarming. The strategic situation may be more tense than ever before globally. But I am optimistic. I am optimistic because I believe we are the masters of our own destiny.

In closing, I wish to repeat to you the German poet Friedrich Schiller's quote, which President Reagan so appropriately used during his recent trip to West Germany, "He who has done his best for his own time, has lived for all time." I hope that our foreign friends, from the United States, neighboring ASEAN nations, and elsewhere, will carry this message back home. And I wish the conference great success.

The State Department's

by Criton Zoakos

In the immediate post World War II period, political and social forces throughout the Near East/Middle East region regarded as the "friends of the United States," were forces associated with programs and aspirations aiming at the establishment of strong and prosperous nation-state institutions. Nations inhabiting the wide corridor stretching from approximately Trieste to Calcutta, had all produced national leaderships and elites looking forward to building the kinds of national political and economic institutions appropriate to the growth and nourishment of strong and prospering nations.

United States policy in those days was to support such national aspirations. This U.S. policy orientation was abruptly terminated during September 1973, when Henry Kissinger was sworn in as secretary of state. The change was never announced, of course, and to this day, it will not be formally admitted by the State Department.

The single greatest source of confusion spread by the State Department's post-1973 policies is this refusal, on the part of the Department, to formally admit that this change has in fact been made and institutionalized: Those nationalist forces around the world who to this day imagine themselves "friends of the United States," in the accepted, post World War II sense, find themselves, time and again, betrayed, ruined, and destroyed as a result of State Department policies which they find incomprehensible.

These victims still refuse to accept what should by now be obvious: The State Department no longer considers nationally oriented forces and elites to be the "friends of the United States." The State Department, as it was revamped and reorganized by Henry A. Kissinger, has abandoned the historical, fundamental American foreign policy commitment of supporting, everywhere in the world, the institution of the sovereign nation-state against all forms and guises of tyranny—oligarchical, sacerdotal, or merely mob tyranny.

No international political development from 1973 to date can be rendered comprehensible unless one assumes that the Kissinger and post-Kissinger State Department has identified the nation-state as its principal enemy.

This is nowhere truer, perhaps, than in the Near East/Middle East region, the general domain over which the Ot-

Levant nightmare

toman Empire ruled for approximately five centuries. The State Department's "Kissinger Era" of war against the institution of the nation-state began in this particular region, with the launching of the "October War" of 1973, exactly one week after Kissinger became secretary of state. Since that first act of war by Secretary Kissinger, one after the other, the traditional "friends of the United States" throughout that region began to disappear into a quagmire of defeat, disillusionment, and national destruction. The most dramatic moment, perhaps, of systematic destruction of "friends of the United States," was the overthrow of the Shah of Iran by Secretary of State Cyrus Vance, National Security Adviser Zbigniew Brzezinski, and NATO Supreme Commander Alexander Haig, Kissinger's "paperclip general."

What the State Department of today supports, instead of the institution of the nation-state, is a rival kind of social and political organization known in the region by its Ottoman administrative name, the *Vilayet*. State Department policy toward Lebanon in particular, best exemplifies this *Vilayet* principle: *Vilayets*, in the old Ottoman Empire of the fifteenth to nineteenth centuries, were self-defined sacerdotal communities, similar to modern Lebanon's "Druze," "Christian," "Shi'ite Moslem," "Sunni Moslem," etc., communities, whose internal administration had a measure of autonomy exercised not by the members of the community, but by their leaders. Those leaders, in turn, enjoyed their local power only to the extent that their policies were in agreement with the broader interests of the Imperial Court, the Sublime Porte at Istanbul.

Internal peace in the imperial domain was not necessarily a desired policy objective. Nor was prosperity. The sole objective of the entire Ottoman imperial arrangement, was the perpetuation of this system of petty tyrannical fiefdoms, which would torment and exploit their constituents according to their peculiar communal customs and traditions. It was exactly this administrative scheme which the U.S. State Department adapted when in the 1973-79 period it opted for the notorious "Bernard Lewis Plan," which envisaged the systematic elimination of all nation-state institutions in the Near East and Middle East region, and their replacement with a

motley group of religious, semi-religious, and cult-tribal entities.

During March of this year, in a little-noticed meeting in Vienna between officials of the U.S. State Department and the Soviet foreign ministry, a formal agreement was reached to allow the Soviet government to "do as it pleases" in Lebanon. Moscow assigned the case to Hafez Assad of Syria. Assad embarked on a scheme of inducing anti-Arafat Palestinians to kill and exterminate pro-Arafat Palestinians; all kinds of Palestinians together to kill Christians; Shi'ite Muslim militias to kill anti-Arafat, so-called "Syria-supported Palestinians," and preparing Druze militias to go after Shi'ite militias at a later point of the exercise.

Assad is conducting this operation with the almost overt backing of his purported arch-enemies in the Israeli government. The Israeli government shares with the State Department the objective of replacing the nation-states of the region with Ottoman-style *Vilayets*. The Soviet Union shares in this goal with equal fervor.

The PLO-Israel peace initiative

Immediately following the 1984 election victory of President Reagan, President Hosni Mubarak of Egypt, Yasser Arafat, and King Hussein of Jordan agreed to make all the formal concessions to Israel necessary to open up the possibility of direct Palestinian-Israeli peace talks. Arafat, since then, has been living under constant assassination threat from his "hard-line" political rivals. Moderate Palestinians, weary of years of fruitless fighting, rallied around Arafat.

President Mubarak of Egypt came to Washington to seek U.S. mediation between Israel and the Kingdom of Jordan, designated by Arafat to be the Palestinians' negotiating proxy. The State Department and Secretary Shultz personally ensured that this eminently reasonable peace initiative collapsed. The United States refused to lend its support. Mubarak returned home to face a runaway political crisis, which now begins to threaten the security of his regime. The assassination potential against Arafat multiplied. King Hussein was forced to replace his entire government in order to save himself from the fiasco.

After the May 13, 1985 meeting between Shultz and Gromyko, where the Middle East was extensively discussed between the two men, it appears that Shultz has no objection to this same format of Arab-Israeli talks, provided they are supervised by Moscow!

The Soviet ambassador to Jordan, Aleksandr Zinchuk, in a May 16 interview to the Jordanian *Sawt al-Shaab*, announced that his country supports the Jordan-PLO initiative toward Israel, under the general diplomatic rubric of the "Fez Communiqué." Up until then, the U.S.S.R. condemned the "Fez Communiqué" as an insidious part of the 1982 Reagan Middle East peace initiative.

Has Shultz given Gromyko the go-ahead to run the entirety of the Middle East game?

Colonel Qaddafi's 'Operation Chad'

by Mary Lalevée

Colonel Muammar Qaddafi's visits to the African nations of Ruanda, Burundi, and Sudan May 17-19 are just the latest in a series of moves by the Libyans to improve their position in Africa south of the Sahara. Libyan support for anti-government rebels in Chad and Sudan, and for Islamic fundamentalists, particularly in west Africa, had meant that many African governments had carefully kept the Libyan dictator at arm's length.

However, starting in November 1984, the Libyans have launched an "operation charm" to woo Africa.

November 1984: Niger and Libya began normalizing relations, which had been frozen since January 1981. A Libyan chargé d'affaires was installed in Niamey, and the embassy's premises reopened. The Niger authorities had expelled all the Libyan diplomats on Jan. 13, 1981, accusing them of turning the embassy into a "peoples' bureau" and of "conducting activities incompatible with their status."

December 1984: Libya's Foreign Minister Treiki visited Niger, Bourkina Faso, Gambia, and Senegal. In Senegal, he discussed the restoration of diplomatic relations. Gambia and Libya resumed diplomatic relations on Dec. 19, broken off by Gambia in 1980. Treiki said in Senegal that he was there to look for ways of relaunching cooperation between the two countries in all areas, and that Libya was willing to renew diplomatic relations.

January 1985: A meeting took place in Ouagadougou, Bourkina Faso, of the foreign ministers of Libya, Bourkina Faso, Benin, and Ghana. The aim of the meeting was to develop the relations among the four countries, but reports speak of "bitter complaints" from Libya's partners about the inadequate amount of economic aid from Tripoli, "much less than promised," and about "its working methods." Certain participants walked out, preventing a closing ceremony and a final communiqué.

February 1985: The head of a Libyan delegation visiting Togo announced that Libya would sponsor the building of an Islamic center in Lome, at a cost of \$10 million to "sponsor educational, medical and cultural activities."

May 1985: Colonel Qaddafi visited Rwanda, Burundi, and Sudan. In Burundi and Rwanda, joint declarations called

for creating "progressive fronts of countries", against "American imperialism and neo-colonialism." In Sudan, he held a six-hour meeting with head of state General Dahab, and afterwards said at the airport that he was confident that the "Egyptian masses" would overthrow "Israel's ally Mubarak" in the same way they overthrew Numayri, the former Sudanese President. Qaddafi's visit to Sudan came shortly after the creation of the Libyan-financed "Movement of the Sudanese Revolutionary Committees," which follow Qaddafi's *Green Book*.

Qaddafi's wooing of the new Sudanese regime seems to be bringing results: The Sudanese prime minister announced on May 23 the abrogation of agreements between Egypt and the Sudan that had been negotiated by Numayri.

Islamic fundamentalism is on the rise in Africa, with the severe economic crisis affecting Africa providing fertile ground. In Senegal, a major Islamic cultural center, financed jointly by a Senegalese Association, the Union for Islamic Progress of Senegal, Algeria, Kuwait, and Saudi Arabia was inaugurated by President Abdou Diouf on March 20.

There are reports that the largest Muslim Brotherhood in Senegal, the Mourides, are increasingly restive in the face of the implementation of IMF-austerity measures. The fact that President Diouf is a member of the Tidjane Brotherhood reportedly exacerbates tension. Senegal's ground nut farmers are largely controlled by the Mouride Brotherhood, and they have been increasingly withholding their crops from the state-run purchasing system, either smuggling the product out of the country, or processing it themselves into oil, which they sell directly to the consumers. Of the estimated 1984 crop of 700,000 tons, only 150,000 tons were sold through official networks.

Diouf is reported to be encouraging Islamic intellectuals who oppose the "non-Islamic" beliefs of the brotherhoods. There is an active pro-Iranian movement, with two publications, *Djamra* and *Wal Fadri*, which attack the Senegalese government consistently. Their editor, Sidi Lamine Niasse, is the brother of the "Ayatollah of Kaoloack." Radical Shi'ite ideology is promoted by the religious leader of the powerful Lebanese community, Cheikh Zein Mohsen.

In Tanzania, where 70% of the population is Muslim, the Iranian Minister of Tourism visited Dar es Salaam on May 21, and announced plans for large numbers of Iranian "tourists" to visit Tanzania. Many of these tourists will be actively promoting fundamentalism, and almost certainly opposition to Tanzanian President Nyerere (who is Catholic).

The May 1985 issue of the magazine *Arabia, the Islamic World Review* carried a long feature on Tanzania, attacking the Tanzanian government for suppressing Muslim schools, for abolishing Islamic law, and recognizing monogamous marriages only. The article goes on, "It is clear that the leftists in command of the affairs of this country are intent on severing the young from their cultural traditions and religious values. Materialism and Marxist thought is propounded in all the colleges. . . . Sad to say, it is Islam which suffers. . . ."

Chirac supports beam defense

While Mitterrand continues to push his "Eureka" defense hoax, some politicians are breaking out of the trap.

Jacques Chirac, the leader of the French opposition party, the RPR (Rassemblement pour la République), has for the first time taken a public position in favor of European cooperation with the U.S. Strategic Defense Initiative (SDI). His statement was published in the May 16 issue of the regional newspaper *Les Dernières Nouvelles d'Alsace*.

While strongly defending the Franco-German alliance, he attacked President François Mitterrand's role at the recent summit meeting of Western leaders in Bonn, where Mitterrand blocked allied endorsement of the SDI. Chirac charged that Mitterrand was thereby acting simultaneously against the United States and the Western Alliance, and against European unity.

Chirac's statement is the first sign that something is moving to break the political "consensus" in France, which insists that international issues are not for public discussion.

Chirac declared: "We have to see things as they are. The Soviets are in the race. So are the Americans. Can the Europeans be left behind? Surely not. That is why saying 'no' outright just makes no sense. This an irresponsible attitude. . . . By taking a spectacularly negative attitude, we are in fact playing the Soviets' game; we're choosing the wrong adversary. What we need, is for the Europeans to discuss the matter and try to reach agreement, before discussing it further with their allied and American friends. There has to be possibility of agreement. On condition, of course, that what the Americans propose does not

lead to increased dependence of Europe upon the U.S."

This is the opposite of what the other French opposition leader, Raymond Barre, is pushing. Asked in an interview in the current issue of the French magazine *Politique Internationale*, whether the SDI would affect the British and French nuclear deterrents, Barre answered: "Frankly, no! . . . The Europeans have . . . to underline that the space-based defense systems won't prevent, and will even give rise to, the development of offensive weapons. They must always recall that, given the complex menace that threatens Western Europe, there is no substitute for nuclear deterrence."

Barre gave full support to Mitterrand's "Eureka" project for European research in laser and particle beams—a ploy to preempt European cooperation with the SDI. Chirac attacked this scheme head-on: "Eureka is not a true response to the present challenges. It is not serious. The Eureka is first and foremost a political operation. . . . It has another shortcoming: It is merely a civilian project. When it comes to mastering space, everything is tied together, the civilian and the military aspects."

The debate continues in the French press. The May 18-19 issue of *Le Figaro* newspaper published the first article yet supporting the creation of a European component for the SDI ("Tactical Defense Initiative"), written by François Heisbourg, a former adviser on international questions to Defense Minister Charles Hernu. The SDI has its own dynamic, he argued,

and Europe has to participate by building a "Tactical Anti-Missile" system, to defend against short- and medium-range missiles.

Yet such statements are the exception in France today. France faces the same problem that it did in the 1930s, when all political forces made a secret pact to do nothing to oppose the fascists.

This is why Chirac's statement was not echoed by the national media. Still, there is no doubt that it echoed the position on the SDI of Helmut Kohl's Christian Democrats and Franz Josef Strauss's Christian Social Union in Germany.

The anti-SDI pact joins such seemingly diverse forces as self-proclaimed Gaullist mouthpiece Raymond Barre and the Socialist Mitterrand/Regis Debray gang. The two groups have two points in common: They are anti-communists and they support Henry Kissinger's ABM Treaty.

Even Regis Debray, Mitterrand's adviser who was formerly an aide to the revolutionary Che Guevara, supports the neutron bomb in his most recent book, *The Empires against Europe*, and calls for an improved classical European defense from Warsaw Pact troops—at the same time that he claims the Soviet Empire is crumbling. The same goes for Pierre Lellouche, a member of the French affiliate of the New York Council on Foreign Relations, the IFRI, whose book, *The Future of War*,

supports the defense of West Germany on the Elbe border with the East, with the aid of the nuclear weapons of five French military divisions.

Both schemes are intended to court the French military and the Germans, to build an independent Europea; neither is a serious proposal for European defense.

Italians vote for a pro-West government

by Liliana Gorini

On May 12, over 44 million Italians went to the polls to renew most municipal, provincial, and regional administrations, and to decide on the fate of the five-party government led by Premier Bettino Craxi, which had been openly challenged by the Italian Communist Party. PCI national secretary Alessandro Natta threatened to demand the premiership for the Communists, had they overtaken the Christian Democracy in the local elections.

Since the voting was nationwide and had more a political than an administrative flavor, the results have been universally interpreted as a clear "no" to the Communists, both in the national government and in the local "giuntas," where they have been ruling for years.

Far from overtaking the Christian Democracy, as in the 1983 European elections, the Communist Party took heavy losses, going from 34.5% in the European elections to 30.2%, and losing most local administrations, not only in Rome, the capital, which had had a Communist mayor in recent years, but in Turin, Milan, and even Bologna, the Communist stronghold, which for the first time in four decades will not have a Communist mayor.

The Christian Democracy, prompted by Pope John Paul II's demand for re-Christianizing Rome and call for a campaign against euthanasia, regained the votes lost due to the incompetent policies of its general secretary, Ciriaco De Mita, and went from 33% in 1983 to 35.1%. The biggest personal success was that of Premier Craxi, whose Italian Socialist Party rose from 11.3% to 13.7%, confirming his position as premier of the most durable government since the postwar period.

SDI was the key issue

The secret of Craxi's victory over the Communists, who had focused their campaign against him, particularly after his March 5 visit to Washington and his endorsement of Reagan's SDI, was precisely the SDI issue. A few days before the vote, Craxi called together the five party leaders of the ruling coalition to discuss Italy's participation in the SDI. For the first time all five parties agreed to send a positive answer to Secretary Weinberger's offer and to mobilize Italian industry for SDI research. They also agreed to get rid of the Communists in every local administration possible, replacing the left governments with five-party coalitions on the national model.

Immediately afterward, Craxi called on voters not to abstain from voting. Voter participation was the highest in the last 15 years. As two German dailies, the *Mainzer Allgemeine Zeitung* and the *Süddeutsche Zeitung*, stressed, the voters were well aware of choosing between a Communist takeover and a pro-Western, pro-SDI government.

The defeat has provoked a flurry of dissension in Communist Party ranks. One veteran PCI parliamentarian pointed out in an interview with a national weekly that the running of homosexuals advocating the legalization of pedophilia, on the Communist slate, had badly hurt the party. In Turin, the local PCI machine has asked for an emergency party congress to dump national secretary Alessandro Natta.

The Communists still have loyal friends, such as Italian President Sandro Pertini and Defense Minister Spadolini, a Republican, who met in a villa in Florence and emerged to urge that the Communists "not be isolated." Spadolini and Finance Minister Bruno Visentini—author of a fiscal reform backed by the Communists because it bankrupted 1 million shopkeepers, unable to pay 40% of their income to the internal revenue agents—are even threatening to leave the government if the Communists are isolated. This crowd had hoped to form a technocratic government including the Communists, as the only "kapos" able to impose the desired cuts on wages and living standards—hopes the May 12 voting dashed.

Since the economic issue is the Achilles heel of all parties, which fully agree on the necessity to cut industrial and agricultural production, the health system, pensions, and living standards just to content the International Monetary Fund hyenas, the Communists now plan to get revenge for the May 12 results with the June 9 referendum on the cost of living escalator. They gathered 1 million signatures for it two years ago, and it will occur unless there is a labor-industry agreement on paying the wage increases due under the cost of living mechanism.

Since the same Italians which voted for a pro-Western government do not want to see their wages, pensions, and health benefits cut further, the June 9 result is likely to be very different from May 12, and the PCI would play it as a confirmation of the fact that only with the PCI in the government can IMF austerity be imposed and explained to the workers.

The other big friends of the Communists are the Italian Greens, which ran for office for the first time and got from 1% to 2% of the votes. In the South Tyrol, they got almost 8% of the votes, and are ready to join a Nazi-Communist alliance with the fascist party MSI, which became the first party in that region, and the South Tyrol People's Party, whose anti-industrial and protofascist ideology is very similar to that of the Green Party. The Italian Communists count now on the 2% of the Greens to form "red-green" local administrations wherever possible, and cite as a model the "various forms of cooperation between the German Greens and the SPD."

Will Kohl break the stalemate?

The Chancellor's friends are going after Genscher on the issue of the SDI, but time is running out.

A Bonn Christian Democrat described the deadlock in the debate here on European participation in the U.S. Strategic Defense Initiative: "We want to take part—in spite of all the questions which still have to be solved. But we can't do what we would like to.

"We Germans have to be on good terms with the French, and here is the main problem—the French government is against the SDI. But since many French military-industrial companies are already contacting the Americans, I believe that the French will get on board sooner or later. As a matter of fact, the real problem lies across the Channel—the English prefer to have their special game with the Americans, as they always did. And furthermore, we have certain troubles inside the government coalition, you know."

These troubles have increased since Chancellor Kohl's Christian Democrats lost the May 12 elections in the crucial state of North Rhine-Westphalia, while the opposition Social Democrats polled 52%. Now the Social Democrats have escalated their campaign against the SDI, knowing that Foreign Minister Hans-Dietrich Genscher and his Free Democrats could be counted upon to do their utmost to undermine the Chancellor's support for the American defense program.

Genscher is making an open bid to gain political capital at the expense of the Christian Democrats. Just two days after the May 12 elections, in a parliamentary debate on foreign policy,

Genscher insisted that there was still a long way to go before something like an "official position on the SDI" could be formulated. "What is bad for the French cannot be good for us Germans," he said. The other argument that Genscher routinely employs, is that Bonn "must always take Moscow's own safety needs into consideration."

The Social Democratic Party is using almost identical verbiage. Willy Brandt, the SPD chairman and president of the Socialist International, went to Paris May 21 to meet with the leaders of the French Socialist Party, and Egon Bahr, the SPD's "little Kissinger," explained the purpose of this meeting in an essay published in the May 20 issue of the German weekly *Der Spiegel*. Bahr wrote that Europe should stay out of the SDI and work on the basis of the French "Eureka" program, instead. Brandt was to discuss this in Paris, and then in an end-of-May meeting in Moscow with General Secretary Mikhail Gorbachov.

It has not escaped Chancellor Kohl's attention that Genscher's Free Democrats—his erstwhile coalition partners—have more now in common with the Social Democrats than with his own Christian Democrats. The threat of a rupture in the governing coalition, and the formation of a Free Democratic-Social Democratic alliance, is emerging, and many a Christian Democrat fears that once Genscher comes to the conclusion that he can't prevent Kohl from supporting the SDI, he will switch partners.

This situation has pushed Kohl into one retreat after another. The last was the Chancellor's address to the North Atlantic Assembly in Stuttgart on May 19, in which he called the SDI "an opportunity—as well as a risk."

But the fight is still on: German military-industrialists are clamoring for official German participation in the SDI. This gives the Chancellor a vital bargaining chip against Genscher, and although he continues to avoid direct confrontation with his foreign minister, Kohl's non-Cabinet-member associates are shooting back.

Jürgen Todenhöfer, defense and arms control policy expert of the Christian Democrats, reiterated on May 21 the basic commitment of the Federal Republic to take part in the SDI research program. Another staunch supporter of Kohl on the SDI question is Alfred Dregger, the chairman of the Christian Democratic caucus in parliament. On May 21 Dregger said, "All that discussion on common European positions is good and fine, but it mustn't lead to the postponement of necessary decisions."

Dregger emphasized that his party stands by the position which Kohl first expounded on Feb. 9, at a meeting of the Wehrkunde Society in Munich. This was the first public announcement by the Chancellor that Germany would respond positively to the American offer to participate in the SDI. Genscher has been trying to avoid the issue of this speech in all his public statements ever since.

But this battle will not be decided by proxies of the Chancellor like Todenhöfer and Dregger. Kohl is going to have to take the knives out himself, and take the case to the country directly. Despite all the troubles for the Christian Democrats as a party, Kohl's popularity is still higher than that of either Genscher or the Social Democrats.

International Intelligence

Brandt to Moscow to promote Eureka plan

Willy Brandt, head of the Socialist International, chief of the German Social Democratic Party opposition to Chancellor Kohl, and certified long-time Soviet agent, will be visiting Moscow from May 26-29 for discussions on coordinating sabotage of the SDI, particularly through pushing the hot-air Eureka program (see page 44).

Before leaving, he consulted in Paris with Lionel Jospin, chairman of the French Socialist Party on May 21—a meeting which ended with the drawing up of a document denouncing the SDI as “fomenting technologies that destabilize the strategic balance.”

Speaking with journalists on their new Socialist International document, Brandt and Jospin called on Europe to support the Eureka project, as a “civilian alternative to the military-industrial SDI,” calling also for “greater European independence from the U.S. in economics, technology development and industrial policy.” Brandt, in a shameless exposure of the Socialist-Communist alliance, further announced he will confer on the “platform” with Soviet officials, including Soviet party chief Mikhail Gorbachov, during his Moscow trip.

U.S. plane destroyed by Egyptian fanatics

The Iranian newspaper *Jomhuri-ye Eslami* on May 16 carried a report boasting of the destruction of a U.S. spy plane by Muslim fundamentalist revolutionaries in the Egyptian army. The report says:

“Reliable Islamic sources have announced that at the beginning of 1985, Egyptian Muslim revolutionaries destroyed a U.S. advanced spy plane at a Cairo airfield. The United States claimed that the plane caught fire as the result of an air accident in Cairo.

“Islamic movement sources in Egypt have stated that the United States decided to

send this plane to Iraq with 17 U.S. military experts who work aboard it, following the restoration of diplomatic relations between Baghdad and Washington. The sources . . . added that this plane had flown several times over the battlefronts between Iran and Iraq and carried military information to the Saddamist regime.

“It landed at Cairo airport for refueling. A unity of the Islamic movement in the Egyptian Army attacked it with rockets and destroyed it. All the experts working aboard it—numbering 17 persons—were killed.”

Tanzanian President warns of debtors' cartel

“There will be an African debtors' cartel,” declared Tanzanian President Julius Nyerere in discussions with German government officials in Bonn on May 22. Nyerere added that the International Monetary Fund “was not designed to help the developing nations, but it is used to control the economies of poor countries only to enable them to pay their debts.”

The African leader stressed that “debts can mean weakness and strength at the same time—if the Africans stop paying their rates, debts will turn into strength.” This, said Nyerere, would be “effective, even if not fully organized as a cartel.”

In a meeting the previous week in Tanzania with West German Minister of Development Policies Jürgen Warnke, Nyerere attacked hopes that after his resignation from office in autumn this year, the IMF might find it easier to move into his country: “Our government will never agree to policies which mean riots, and would force our police to shoot at Tanzanian citizens!”

Lebanese blame the Post for car bomb

The Christian “Lebanese Forces” militia has blamed the *Washington Post* for a bomb blast

that killed 40 people in Beirut on May 22, UPI reports. The militia charged that sensationalist reports run by the newspaper gave terrorists an incentive to carry out the atrocity. The *Post* reported the previous week that the U.S. Central Intelligence Agency had links to a Lebanese military intelligence unit that allegedly hired unidentified agents who went on a “runaway mission” and set up the explosion.

“This article was outrageously used by the tendentious Lebanese media to disgrace the Christian community,” the Lebanese Forces’ statement said. “On the ground, this was translated into a collective massacre. Did the *Washington Post* know that its article was going to be exploited for inter-Lebanese partisan purposes? Did the *Washington Post* know its article would be an incentive for terrorists to perform such a disgraceful act?”

“The *Washington Post* only wanted to make a scoop, but the price for it was paid by innocent Christians.”

The CIA has denied training any Lebanese counter-terror squad, as has the Lebanese Army.

Drug mafia threatens EIR lawyer in Venezuela

Numerous death-threats have been received by lawyer Dr. Randolph Rosal Machado, who is representing *EIR* in its appeal to the Supreme Court of Venezuela to reverse the decision of a lower court banning circulation of *EIR*'s book, *Narcotráfico, SA (Dope, Inc.)*. The book exposes the financial networks that run the international drug trade, and names prominent Caribbean businessmen linked to these circles.

During the second week in May, Dr. Rosal Machado received an anonymous phone call from an individual who said: “You are such a brilliant attorney. . . . Why should you want to die so early?” Another caller warned: “If you have a gun, you should carry it.” And a third person threatened: “Why don't you just stick to the usual cases, and not get involved with foreigners?”

Narcotráfico, SA was banned on March 5, 1985 by Caracas judge Aurelio Abreu Burelli, in response to a suit filed by Venezuelan multi-millionaire Gustavo Cisneros—an associate of David Rockefeller—and his associate José Rafael Revenga. The suit claimed that the book was “defamatory” and should be banned because its authorship was “anonymous” and could not be traced for prosecution for defamation.

Dr. Rosal Machado’s countersuit, presented to the Supreme Court May 6 (see *EIR*, May 28, 1985, p. 38), showed the “anonymity” allegation to be absurd, since both *EIR*’s and the publisher’s names are visibly displayed in the book. *EIR*’s lawyer also argued that the suppression of *Narcotráfico, SA* constitutes an intolerable abrogation of the right to free speech.

The Venezuelan Supreme Court accepted Dr. Rosal Machado’s brief and, in a move reflecting the political importance of the case, limited access to the proceedings to the parties directly involved.

Soviets probe shock waves, weather mod

Radio Moscow on May 20 reported new developments in Soviet scientific research (all with potential military implications):

- Soviet scientists are studying shock waves produced in the magnetosphere by the solar wind, as well as “interplanetary shock waves” produced by solar flares. The latest study involves a joint Soviet-Czechoslovak project which has built “a novel data-recording and calculating system,” the Prognose 10 satellite, which can “detect and record the passage of a flying object at supersonic speed” when it encounters the shock wave.

- “Project Hydrocosmos”: Experiments have just been completed with “dry” deep-sea diving, in which divers in pressurized chambers experience extreme high pressure equivalent to a dive to a depth of 300-450 meters.

- Weather modification: Scientists have achieved what Radio Moscow called “limited control of weather phenomena,” including reducing the amount of snowfall in Moscow by 20%.

Sharp threat to West seen in Greek election

June 2, the day of the Greek elections, may turn out to be the day of doom for the civilized world. If Premier Papandreu succeeds in imposing his Pasok party for a second term, Greece will be irrevocably lost to the West. It will make its departure from NATO official and join the Moscow warlords.

The Soviet-engineered decoupling of Greece, would trigger the breakup of the entire Balkan area. A new Bulgarian empire would be reconstituted out of the shards of what are now Greece and Yugoslavia, Albania and Croatia would fall under Venetian control and the Turks would be left with Istanbul, perhaps, while the mainland would be taken by the Soviets. For NATO, this would be tantamount to losing not only the southern flank, but all access to the Middle East and Northern Africa. Moscow would be in the position it has been jockeying for, for months, able to cut off oil supplies to Western Europe, and take it over without a whimper.

Within Greece, more than a whimper will be heard, if the Soviet ambassador in Athens, Igor Andropov, pushes forward with this scenario. As political observers in Athens stress, the coup pretensions of Papandreu could provoke guerrilla warfare, in which the 20,000 or so estimated Soviet operatives on the scene, would clash in bloody street fighting with the opposition. That prospect of civil war would be Moscow’s gameplan for the breakup of the region.

According to informed estimates, the only forces capable of rallying the Greeks against the Soviet takeover, reside in a coalition between exiled King Constantine, the retired military leaders, and ex-President Karamanlis.

Briefly

- **NICARAGUA** will be granted “favored association” status by the European Commission, said Claude Cheysson, the president of the EC, in Brussels on May 19. This will allow it to buy cheaper in Europe and sell at better prices to the European Community. The measure is meant to counter President Reagan’s economic embargo against the Nicaraguan military junta.

- **THE EUROPEAN SPACE** Agency and the Soviet Academy of Sciences discussed “peaceful cooperation in space,” at a joint conference in Leningrad on May 15. According to the Soviet daily *Izvestia*, Academician R. Sagdeev dissimulated: “It is the duty of each scientist today to fight by all means against space militarization.”

- **GREAT BRITAIN** has registered a protest at NATO headquarters in Brussels over Greece’s “unprecedented” refusal during the third week in May to allow a British ship taking part in a NATO exercise to refuel at a naval base in Crete.

- **ANTHONY EDEN** demanded the assassination of Egyptian leader Gamal Abdel Nasser during the 1956 Suez crisis for seizing the strategic waterway, a former official said on May 24. Sir Anthony Nutting, who resigned as foreign office minister to protest handling of the crisis, said Eden called for Nasser’s death six months before British and French troops entered Egypt to recapture the Suez canal in November 1956.

- **PRINCE PHILIP** has launched a “special environmental task force” to carry out studies in Africa on the relation of “environmental problems” to population growth. Done under the auspices of the International Union for Conservation of Nature and Natural Resources, a Swiss-based eugenicist organization, the studies will attempt to link the question of African drought to “environmental decline.”

MOVE: Suicide-terror cult builds climate for terrorism

by William Salisbury and Mary Goldstein

In a national television broadcast on Sunday, May 19, Democratic Congressman John Conyers of Michigan announced that he will organize a national crusade against police departments of the United States in reaction to the May 14-15 incident in Philadelphia where a police action against the terrorist MOVE cult turned into a fiery tragedy. Despite the fact that Philadelphia's black community showed overwhelming support for Mayor Wilson Goode's handling of the MOVE incident, and despite the support for Goode by Philadelphia's black police association, the Guardian Civic League, Conyers pledged that his House Judiciary Committee, would carry out a probe of Goode's actions against MOVE.

During this same broadcast, Conyers also openly threatened Los Angeles Police Chief Darryl Gates with an investigation of "police brutality" for having dared state on national television, that his review of the conduct of Mayor Goode and the Philadelphia Police Department indicated that they had acted responsibly and competently under the circumstances.

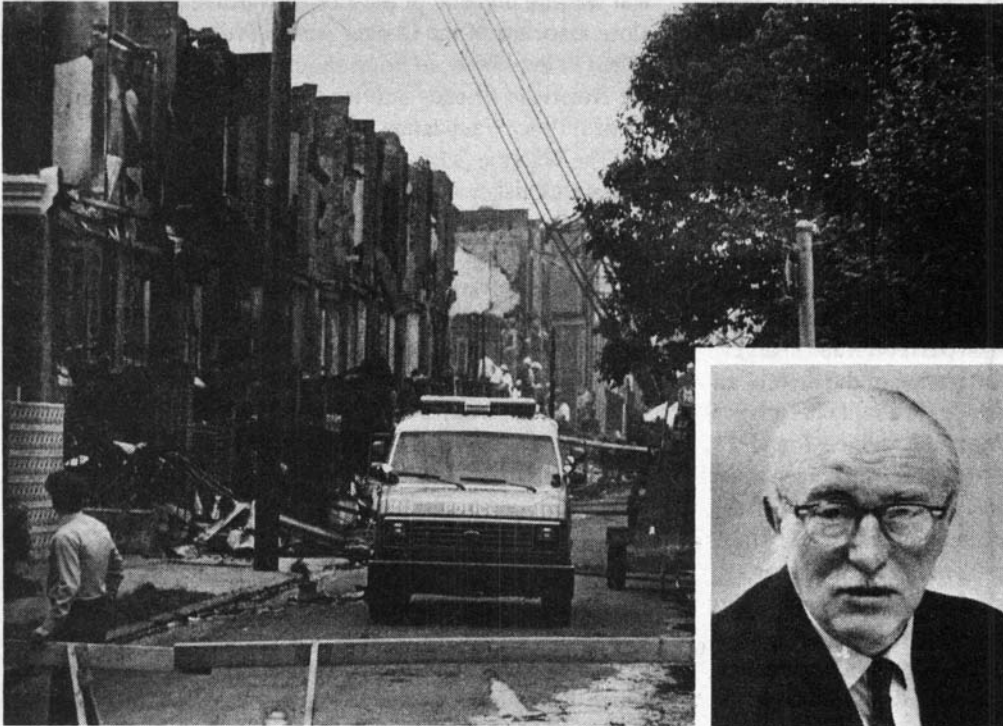
Under the heat of the scandal whipped up by the likes of Conyers, a leading KGB-influenced Democrat in the Congress who supports every Soviet fifth-column initiative from the campaign to stop the Strategic Defense Initiative to U.S. Central American policy; and William Kunstler, the *éminence grise* of terrorist support in the United States, Mayor Goode has announced the creation of an 11-person commission in Philadelphia to investigate the incident. The commission is, predictably, expected to focus its investigation on the role and behavior of the police.

The MOVE provocation did not come without warning; it was entirely preventable. As long ago as 1978, this publication wrote, following the police shootout with MOVE in that year: "Say the words 'police brutality' in Philadelphia, or anywhere else in the U.S., and you will immediately conjure up for the average citizen the image of the bloody showdown between the MOVE group and the Philadelphia Police Department." What was required then—as now—was a thorough investigation of, and dismantling of, the networks which created and supported MOVE: the "social engineers" of the Wharton School and the American Friends Service Committee.

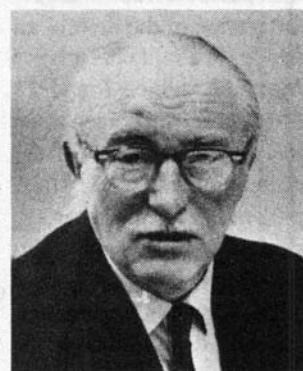
The crusade to pin blame on police is particularly dangerous in light of signs of reactivation of the domestic terrorist scene. Libya's Muammar Qaddafi is putting \$30 million into Rev. Louis Farrakhan's Nation of Islam operation, to build a black separatist, terrorist apparatus in the United States. As the MOVE violence showed, this new terror wave could take the form of suicide-terrorist actions of the type that have gutted the Middle East through the Soviet and Syrian-led "Islamic Jihad" group.

Domestic terror alert

● **BLA/Weather Underground:** As the Philadelphia incident was taking place, on May 15, four men were apprehended following the brutal slaying of a North Carolina highway patrolman on I-95 near the North Carolina border. Intelligence sources believe that the four men apprehended may have been in flight because of a raid on a series of BLA/Weather Underground safehouses on the East Coast. The



NSIPS/Don Mallory



The MOVE terrorist cult was incubated during the 1970s by "social experimenters" trained by British psychological warfare expert Dr. Eric Trist (right). Now, the stage is set for an explosion of racial violence. Shown is the MOVE headquarters in Philadelphia, destroyed in a shootout with police on May 15.

men, sources say, may have been part of a network harboring Weather Underground fugitive Marilyn Buck in a Baltimore safehouse, until her arrest May 13 in New York. Buck was charged with using false identification to help her and other terrorist suspects evade capture after the 1981 Brinks holdup in Nanuet, New York.

The Baltimore safehouse was rented last February and was said to contain one Uzi submachine gun, one .22 caliber automatic pistol, one .38 revolver, disguise material, and equipment for making laminated false identification papers. At the site of the Baltimore safehouse, a woman named Laura Jane Whitehorn, 40, assaulted police as they tried to enter.

The arrest of Susan Rosenberg and Timothy Blunk in November 1984 in Cherry Hill, New Jersey, in which 800 lbs. of dynamite, hundreds of electric blasting caps, weapons, and federal law enforcement ID cards were seized, indicates the nature of the breakouts which they were planning for their imprisoned comrades. Sources in Texas think that the dynamite was part of a shipment stolen near San Antonio about a year and a half ago. Blunk had rented the trailer to haul the material from a rental place in New Haven the morning of the day they were arrested at a rental storage facility in Cherry Hill.

The car used to pull the trailer was registered to Louise Harmon, one of many aliases they have used, with an address at 147 Boston Post Road, Orange, Connecticut. Other aliases: William Bassler, Barbara Grodin, Susan Knowl, Carol Rhodes, Joan Mayers, Ann Erickson, Dora Brightwell, and William Hammons. All of these names had IDs to match. Sources in New York believe that the February 1985 Brinks

truck robbery in Staten Island, New York that netted \$800,000, was the work of this group. The group that carried out the robbery had the keys to the back door of the Brinks truck, which was from the Rapid Armour Corporation, Scholes Street, Brooklyn. At their hearings, the accused terrorists blasted the police for the MOVE incident!

● **Traditionalist Navajo, Hopi, and AIM:** There is a growing potential for armed confrontation at Big Mountain, Arizona, over a 1974 law, supported by the tribal chairmen of the Navajo and Hopi Indians, calling for the reappportioning of lands held jointly by the two tribes in northeast Arizona. On July 7, 1985, the period for voluntary moving ends and the "traditionalists" of both tribes, now occupying the encampment of Big Mountain, are mooting another Wounded Knee incident—like the bloody clash between federal law enforcement agents and the AIM in the 1970s which left one U.S. marshal dead. Their lawyer is Kunstler associate Lew Gurwitz, of the National Lawyers Guild.

One of the American Indian Movement (AIM) people in the Southwest connected with this operation is Larry Anderson. Anderson was a jurist at the second International World Tribunal on Reparations held by the African People's Socialist Party, in which the judge was BLA lawyer Randolph Scott-McGloughlin of the Center for Constitutional Rights.

● **El-Rukn:** El-Rukn is the "Islamic"-sounding name taken by the gang formerly known as the Chicago-based Black P. Stone Rangers.

Early in May, an El-Rukn "general" accused in three drug-related murders, was arrested with three other gang members. The "general," James H. Walker, 30, along with

"generals" Earl Hawkins (aka Gen Man Sur), Anthony Summers (aka Gen. Hajri), and Alvin Toney, was arrested in an East Cleveland, Ohio safehouse, while awaiting transportation to a Caribbean island. The safehouse belonged to the Black Hebrew Nation.

Police link the April 22 shooting of another member to a fight for narcotics turf and a power struggle to take over the street gang in the absence of Jeff Fort, the founder, who is serving a lengthy jail term for a narcotics conviction.

● **Black Hebrew Israelites:** In Los Angeles, Clarence Turner Jr., the sixth-ranking member of the Chicago-based Black Hebrews, has been indicted on passport fraud charges. Turner is a figure in a federal investigation of the theft of an estimated \$10 million in airline tickets. In a raid on Turner's South Side Chicago residence March 7, police found 11 stolen airline tickets and a ticket-validating machine stolen from O'Hare International Airport in 1978. Many of the 2,000-member Black Israelites are in Dimona, Israel, where they are led by former Chicago resident Ben-Ami Carter.

● **MOVE-BLA-Shi'ite Muslims:** The *Philadelphia Inquirer* reported that, while some members of MOVE were holding off police with gunfire, a MOVE sympathizer, Leslie Garner, who lived nearby in another MOVE house, was visited by a man who identified himself as Salahuddin Abdullah. Abdullah stated to her that he was a Shi'ite Muslim, one of a group of Muslims who had gone to nearby Cobbs Creek Park on that Monday before dawn "to monitor the situation." He said they had taken weapons and gas masks with them.

In Chester, Pa., a police affidavit attached to a search warrant issued by the local magistrate, showed that a MOVE sympathizer, Larry Howard, 38, was a former BLA and Black Panther member. Howard, who was seen recently traveling between the MOVE houses in Philadelphia and Chester, has an extensive criminal record that includes arrests for robbery, burglary, and assault, and was convicted of shooting a Philadelphia police officer in 1972. He was sentenced to 7¹/₂ to 15 years for shooting police officer Thomas Parson in the head near Holmesburg prison, as he stumbled upon Howard and another man attempting to help two inmates break out of jail.

The two inmates, Russell Shoits and Robert Jayner, were serving time for the 1970 murder of Philadelphia Fairmount Park police Sgt. Frank Vonsloon. Howard also was cited in the affidavit as "being capable of having connections which would enable him to get both weapons and explosives."

The origins of MOVE

Back in 1979, following the 1978 MOVE-police shootout, investigators from the Citizens for LaRouche presidential campaign released a pamphlet that showed how MOVE was created out of the Wharton School's Management and Behavior Science Center, under the direction of Dr. Eric Trist. Trist was associated with the London Tavistock Institute, the brainwashing clinic that grew out of the psycholog-

ical warfare division of the British wartime army. Trist is a close associate of the Quaker Action Project that was established in the 1960s, to bring about an operational merger of the American Friends Service Committee and the Bertrand Russell Peace Foundation.

The Wharton School's Eric Trist and the American Friends Society's Quaker Action Project launched the Movement for a New Society, and the creation of the MOVE cult in the Powelton Village section of Philadelphia. During the mid-1960s, after several years of profiling, testing, training operatives in drugging and brainwashing gang members, welfare mothers, and ex-convicts, the MOVE project was ready to go.

The man who made 'John Africa'

MOVE was created by Donald Glassey, a white graduate of the University of Pennsylvania School of Social Work, whose masters thesis, "Citizens' Participation by the Poor," was written in close collaboration with the Wharton School's Management and Behavior Science Center. Dr. Eric Trist was the director of the center.

In that thesis, Glassey outlined the belief structure through which he would personally found the MOVE cult within months of his matriculation:

"The recent revolts, or civil disorders, initiated by members of the black community in many American cities have given credibility to a willingness to resort to violence if viable participation is not granted to the poor minority. . . . The general fear of open conflicts and the potential collective economic and political power of the poor are the strength on which the poor can organize to bargain with the power structure. . . .

"It is the professional social experimenter's responsibility to utilize the real power of the poor . . . to confront the economic and political institutions . . . those institutions which directly affect the daily lives of the poor—i.e., public schools, police departments, landlords, etc. The continuation of this oppressive condition of the poor minority may lead increasing numbers of the poor to the conviction that there is no effective alternative to violence as a means of redress and changing the social system. . . . The poor minority, non-white and/or white, have the power at their disposal to deny peace and stability to the affluent majority and ultimately to destroy the country. . . . His [the professional social experimenter's—ed.] job is to persuade the people to move. . . ."

Glassey spent the first months after graduation in Jamaica, a scene of numerous Tavistock experiments in drugs and cults. Before his return to Philadelphia, he mailed two large voodoo dolls stuffed with marijuana to his home. The dolls were discovered and on Jan. 19, 1971, Glassey was arrested. The case against him was thrown out of court on a procedural error, and the Penn social engineer was freed to begin his recruitment for MOVE.

Working out of his Powelton Village apartment, Glassey recruited a 40-year-old itinerant worker named Vincent Lea-

phart and convinced the man that he was a "genius." At Glassey's behest, Leaphart changed his name to "John Africa" and, along with his social work controller, formed MOVE. Under the pretext of running a drug rehabilitation and gang rehabilitation program, Glassey drew together a group of nearly 50 gang members, addicts, veterans of psychiatric institutions, and at least two former members of the American Nazi Party. He also began accumulating an impressive stockpile of sophisticated weapons and bombs. In the summer of 1977, Glassey was indicted and convicted on federal weapons charges. Early the following year, he turned state's evidence against the group.

A Tavistock, Quaker 'social experiment'

MOVE was the Frankenstein creation of "social experimenters" at the University of Pennsylvania's Wharton School, linked to the London Tavistock Institute, the brainwashing clinic that grew out of the psychological warfare division of the British Army during World War II. Critical funding and "street-level" support of the group was provided, from the beginning, by the American Friends Service Committee and the AFSC off-shoot, Movement for a New Society.

MOVE was never a product of any "socio-economic conditions" or "community." The MOVE organization was designed, and its parts assembled, by an inter-departmental team at the University of Pennsylvania, using dope, brainwashing, and funds from U.S. government agencies and liberal foundation grants. In the late 1960s, a gigantic program of experimental "social engineering" was begun under the leadership of the Management Science Center at Penn's Wharton School of Finance. Teams of Wharton students, Penn sociology students, Community Organizing Group members from the School of Social Work (Donald Glassey's alma mater), faculty members from various departments, and tandem federally-funded "researchers" in the Young Great Society project under Herman Wrice, deployed into the depressed Mantua-Powelton Village area around the university.

According to students and faculty involved in the project, a flood of dope was used to soften up the "guinea pigs"—welfare mothers, convicts, drug addicts and others. Participants described the meetings held with gang leaders and members: rap sessions, "attack therapy" sessions, and hardcore brainwashing sessions to achieve "identity reorientation," and "loyalty transfers," to the researchers.

In 1970, Eric Trist was brought in from England, where he headed the Tavistock Institute for Human Relations' Human Resources Center, to head up the project. The Manage-

ment Science Center was renamed the Management and Behavioral Science Center, and the Busch Center was created "as a satellite of the MBSC to house research directed at assisting minorities in their self-development efforts." The project was guided "by the assumption that the black communities should be given an opportunity to solve their own problems in their own ways, and thereby, enter a learning process in which they can deal with their own difficulties long after outside resources cease to be available."

The guiding assumption of the project, as expressed in Wharton's ongoing "International Cities Project," is the idea of a "post-industrial" society of limited resources, and overpopulation. Russell Ackoff, another Wharton "social systems scientist" from Tavistock, was happy to report three years ago that "Philadelphia is already becoming a post-industrial city. It is already contracting nicely by itself."

The Dean of the School of Social Work, under whom Donald Glassey wrote his "action" thesis, was an officer in British Intelligence Service during the war, who described himself as a "socialist," and who raved against the "evils" of industrial development and technological progress.

The American Friends Service Committee (AFSC), headquartered in Philadelphia, and its offshoot, the Movement for a New Society (MNS), provided financial, logistical, and other support to keep the MOVE fires burning during the 1978 confrontation with police. And AFSC-MNS led the charge against "police brutality" after the shootout.

The AFSC, which wielded an \$11 million "program" budget in 1983, has a solid history of terrorist support and safehousing, closely tied with its leadership in the international "peace" and anti-nuclear movement. On both counts, the AFSC warrants close law enforcement investigation. The AFSC set up, in 1973, a Justice Committee, whose three organizers went on to become founders in 1975 of the George Jackson Brigade, responsible for over a dozen bombings and bank robberies in the Seattle area from 1975-80. After arrest, the three terrorists retained public positions on the committee, one listed as the "resident" director of the project inside Walla Walla prison!

The AFSC has spawned innumerable "action projects," that put it at the center of the anti-apartheid movement, the "sanctuary" movement, the American Indian "rights" movement, the anti-nuclear movement, and the peace movement. AFSC prides itself as the initiator, in 1981, of the Nuclear Freeze Campaign with its "Call to Halt the Arms Race." In 1983, AFSC managed campaigns against deployment of U.S. Euromissiles, and in 1984, AFSC sponsored the neo-Nazi Green Party leader Petra Kelly's visit to Philadelphia. AFSC has, as part of its disarmament crusade, sponsored for years "friendship" tours of Soviet delegations.

AFSC has also been actively involved, since 1977, in the movement to promote pederasty. Three leading AFSC personnel participated in the 1982 Philadelphia conference of the NAMBLA group (North American Man-Boy Love Association), including MNS founder George Lakey.

Georgetown conference plots decoupling of NATO

by Kathleen Klenetsky

U.S. strategic policy, dealt a possibly fatal body blow by the Senate's recent approval of a freeze on military spending, is coming under attack on another key front: its commitment to defend Western Europe. On May 15-17, Georgetown's Center for Strategic and International Studies, held a conference in Washington to advance the plot to "decouple" the United States and Europe—whereby Moscow hopes to so weaken and divide NATO, that its scheduled 1987-88 military offensive against the West will triumph.

The meeting took place just days after President Reagan had visited Europe for the express purpose of reassuring the allies that the United States was committed to their defense. But that didn't stop the "conservative" CSIS, nor the former and present members of the Reagan administration who attended, from conspiring to sabotage the President's stated policy toward Europe.

Billed as a conference on "The Future of East-West Relations," the CSIS gathering featured such proponents of decoupling as former Reagan United Nations Ambassador Jeane Kirkpatrick, Zbigniew Brzezinski, the Polish aristocrat who served as Jimmy Carter's National Security Adviser, and Henry Kissinger. Also participating were State Department representatives.

CSIS is an influential think tank which has placed its people in key Reagan administration positions (e.g., former CSIS Director David Abshire is now ambassador to NATO), and has been in the forefront of the "decoupling" scenario. In 1984, it published a study which claimed that the principal security threat to the United States had shifted from the Western European theater to Latin America, and called for redeployment of U.S. troops from Europe to the Americas. The *Strategic Requirements for the Year 2000* report was commissioned by the U.S. Army, and has greatly influenced administration policy.

CSIS also functions as home base for Henry Kissinger,

who attempted to popularize the notion of a U.S. disengagement from Europe in an essay in *Time* magazine in March 1984. Kissinger's article was seized upon by another CSIS associate, Sen. Sam Nunn (D-Ga.), to justify the amendment he introduced last June mandating a 50% reduction in U.S. troop strength in West Germany.

Kissinger was speaking for his masters in both Moscow and the Western oligarchy, who have been conspiring to clinch a "New Yalta" deal, which will divide the world into "Eastern" and "Western" feudalistic empires. Under this deal—which the Kremlin has no intentions of honoring—the Western elites have agreed to allow Western Europe to become an economic satrapy of the Soviet Union, giving the Russian imperialists complete control over Europe's industrial base.

'Fixation' on Europe?

The decoupling scenario calls for the Soviet Union and its assets in the State Department to create a classic diversion in Central America and Mexico. The turmoil there would be used to lure Reagan into a deeper military engagement in the area. Once enmired, Vietnam-style, Reagan would be forced to redeploy troops from Europe to Central America. And once the American military presence had been sufficiently reduced, the Soviet Union could rule Europe without firing a shot.

Soviet leader Yuri Andropov had hinted at such a scenario in April 1983, when he told the West German magazine *Der Spiegel*, that the Soviets would give the United States a free hand in Nicaragua, in exchange for U.S. recognition that the Soviet sphere of influence included Western Europe and South Asia.

This was precisely the line taken by the CSIS conference. The tenor of the meeting was established by Kirkpatrick, who opened the conference by castigating America's "fixa-

tion on Europe." Kirkpatrick argued that "the most significant problem for the U.S. lies outside of NATO in the Third World, which is the area of greatest Soviet expansion. . . . I fear that we believe our security concerns were defined forever in the immediate postwar period."

One of the most fervent proponents of enhanced U.S. intervention in Central America, Kirkpatrick is touring the country raising money for the Nicaraguan "contras."

The practical implementation of this "strategic reorientation," was laid out by Brzezinski, who declared that America's priority should be to encourage a "neutralized Europe," on the model of the 1955 Treaty of Vienna, which established Austrian "neutrality." "There is too much rigidity in the U.S. attitude toward its troop commitment to Europe," Brzezinski charged. "I believe there is a disproportionate degree of U.S. effort focused on Europe. . . . We must consider changes in the U.S.-European relationship which today we might be inclined to rule out."

Citing Kissinger's *Time* article, Brzezinski called for the withdrawal of U.S. troops from Europe, even while admitting that this "will not be followed by a Soviet troop withdrawal" from Eastern Europe! But don't let that bother you, Brzezinski assured his audience. A U.S. pullout will intensify political pressures on Moscow, from both Western and Eastern Europe, to allow the "reunification" and "neutralization" of the continent. Reiterating what was a constant theme of the conference, Brzezinski claimed that the real Soviet threat to the United States is coming from Central America.

Brzezinski's credentials as a strategic thinker are less than impressive: During the Carter era, he urged that the United States back Islamic fundamentalist insurgencies in the Mideast, on the grounds that this would infect the Muslim minorities in the Soviet Union. The result of that gambit was the Khomeini takeover of Iran, the shrinking of U.S. power in the Mideast, and the strengthening of the Soviets' own "Islamic card."

Kissinger: Seek accommodation

The final speech of the conference was left, fittingly, to Kissinger, who intoned solemnly that the time has come for the United States to seek an accommodation with Moscow; because of internal political and economic problems, now is one of the few times in which the Soviet leadership is inclined to reach an arms-control agreement. Kissinger put the burden of reaching a breakthrough on Reagan. The administration, he said—not Moscow—"will have to overcome many philosophical preconceptions."

The major preconception that Reagan must get rid of, Kissinger hinted, was his commitment to the Strategic Defense Initiative (SDI). Although Kissinger went to great lengths to portray himself as a supporter of strategic defense—he claimed that he has entertained "grave misgivings" about Mutually Assured Destruction (MAD) ever since he cooked it up in the 1960s, and he attacked the arms control

community, of which he is a charter member, for "insisting that we hold our populations hostage to nuclear annihilation"—he nevertheless made it quite clear he wanted an arms-control treaty based on "linking offensive and defensive weapons systems."

That is a jesuitical formula for strangling the SDI by trading off its development for an agreement by the Soviets to reduce their offensive arsenal.

Kissinger's attempt to pawn himself off as an ardent advocate of the SDI, went somewhat awry when *EIR*'s correspondent asked him whether, given his own claim to support the program, combined with SDI director Lt. Gen. James Abrahamson's revelations that the Soviets are ahead in both ground-based lasers and particle-beam technology, he didn't think that the United States should abrogate the ABM Treaty and embark on a crash program to develop the SDI.

Kissinger turned ashen, fumbled with his papers, then answered, with quaking hands and trembling voice, "We must have defensive systems. But I don't think the Soviets are ahead of us in ABM technology. They don't act like they are. If they were, then they wouldn't be trying to put a ban on strategic defense. The Soviets have never tried to ban a system that they were ahead in!"

Decoupling in high gear

The timing of the CSIS conference coincides with a gear-up of the decoupling scenario. Developments over the last weeks, since Reagan decided to embargo Nicaragua, strongly indicate that the scenario is rapidly becoming operational. One sign of this was CIA director William Casey's May 17 speech to the San Antonio World Business Council, in which he claimed that Nicaragua will become a "Latin American Lebanon." Casey stated that the Sandinistas have taken "33 out of the 46 steps" intelligence analysts say are on the Soviet Union's blueprint for seizing and consolidating power there. He added that the Soviets and Cubans want Nicaragua for a "beachhead" and a "launching pad" to subvert the rest of Central America and Mexico, and that Nicaragua's Marxist government is a threat to the Panama Canal.

Moreover, *EIR* has learned that the President has been presented with an "intelligence analysis" showing that the Sandinistas are planning a massive offensive against rebel forces, to begin circa June 15.

Proponents of the "New Yalta" deal see in the recent deep cuts which Congress has imposed on defense spending, a golden opportunity for forcing the United States to make sharp cuts in its military commitment to Europe. As various speakers at the meeting gleefully pointed out, the fact that the United States has itself now fallen below the 3% military spending guidelines mandated for NATO members, will make it much more difficult to convince Europe to maintain a sufficiently high level of military spending to ensure NATO's viability. Should President Reagan fall into the Central American trap, which the CSIS meeting helped to bait, that will surely seal Europe's fate.

Summer timetable set for Moscow's plans

by Gretchen Small

An intelligence report, outlining details of a planned, all-out, Sandinista military offensive against rebel forces based along the Nicaraguan-Honduran border, was placed on President Reagan's desk upon his return from Europe, security sources in Washington report. The report specifies, that the Sandinista offensive is currently planned to start on, or about, June 15, and that East German and Soviet advisers are to play an active role in the Nicaraguan military's campaign.

Reportedly, two policy options to counter the Soviet escalation have been prepared for the President: one, for U.S. military forces to go in, guns blazing, in a preemptive strike against the Nicaraguan military; the other, for U.S. military forces to go in, guns blazing, *after* the rebel forces have been nearly destroyed.

Neither option threatens the Soviet estimation that the United States will react in a fixed, bull-headed, way to Soviet provocations. Unless those options for response are altered, Moscow is now confident of its July-August timetable for successful completion of its goal of removing U.S. military forces from Europe, and into a Western Hemisphere conflagration.

Mexican security sources report that 60,000 Nazi-Communist shocktroops, training under the National Action Party (PAN), have also been given June 15 as their target date to go into action, unleashing a wave of violence before Mexico's midterm elections on July 7. State Department officials working on Mexico say the Department is basing its Mexico operations on the expectation of civil war after the elections, including in its planning, consideration of possibly redeploying U.S. military forces from Europe to the Mexican border.

The networks of Henry Kissinger and his buddy George Shultz, backed by liberal monies flowing from the coffers of the Reverend Moon cult, are moving rapidly to lock the Reagan administration into this Soviet operation, as evidenced in the ravings displayed at the May 15 CSIS conference (see page 64).

A special 20-man team of Army officials, operating under the Readiness Command headed by Gen. Wallace Nutting, has been charged with drawing up U.S. army contingency plans for intervention into Central America, according to a May 4 *New York Times* report. Specified as the strategic underpinnings of the project is the idea that the main concern

of U.S. strategic interests lies in combat missions in the "Third World," and not in defending Europe—the premise advocated by Kissinger and the CSIS crew.

Embargo—part of set-up

President Reagan's announcement of a commercial embargo against Nicaragua on May 7 was a product of the Kissinger strategy, reversing the opportunity for securing momentum toward peace in the area, which had been opened by Reagan's own proposal for a rebel ceasefire inside Nicaragua, offered less than a month before. That Reagan initiative had been welcomed by the United States' Ibero-American allies. Members of the Contadora Group—a coordinating body for Ibero-American policy in Central America formed by Venezuela, Colombia, Mexico, and Panama—immediately urged both Nicaragua and the United States to press forward on direct peace discussions.

The embargo, signaling the start of escalated retaliation against Nicaragua, has met with universal condemnation from Brazil, to Peru, to the countries of Contadora. Every Ibero-American country but Pinochet's Chile supported a condemnation of the embargo at the May 13 meeting of the Latin American Economic System (SELA).

The atmosphere of confrontation following the embargo collapsed Contadora efforts to force Honduras and Nicaragua to reduce military actions against each other, leading instead to increasing crisis along their border. On May 10, the Honduran government declared an 150 km strip along the border an emergency zone, and declared its Security Council in permanent session until the crisis is resolved, following Sandinista incursions against rebel bases in Honduras. Negotiations between the United States and Honduras on drafting a Mutual Security Pact, which would specify U.S. military support in case of violations of Honduras's border integrity, have also been stepped up.

The Soviets are now positioning themselves to "mop up" in Ibero-America in the wake of a U.S. military intervention into Central America, and against Mexico. Anti-Americanism is already sweeping the region, in reaction to continued U.S. support for the destruction wreaked by the International Monetary Fund.

Nationalist defense of sovereignty in Ibero-America crosses all ideological barriers, as was seen in the fury produced by American support for British colonialism during the 1982 Malvinas War. The damage done to hemispheric relations by that violation of U.S. treaties with Ibero-America, has not yet been repaired; as the Soviets well know, U.S. military intervention into Central America, will rip up any remaining treaty commitments with the U.S. South American allies.

The warning delivered by Rockefeller's friend, Venezuelan businessman Gustavo Cisneros, last December, when he told the Spanish magazine *Cinco Días*, that if U.S. troops invade Nicaragua, "I will be the first to go out to burn the American flag," is merely indicative of planned Soviet actions.

The IMF's new friend

One wise old patriot expressed due caution about Rep. Jack Kemp (R-Buffalo) recently. "I never trust a man with a hairdo prettier than my wife's," he said.

Kemp proved worthy of such distrust, when he bowed to pressure from James Baker III the third week in May to back a plan for \$237 million in supplemental funding for the World Bank and other "multilateral development banks" (MDBs). Guarding his carefully coiffed "New Right" conservative image for his 1988 presidential bid, Kemp had blocked the additional funds until that week.

But, according to a Washington report, when Treasury Secretary James Baker III testified in favor of the supplemental funds before the House Foreign Affairs Subcommittee, he was told by Rep. Dave Obey (D-Wis.) that the measure would not pass without total Republican support. Therefore, Baker chose to gently persuade Kemp to override residual opposition among some Democratic congressmen, to advance the cause of the International Monetary Fund (IMF)-World Bank global economic dictatorship.

This is only the latest in the shocking sequence of events that have occurred in this town since the mid-April meeting of the IMF Interim Committee, when plans were mapped out to extend IMF powers over the U.S. economy. These plans will be articulated in a special report currently under preparation by a committee of the Group of 10 of the IMF that will be ready by mid-June.

Robert Morris, deputy undersecretary of state, told me that the report will advocate "much more meaningful" IMF surveillance over the U.S. economy—"not only," in his words, "in terms of policy matters, but also performance." Low inflation rates and lowered growth rates are the IMF's two principal targets.

Health care on the chopping block

This IMF dictatorship—which Kemp has now capitulated to—is the context in which Congress is going wild in its frenzy to lay waste to the defense budget, the quality of the nation's health care, and other vital programs in the name of "cutting the federal deficit."

In the case of health care, in addition to another \$4 billion in cuts in the Medicare and Medicaid programs, the FY 1986 budget proposed by the administration advocates taxing anything over \$70 per month received in private health care insurance by an employee from his company!

In response, a spate of bills has been introduced into Congress to enable systematic chiseling of employee health care benefits, to keep costs within the \$70 per month parameter. Bills introduced by Gephardt (D-Mo.), Dannemeyer (R-Calif.), Specter (R-Pa.), and Wyden (D-Ore.) are designed to contain costs for private health care plans.

This frenzy to slash quality health care brought two contrasting views into town the week of May 20.

One, an expensive public relations job by the Kaiser Family Foundation, was a press conference to unveil the results of a Louis Harris poll, designed to prove that the public approves of the idea of cost-cutting "health maintenance organizations" (HMOs), as a

substitute for traditional medical treatment methods.

HMOs are "subscription" health services, where an individual pays a fixed monthly rate. The HMO remains solvent only if it is able to treat patients, on the average, for less than the fixed monthly income, and, under conditions of strong competition, HMOs are faced with strong "incentives" to cut corners on quality of care.

Humphrey Taylor, president of Louis Harris and Associates, made the case for the poll's alleged results—designed to help congressmen sell the treacherous budget cutbacks back home.

However, under tough questioning from the *EIR*, the pollster conceded that over two-thirds of the physicians surveyed asserted that HMOs "lower the quality of care to an unacceptable level . . . by performing fewer lab and diagnostic tests than may be necessary, employ less qualified doctors and do not allow for adequate doctor-patient relationships."

Taylor, however, insisted that this was just sour grapes by those doctors—citing a Rand Corporation study showing that the 20-25% savings enjoyed by HMOs over traditional health-care methods come mainly from keeping patients fewer days in the hospital.

So much for such "cost containment" schemes. Candice Owley, head of the National Federation of Nurses and Health Professionals meeting in Washington the third week in May, said that early removal of patients from hospitals on "cost containment" grounds has resulted in a new mass home care "industry," as patients are forced to turn their own bedrooms into hospitals, and hire their own medical help. Owley said lack of adequate training and regulation is going to lead to abuses in this area, that will make nursing-home abuse horror stories seem child's play.

Congress sells out national security

On May 23, 1985, the U.S. Congress, under the guidance of the KGB and the International Monetary Fund, voted to give the Soviet Union the ability to launch a first strike against the United States by no later than 1988. In separate actions on the Senate and House floors, President Reagan's Strategic Defense Initiative, the MX missile program and his overall defense buildup—for which an overwhelming majority of Americans voted in the 1984 presidential elections—were decimated.

The acts of infamy included:

- House passage, by a vote of 258 to 170, of an overall budget resolution which cuts the defense budget by 3 to 5% over last year's budget. Only a tiny minority of several dozen voted for an alternative budget which would have held defense spending to last year's level.

- Senate passage of a "bipartisan sellout" which limits production of MX missiles to 50—one-half the number requested by the White House and one-quarter of the original Carter administration request for 200 missiles. Only 20 Senators voted against this amendment, put forward by Soviet asset Sen. Sam Nunn (D-Ga.). However, at least 5 of those 20 Senators voted against the Nunn amendment because they don't want any MX missiles built.

- Senate and House acceptance of funding levels for the Strategic Defense Initiative (SDI) which cut the President's original program up to one-third. (At press time, an amendment put forward by Senators Chaffee (R-R.I.) and Dale Bumpers (R-Ark.) to slash the SDI even further was still pending.)

The opposition to this treason totaled no more than 10% of the House and 15% of the Senate. Sen. Malcolm Wallop (R-Wyo.) spoke for the desperate minority in the debate on the Nunn amendment on May 23: "This amendment places us directly in harm's way. . . . It is the death knell of MX, it is the death knell of the counterforce capability of this country, it is the death knell of our future in missilery, and it is coupled with the death knell of SDI by the budget this Senate has already passed."

Wallop did not quite say it, but—unless President Reagan is provoked to break out of his current acquiescence to IMF dictatorship and Congressional treason—it is also the death knell for this country. As *EIR* founding editor, Lyndon H. LaRouche, Jr., has warned, the Soviet Union will have an operational ability to launch a first strike against the United States by 1988, unless the United States unleashes a Manhattan Project-style mobilization for directed-energy beam weapons in the immediate months ahead.

President Reagan himself pointed, for the first time, to the looming Soviet first-strike threat during his just-completed trip to Western Europe. However, from the moment in mid-April that Treasury Secretary James Baker officially agreed to IMF surveillance over the U.S. economy, the President's words have been hollowed out by his capitulation to the international bankers' demands for more austerity and more defense budget-cutting.

Hence, his May 18 weekly radio address, which vowed to accept no more compromises on the defense budget and to take his case directly to the American people, was quickly followed by his administration's accept-

ance of the Nunn "compromise" on the MX. The "compromise" of 50 missiles was between Nunn's original amendment calling for a 40-missile cap and the administration's request for 100 MX missiles. Orchestrated by NSC Adviser Robert McFarlane, Senate Majority Leader Bob Dole (R-Kan.), senior Senate Armed Services Committee member John Warner (R-Va.) and Nunn, the compromise was given the stamp of approval of the President who called it "a bipartisan expression of continuing support for our strategic modernization program." In the wake of what Wallop called the "bipartisan sellout," administration officials conceded that they had not mobilized in time to beat back Nunn.

Senate debate on S. 1160, Defense authorization bill

Sen. James McClure (R-Ida.), May 22 floor debate: "The question is whether we are going to take away from the negotiators at Geneva 600 warheads with no compensation at all from the other side. That is unilateral disarmament."

McClure, later in debate: "[Sen. Nunn] indicated that we can respond as the Russians are by building two new systems. . . . [E]verybody in this Hall knows that the [Soviet] SS-24 and the SS-25 are violations of the agreements now in force. . . . [T]o have the same latitude to do what the Russians are. . . . we have to be prepared to violate treaties or political commitments."

Sen. Malcolm Wallop (R-Wyo.): "We do not hear the Russians today worrying much about the MX. We are

taking care of that for them. They are more concerned about SDI. . . . [Sen. Nunn] claims he is driven by concern about vulnerability. But vulnerability is a hogwash issue here, because he and others on his side have voted to limit the SDI. The real things that we could do right now to protect both American missiles and American people. There are technical capabilities we can build into protective weapons now. . . . What has the U.S. Senate done? We have been sitting in here cutting the defense budget down from a needed real growth to a growth only for inflation. Finally we will agree with the House on something less than zero growth. We have done nothing but cut weapons. SDI is going down. Do you want to take care of the vulnerability of our missiles? Build SDI now."

Wallop continues: "This amendment is fraudulent and its backers know it. Nor are this amendment's backers prepared to accelerate SDI. Rather they are working hard to postpone it. They want to postpone SDI into the mid nineties so some other President at some other time can face some other Congress with as weak a will as this one. . . . But act as if we did not know how to defend against missiles, as if nobody in the world knows whether it can be done—this is bizarre. We are sitting here with the Soviets' own admission that next year they are going to fly a chemical laser in orbit."

Senator McClure, May 23 floor debate: Soviet arms control violations "that relate directly to the MX area are: that the SS-25 is a second Soviet new type ICBM when SALT II allows only one new type ICBM. This is the 'Soviet Midgetman.' . . . According to press reports, 200 of these may be deployed in violation of SALT II. And here we are arguing today over wheth-

er we should cap MX at 40 or 50 or 100, when the Soviets have 218 mobile ICBMs similar to our Midgetman, which will not be operational at best until 1991, and the Soviet SS-24 rail-mobile ICBM is better than the Carter racetrack MX and is also about to be deployed.

". . . Since 1979 the number of Soviet strategic nuclear delivery vehicles increased by about one-fourth, and Soviet nuclear warheads more than tripled. . . . U.S. strategic forces are lower today than they were in 1979.

". . . The Soviet ICBM warhead advantage is over 6 to 1. This is a true Soviet first-strike, counterforce capability, and this is the key, most important measure of military power in the world today. This Soviet ICBM first strike counterforce capability cast an ever-deepening shadow over . . . the entire world."

Sen. Dan Quayle (R-Ind.): The Nunn "amendment . . . is the end of MX. It is a killer amendment. It is an amendment that, as leading opponents of the MX have said, is the death knell for MX. It is supported by anti-MX lobbyists like SANE, Common Cause, and Green Peace that have been against MX from day one.

Sen. Symms on Soviet Military Power

Sen. Steve Symms (R-Ida.) on the recently-published book, *Soviet Military Supremacy: The Untold Facts About the New Danger to America*, by Quentin Crommelin, Jr., and David S. Sullivan:

"[Politicians] in the country often prefer political safety and inaction rather than action and leadership to see

if we can secure freedom and peace. . . . This is nothing new. This happened prior to World War II.

"While the Soviet Union is engaging in the most massive military buildup in all history, most Western politicians are still insisting on minimizing the significance of these activities.

"The principal thesis in this book . . . that I had the privilege to write an introduction to . . . is that the Reagan defense buildup . . . really has not happened, and [that] congressional actions . . . have forced the Reagan defense spending program substantially below the levels recommended in 1981 by President Carter.

"The authors assert that conditions which existed in Britain in the late 1930s, wherein the public was misinformed about the weakness of British defenses and the extent of the Nazi military buildup, are being repeated today in the United States."

Symms entered the following footnote from the book into the *Congressional Record*: "The Soviets are developing or deploying four new types of ICBMs: the SS-24, the SS-25, the SS-X-26, and the SS-X-27. U.S. analysts estimate that the SS-X-26 will have a 5-ton payload with extreme accuracy to a range of 7000 nautical miles. The SS-X-26 and SS-X-27 will both be larger than the already gigantic Soviet SS-28 which is 7 times larger than the U.S. Minuteman III. The SS-18 force of 308 on-line missiles . . . carries total ready warheads with explosive power greater than the entire U.S. ICBM and SLBM force combined. Meanwhile, Congress has stalled production of the U.S. MX ICBM, which is one-half the size of the SS-18. The first MX cannot be operational until 1987 or later in any event."

National News

SDI director hails space research pioneers

Lieutenant-General James Abrahamson, the director of the U. S. Strategic Defense Initiative (SDI), praised the scientific work of the late Dr. Krafft Ehrlicke, in an interview in the Rome daily *Il Tempo* on May 22, on "The Research Behind the Space Shield." Ehrlicke was a part of the Peenemünde team of German scientists, who came to the United States after World War II. The inventor of the Atlas-Centaur rocket, he made major contributions to the NASA space program, and laid the conceptual foundations for man's coming industrialization of the Moon and other planets.

"... The prospects [for civilian application of the technologies arising from research in the Strategic Defense Initiative] are exciting, apart from strictly national security considerations," Abrahamson said. "The only limit to the application of the new technologies, as Krafft Ehrlicke would say, is that of our creative capacity. In fact, the larger portion of great innovations in the field of production—those innovations which create new markets and form the basis of new industries—is the fruit of technological victories, more than of any specific market demand. . . . In this sense, I like to think of the SDI as an integral part of a new Renaissance in space. . . . Our activities in space have created new opportunities for us to expand our knowledge of the universe and improve the quality of human life. . . ."

Texas politician kills bill to feed Africa

Texas State Rep. Paul Ragsdale of Dallas has carried out his threat to kill a memorial resolution which called for a "Marshall Plan" to aid Africa, and economic recovery measures that would include the abolition of the International Monetary Fund (IMF). The resolution, HCR 151, was drafted by the Schiller Institute, and introduced by State Rep. Samuel W. Hudson of Dallas.

The resolution points out that the presently idled capacity of Texas agriculture and industry could be mobilized to develop Africa, reactivating the underutilized Gulf Coast ports of Texas, and generating the revenue needed to avoid slashing state programs.

Ragsdale, a black Democrat who represents a generally poor district, carried out a personal crusade to defeat the resolution. On March 4, he distributed a memo to all members of the House, on his letterhead, in which he quoted slanders put out by the dope lobby's Anti-Defamation League, that the Schiller Institute and Lyndon LaRouche are "far-out conspiracy theorists and anti-Semitic allies of the Ku Klux Klan."

He had the resolution assigned to his committee, so that he could prevent it from being discussed or brought to a vote. Ragsdale has repeatedly defended the IMF, blaming the crisis in Africa on "communist African governments."

Court questions Weld's harassment of LaRouche

U.S. District Judge A. David Mazzone, in hearings in Boston on May 21, sharply questioned a representative of U.S. Attorney William Weld, concerning his conduct in the investigation into organizations associated with Lyndon H. LaRouche. "Mr. Small, what are you trying to do? Why are you bothering these people?" the judge asked.

Weld's office has targeted LaRouche and his associates for financial warfare operations, using charges of "a massive pattern of credit card fraud." Assistant U.S. Attorney Daniel Small insisted that two of the subpoenaed organizations—the National Democratic Policy Committee and the Fusion Energy Foundation—had made only "perfunctory" compliance with their subpoenas, which required them to present financial documents. In fact, their attorneys argued, they had produced so many cartons of documents that Small needed a cart to haul them all away!

Attorneys for the subpoenaed organizations have filed a Motion to Quash the sub-

poenas issued to Campaigner Publications and Caucus Distributors, Inc., charging that Weld's investigation "is being conducted for purely political motives and for the purposes of harassment and intimidation of citizens of this country in retaliation for their exercise of their right to political participation."

Doctor opposes bid to starve man to death

Dr. Richard Field, chief physician at New England Sinai Hospital in Dedham, Mass., told a probate judge on May 24 that he had seen victims of starvation in a Nazi death camp, and therefore could never deprive a patient of food and water. He was testifying in a case in which Patricia Brophy is demanding the removal of a feeding tube from her husband Paul, who suffers from brain aneurysm.

Dr. Field, speaking for the hospital, declared: "I saw literally thousands of people who had been subject to both dehydration and starvation, both dead and dying. I think Brophy is in good condition, and it's going to take a lot of starving to die." Rejecting the arguments of the self-proclaimed Right to Die lobby, which has made this case a national *cause célèbre*, he said, "As far as I am concerned, there is no 'dignified' way to die."

The Brophy family is being manipulated by two "experts," Dr. Ronald Cranford, professor of medical ethics from the University of Minnesota, and Fr. John Paris, S.J. Both testified that Brophy would feel no pain at being starved to death, and should be allowed to "die with dignity." Paris said that it was "morally wrong" to feed Brophy.

The new domino theory à la George Shultz

Secretary of State George Shultz, in an address at the State Department on April 25 titled "The Meaning of Vietnam," compared U.S. policy during that debacle to cur-

rent developments in Central America.

"Our goals in Central America are like those we had in Vietnam," he said. "In Central America, our policy of nurturing the forces of democracy with economic and military aid and social reform has been working—without American combat troops. And by virtue of simple geography, there can be no conceivable doubt that Central America is vital to our own security. . . .

"Just as the Vietnamese communists used progressive and nationalist slogans to conceal their intentions, the Nicaraguan communists employ slogans of social reform, nationalism, and democracy to obscure their totalitarian goals. . . . Like the Vietnamese communists, they have become a threat to their neighbors. . . . Here is your parallel between Vietnam and Central America."

Schiller Institute shakes up Capitol Hill

Three hundred and eighty lobbyists from the Schiller Institute converged on Capitol Hill on May 22, to nail their congressmen on three issues: 1) implementing the Strategic Defense Initiative for antiballistic-missile defense, on a crash basis, and reversing the treasonous Senate vote to freeze military spending; 2) ending U.S. support for the International Monetary Fund (IMF), and 3) the war on drugs.

Here are selected responses to this constituent organizing from a number of elected representatives:

● Cong. Howard Berman (D-Cal.): two aides met with a delegation, which informed them that the IMF's austerity policies would create the conditions for the spread of the deadly AIDS disease from Africa to the United States. Said one aide: "Are you saying the IMF is more genocidal than Hitler?" Told that the answer was "yes," he replied: "Then get out of here. We support the IMF."

● Rep. John Conyers (D-Mich.), when asked if he would lead a fight against the IMF, replied flatly, "No."

● Sen. Robert Dole: His office called the police when a delegation from Chicago began to sing "The Star-Spangled Banner."

● Rep. Marjorie Holt (R-Md.): "The economy is fine!" Ninety percent of Savings and Loan banks had just closed their doors in her state.

● Sen. Ted Kennedy: His office called the police when a delegation from Boston arrived.

● Rep. Parren Mitchell (D-Md.) was seen escaping through a back elevator.

● Rep. Major Owens (D-N.Y.) met with a delegation from New York and agreed to introduce a resolution against the IMF into the Congress, on the model of one which passed the Alabama state legislature unanimously in April.

Rally organizer Tony Papert told the lobbyists, who gathered later for a noisy demonstration on Capitol Hill: "If we permit 300 million people to die, we will be judged for this. That is why we are here today. Today 400 people rallied to save civilization, and you can be sure your voices were heard, even if the aides and congressmen you met today were utterly immoral."

Senate votes to deliver 'Bolivia to drug mafia'

The Senate voted on May 15 to terminate all aid to Bolivia, unless that country can demonstrate a 10% reduction in drug production and transshipment. Sen. Paula Hawkins (R-Fla.), sponsor of the measure, motivated it on the grounds that "Bolivia must be forced to accept its responsibility in this situation. . . . We in the U.S. must not accept this situation from Bolivia. With the enactment of this legislation, we would be saying to the Bolivians: You continue to produce and market your coca crop, you will lose U.S. aid, all of it."

Certain high-level U.S. officials who don't want to be named are furious about Hawkins's bill, which will throw Bolivia into the hands of the drug mafia—and the Soviet Union. The Bolivian government of President Siles Zuazo has attempted to fight a War on Drugs, under conditions of economic collapse and blackmail from the International Monetary Fund and other creditors.

Briefly

● **SIXTY AIDES** to U.S. congressmen attended a *soirée* at the Soviet embassy in Washington during the second week in May, the first time that this kind of thing has happened since 1974—the hey-day of the Kissinger era. So far as public reports of the evening have indicated, the aides were lavishly entertained with food and films.

● **JESSE JACKSON** improved his "foreign policy credentials" during his recent trip to Europe, and now emerges as a strengthened "potential candidate for President in 1988," the *New York Times* cheered on May 19. Jackson told the Europeans to resist being an American "colony" in the military and economic spheres.

● **THE WASHINGTON TIMES** reneged on its contract to print an advertisement from the National Democratic Policy Committee on May 22, a two-page spread consisting of the speech given by Lyndon H. LaRouche in Düsseldorf, West Germany on May 12. The speech was titled, "Prospects for Improvements in U.S.A. Cooperation with Europe on SDI Development." Instead, 20,000 copies of the speech were printed up and distributed in Washington, with the kicker: "This is the ad the Washington Times refused to print."

● **REP. JACK KEMP** claimed that he was unaware of the recent IMF decision to place the U.S. economy under surveillance. Asked by *EIR* on May 24 whether he would fight the move, he replied: "If it's true, I'll fight it. I can't believe that James Baker would endorse such a thing. The political process can't stand much more IMF austerity. We're losing our friends, like Sudan. . . . I don't favor the IMF substituting itself as an authority over the governments of the U.S., Israel, Sudan." We're ready, Jack.

Editorial

Enter the 1,000-year Reich?

While intelligence "experts" such as Henry Kissinger put out the line that the Soviet Union is in the throes of a "succession crisis," that will bring it to the negotiating table, there is quite a different process dominating that country. We refer in particular to the preparations for the celebration of the 1,000th year anniversary of the "Christianization" of Russia—preparations for celebrating the real 1,000-year Reich.

Nor is it simply the rule of the Russian oligarchs over their own people which is being celebrated. The leaders in the Kremlin, the church, and the military are well aware that, if current Western behavior continues, they will be exercising *world* power by that date.

We are rapidly approaching the point at which President Reagan—not to mention the current heads of state in Europe—is doomed to become the *last* President of the United States, leaving the Soviet Union the unchallenged ruler of the world.

A quick survey of the world situation more than substantiates this somber judgment.

In Western Europe, the Soviet Union is exercising dominant political power, to the point that the only solidly pro-American regime, the West German Kohl government, is threatened with collapse. Already, Willy Brandt has taken up the task of running diplomacy with Moscow, for all intents and purposes ignoring the official government in Bonn.

It might appear that this is a dramatic reversal from the situation that prevailed when President Reagan was in Europe early in May. The President clearly created a breach in the Soviet momentum with his German trip, particularly with his speech at Hambach Castle; but in no way did his administration follow up this opening, with concrete commitments to a joint Strategic Defense Initiative, or other tangible offers.

There is an equally dismal picture in Asia, Africa, and the Middle East, where the Soviets have been given a free hand to deploy separatist-terrorist groups against one another, in a manner typical of the Byzantine Empire. Yet none of the nations in these areas is able to

turn to the United States, since the United States is still standing squarely behind the foremost executioner of nations, the International Monetary Fund.

If anything, Ibero-America is a more dismal scene from the standpoint of U.S. interests. Henry Kissinger and U.S. support for the IMF have done everything possible to hand the continent over to the Russians, who are posturing like mad against the IMF.

But the most alarming, abysmal situation is in Washington, D.C. itself, where the combined legislatures of the United States have carried out the orders of the IMF and the KGB to the point of dismantling the defenses of the country!

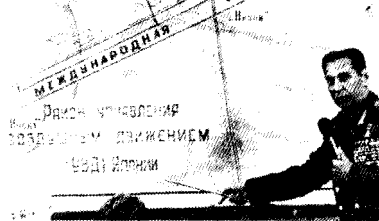
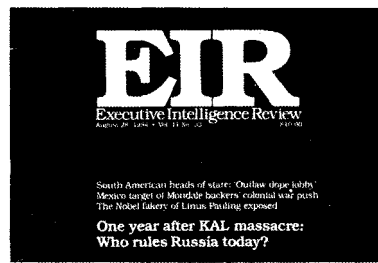
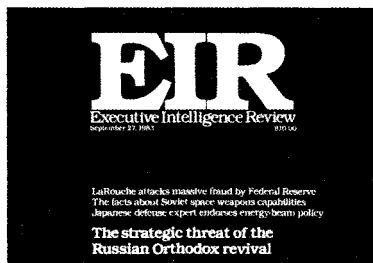
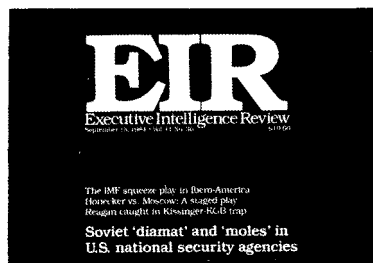
We do not exaggerate in the least. As was stated by a small group of patriots during the Senate debate on the MX missile May 23, the United States has lost its nerve in front of the most determined Soviet challenge.

To read about this vote in the press, is to learn about one more "compromise" on the part of an administration that has defined itself as committed to rebuilding the nation's defenses, above all else. That does not define the singularity of this situation. What happened, when the Senate, and the President, acquiesced to a cut in the MX missile program to 50 missiles maximum, was a signal of surrender to the Soviets.

There is not a senator among them who does not know that the Soviet Union has throw-weight and ICBMs many times greater than the United States. Nor is there a senator who doesn't realize that the Soviets are far ahead of the United States in their program for strategic defense. Yet, it is as if they don't care. The very representatives of our national government appear to have forgotten that the principles on which our country was based, are worth fighting for.

It is impossible not to see the self-satisfaction spreading in the Kremlin. With each new step in dismantling U.S. defenses, their objective comes nearer. Unless republican citizens step forward soon to change the direction of government, the 1,000-year Reich is close indeed.

Who Really Rules Russia Today?



Since the spring of 1983, when Lyndon LaRouche first laid out his groundbreaking analysis of the “Third Rome” imperialism that forms the Soviet Union’s cultural matrix, the author and his associates from the staff of *Executive Intelligence Review* have developed rich documentation of the thesis. Russia is not a communist state! Marxism there was adapted to the pre-existing Russian ideology, to “agrarian socialism” and the cult of Mother Russia. *EIR*’s material is indispensable for the specialist as well as for the patriotic citizen determined to preserve the values of Western Judeo-Christian civilization. Photocopies of highlights of this coverage are now available for **\$100**.

Includes:

- Why the Kremlin rejected President Reagan’s March 1983 offer to jointly develop antiballistic-missile technology and replace Henry Kissinger’s MAD doctrine with Mutually Assured Survival.
- LaRouche’s analysis of “Soviet ‘Diamat’ and ‘moles’ in U.S. security agencies.”
- The rising influence of the military since the death of Yuri Andropov and the shootdown of Korean Airlines flight 007.
- The Russian Orthodox Church and the evil spirit of Dostoevsky today.
- Why Zbigniew Brzezinski’s dream of using Islamic fundamentalism to fragment the Russian Empire is a fraud. Moscow’s creation of the “Islamintern.”

- Also includes two paperback books by Mr. LaRouche: **Will the Soviets Rule in the 1980s?** and **What Every Conservative Should Know About Communism.**

... and much more

Special offer: A companion dossier, “The Ogarkov Doctrine: Soviet Military Deployments for a Global Show-down,” is also available now for \$100—you can order both for a total of **\$150**.

Order from:
Campaigner Publications, Inc., P.O. Box 17726, Washington, D.C. 20041-0726.