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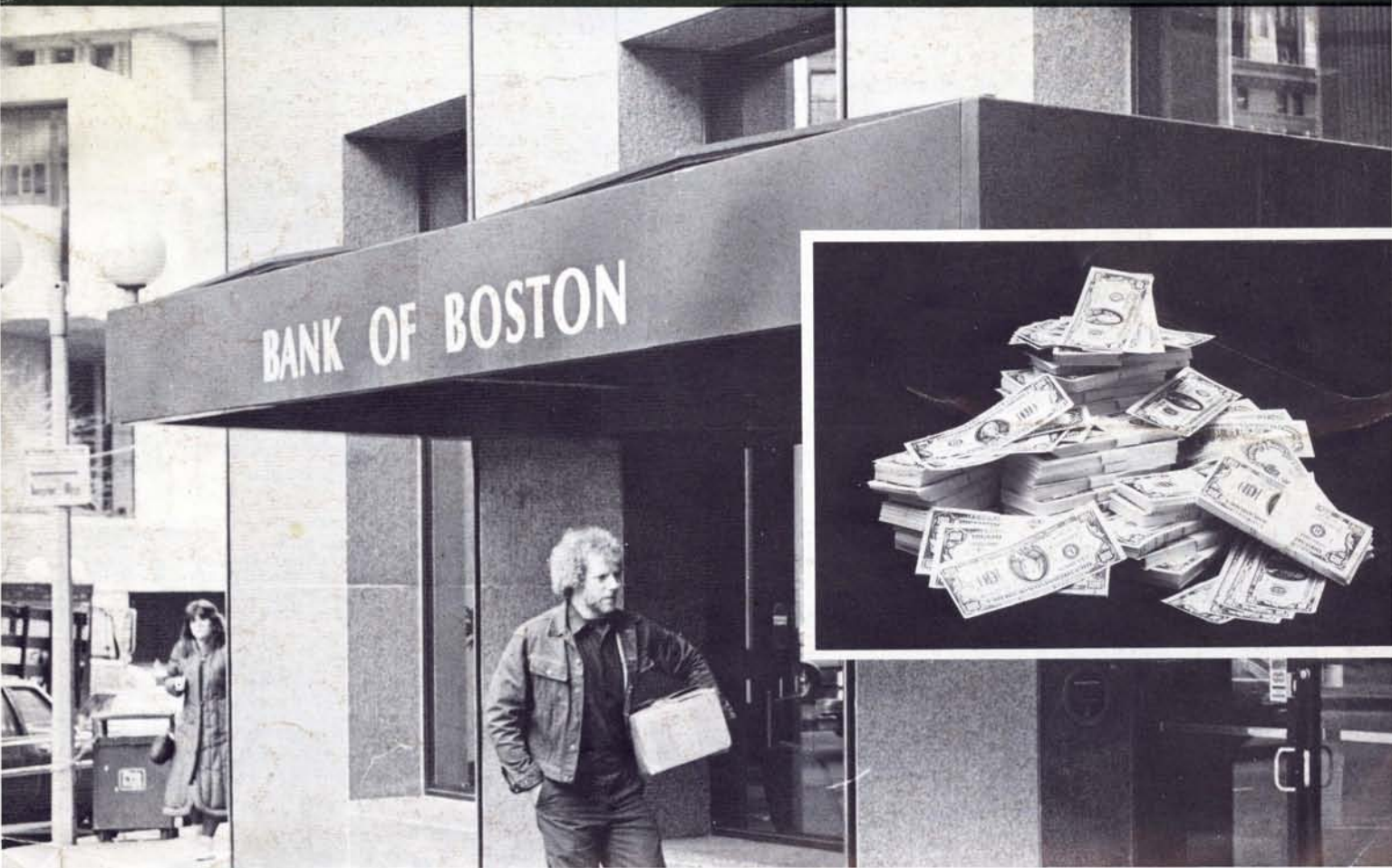
Executive Intelligence Review

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LaRouche on the coming revolt over AIDS
The Extraordinary Synod asserts natural law
Germany's contribution to world development-IV

**Why is Meese watering down
money-laundering legislation?**



EIR

Quarterly Economic Report

The Political Economy of AIDS and How to Fight It

Third Quarter 1985

Executive Intelligence Review

212 pages, over 150 tables and graphs

- **AIDS is becoming the Black Death of the 20th century:** Nearly 10% of the population in a nine-nation "AIDS Belt" in Africa may already be infected; U.S. cases may be 10 times the acknowledged number, and doubling every six months.
- **It is probable that AIDS can be transmitted by respiratory aerosols** as in tuberculosis, and by "mechanical" vectors such as insects in the tropics. It is not merely a sexual and blood disease, but a disease of economic breakdown—the IMF causes AIDS!
- **The Soviet Union controls information flow on AIDS.** Soviet health nistry officials under Sergei Litvinov run the relevant sections of the World Health Organization, and are responsible for the "guidelines" blocking measures of quarantine, prevention, and medical treatment in the West.



In addition, the EIR Quarterly Report continues to represent the only competent analysis available of the U.S. financial situation, the Ibero-American debt and trade picture, the deteriorating profile of the U.S. labor force, and, a special feature in this issue: "Space Age Technology Today." Even as the world careens toward disaster, humanity is on the verge of developing "universal machines," plasma and laser technologies capable of everything from making steel to turning garbage into valuable raw materials.

Compiled under the supervision of Lyndon H. LaRouche, Jr., the world's leading economist.

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Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

Editor-in-chief: *Criton Zoakos*

Editor: *Nora Hamerman*

Managing Editors: *Vin Berg and Susan Welsh*

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

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EIR

From the Managing Editor

Of special note in this issue is Lyndon LaRouche's statement on the coming, second, more explosive phase of the political revolt over AIDS—a medical disease, yes, but one whose containment, pending a cure, poses in the sharpest form everything that is wrong with the economic policies of the United States.

The same issue, actually, is posed by the now-concluded Extraordinary Synod of bishops in Rome, whose final document we excerpt on page 28.

The economic policies of the U.S. government, as Cardinal Ratzinger pronounced, are immoral, because in violation of natural law. That which is in violation of natural law reaps "natural" disasters. AIDS is such a disaster.

I also invite your attention to our cover story on money-laundering legislation (p. 4); the concluding part of Helga Zepp-LaRouche's "Germany's Positive Contribution to World Development" (p. 20), which has now been issued in book form in Germany; and the excerpts from George F. Kennan's *Foreign Affairs* piece, in effect the Eastern Establishment's reply to the Papal Synod, which we couple with George Shultz's speech heralding "the end of the industrial age" (p. 60).

The enemies of this country within are a heathen cult, with, as Kennan insists, no morality whatsoever, as a matter of principle. This cult does pursue one "religious" tenet: to sacrifice man on the altar of the "environment."

Finally, keep your eye on the Mutual Balanced Force Reduction (MBFR) talks in Vienna. After 10 years, they appear to be on the verge of producing results—a disaster of potentially great magnitude.

Our condolences go out to the families and friends of the 248 American servicemen and women who died aboard a DC-8 flying them home from Cairo for the holidays. If this was, as latest reports indicate, the result of an act of terrorism, our *Editorial* (p. 72) has some questions to ask of certain officials of our own and foreign governments.

Vin Berg

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Economics



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The legislation required to stop money-laundering

by Edward Spannaus

The following analysis of currently pending money-laundering legislation and proposed alternative legislation was released by the National Democratic Policy Committee at press conferences in Washington, D.C. and other cities Dec. 10.

The anti-money-laundering bill backed by Attorney General Meese and the administration is neither the toughest bill proposed, nor is most of it even necessary to fight money laundering. In fact, the administration's bill represents a continuation of the Justice Department's efforts to coverup and diffuse the issue of drug money laundering.

First of all, it should be stated that if the Justice Department were serious about shutting down the drug traffic and drug money laundering, it could do most or all of the job with existing legislation already on the books. It is mostly a question of having the will to do so. As the Abscam cases show, when the Justice Department wants to get somebody, they can get him. (However, we are not proposing that the Department perpetuate a pattern of violations of constitutional rights such as represented in the Abscam prosecutions; rather, the point is that existing criminal laws are extremely comprehensive and wide-ranging and—with one exception—perfectly adequate to do the job.

The most glaring case of the unwillingness to apply existing law was the Bank of Boston case: Under existing law, on the books, the Bank of Boston could have been fined \$10,000 civil penalties, and \$10,000 criminally, for each of 1,200 counts of failure to report cash transactions, or \$24 million. Beyond this, the bank could have been fined an amount equal to the amount laundered, that is, an additional \$1.2 billion. Any bank official involved in a willful violation could have been sentenced to five years in prison.

There is one gap in existing federal law: money launder-

ing *per se* is not a crime. The Currency and Foreign Transactions Reporting Act (31 U.S. Code 5311 et seq.) makes it a crime not to report cash transactions over \$10,000, or to report cash transfers out of the country of over \$5,000. If a banker reports the transactions involving laundered money, he has complied with the law. Changing this is the only major modification of federal law which is needed.

Making money laundering by bankers a crime, combined with vigorous enforcement of laws already on the books, would be sufficient to shut down all large-scale drug trafficking within a matter of weeks. It could be done, if the administration and the Justice Department were willing to do it.

Pending legislation

In October 1984, the President's Commission on Organized Crime issued an interim report on money laundering, called "The Cash Connection." The report contained recommended legislation.

However, when Attorney General Edwin Meese sent his proposed bill to Congress on June 13, 1985, it was substantially changed from that recommended by the Commission. It was significantly changed in two respects: 1) The standard of proof to hold a person criminally liable was much stricter than in the Commission recommendation, thus making it harder to obtain a conviction for money laundering, and 2) it broadened the definition of money laundering to include money derived from any illegal activity—thus taking the emphasis away from drug money laundering and organized crime.

At least two other bills were introduced which were almost the same as the Commission's recommendations—by Senator Dennis DiConcini (D-Ariz.) and Senator Alfonse D'Amato (R-N.Y.), which are not backed by the Justice

Department and the Reagan administration.

1) *Standard of Proof*: The recommendations of the President's Commission on Organized Crime, embodied in the DiConcini and D'Amato bills, state that whoever "launders" monetary instruments

... with knowledge or reason to know that such monetary instruments represent income derived, directly or indirectly, from any unlawful activity, or the proceeds of such income, shall be sentenced. . . .

The Meese/administration version says that whoever "launders" monetary instruments

... knowing or with reckless disregard of the fact that such monetary instruments or funds represent the proceeds of, or are derived directly from the proceeds of, any unlawful activity, shall be sentenced. . . .

The distinction is significant, as the administration's own "Section by Section Analysis" shows:

The new section . . . other bills which would have imposed criminal liability on a person *who merely had a "reason to know"* that a transaction in which he took part involved monetary instruments which represent the proceeds of unlawful activity. Rather, criminal liability and civil sanctions under the new section may only be imposed if the government can show that the person had actual knowledge or acted with reckless disregard. . . .

The term "reckless disregard" means that the person . . . is aware of a substantial risk that the funds represent the proceeds of or are directly or indirectly from an unlawful activity but disregards the risk. Thus the required state of mind involves a consciousness of the substantial possibility that the funds are tainted and *is far removed* from the standard of mere negligence or "reason to know." (emphasis added).

Contrasting this with the recommendations of the President's Commission on Organized Crime, it is clear that the Justice Department has in fact watered down this provision. The Commission's analysis of its recommended bill stated:

The second formulation [knowledge or reason to know] is expressly intended to include the concepts of "conscious avoidance of knowledge," "deliberate ignorance," and "willful blindness" in the terms "knowledge or reason to know." . . . This formulation is intended to make clear that either a subjective or an objective standard of intent may be chosen for proof: *that the person either knew in his own mind, or ought to have known* (i.e., that a reasonable man in that person's position would have known) that the monetary instruments were income or proceeds of unlawful activity. . . .

It is this problem of "deliberate ignorance" and "willful

blindness" which the administration bill explicitly rejects. The proper standard is "knew or should have known"; anything else puts an almost-impossible burden of proof on a government prosecutor.

2) *'A Prosecutor's Wish List.'* At the same time, the Justice Department was taking the teeth out of any provision which would have enabled it to convict a banker for money-laundering, it was broadening the scope of the bill so that the bill has almost nothing to do with drug-money laundering anymore.

The Commission version somewhat restricted the definition of money laundering, nevertheless including transactions related to racketeering, gambling activity, extortion, bribery, embezzlement from union pension and welfare funds, violations of the Labor Management Relations Act, and so forth. The administration bill makes no such limitation at all—it defines money laundering as transactions involving any unlawful activity.

All this does is to add the new crime of money laundering to acts already defined as illegal—which is totally unnecessary. Not only is it unnecessary, but it is downright dangerous, for, as we have seen over recent years, the Justice Department much prefers to prosecute its political enemies—political figures, labor officials, etc.—than to prosecute drug traffickers. The government does not need any new laws to prosecute organized crime or criminal activity in general. What we need is for the government to prosecute drug traffickers and those who launder their money: This is our number-one national law-enforcement priority.

One has to ask why the Justice Department sought to so broaden—and thereby weaken—the much more limited and stricter recommendations of the President's Commission. Is it because the Justice Department is more interested in adding new weapons in its arsenal to prosecute its targeted enemies, than it is in shutting down the drug traffic?

It is no wonder that one knowledgeable senator's office described the administration bill as a "prosecutor's wish list."

Even stranger still is the section on extraterritorial jurisdiction. Whereas the Commission's recommendations, and the DiConcini and D'Amato bills, simply provide for extraterritorial jurisdiction for any conduct prohibited by their bill, the Meese bill goes on to list the National Security Act of 1947, the Subversive Activities Control Act of 1950, the Intelligence Agents Identities Act, and the section of the Atomic Energy Act under which the government attempted to prosecute *The Progressive* magazine a few years ago. What does all this have to do with money laundering anyway?

The only conclusion which can be reached is that the Justice Department is trying to take advantage of the current concern over drug-money laundering to broaden its own arsenal of prosecutorial armament, while watering down the recommendations of the President's own Commission on Organized Crime.

NDPC model legislation

All that is needed with respect to new legislation is to add a very simple provision which explicitly makes money laundering a crime, and which provides stiff criminal penalties against banks and against bank officials who facilitate or tolerate it. That is all we need.

The NDPC has found a great deal of interest among state legislators in such legislation. If the federal government will not shut down the money laundries, then many states are ready and willing to do so. The states can enact their own criminal laws, making money laundering a crime and containing tough forfeiture provisions. The states could thereby confiscate the proceeds of money laundering, and thus raise billions of dollars which could be used to pay off state and local debts and meet their own financial needs.

Proposed resolution for state legislative bodies

WHEREAS a state of emergency exists within the United States banking system as a result of the laundering of drug profits through legitimate financial institutions; and

WHEREAS the United States Department of Justice, currently under the direction of Attorney-General Edwin Meese, has consistently refrained from prosecuting chief executive officers and other directing officials of some of America's largest banks for their protection of laundered drug profits; and

WHEREAS it has been found in repeated government investigations and prosecutions of drug traffickers that federal and state banks are being used to launder profits and proceeds from drug trafficking, particularly through deposits of cash and subsequent wire transfer of said profits and proceeds to foreign territories; and

WHEREAS nations such as Colombia, Peru, Guatemala, Bolivia, and Mexico are now engaged in a war on the growth and production of illegal narcotics within their own borders;

THEREFORE be it resolved that the Governor and Legislature of the State of _____ hereby demand the federal government to vigorously enforce all existing laws against drug trafficking and money laundering, and that the Congress of the United States of America enact legislation to explicitly make the laundering of drug money a criminal offense.

Proposed amendments to criminal codes

Both federal and state criminal codes should be amended to make money laundering a *criminal offense*:

I. Any financial institution, which conducts a transaction or series of transactions involving one or more monetary instruments, involving instruments with a value in excess of \$100,000, any part of which is derived from unlawful production or sales of narcotics and dangerous drugs, shall be fined not more than \$250,000 or twice the value of the monetary instruments, whichever is greater, for the first such

offense, and shall be fined not more than \$1,000,000 or five times the value of the monetary instruments, whichever is greater, for each such offense thereafter.

Comment: This provision is very simple—any bank or other institution which launders money is guilty of a crime. There is absolutely no excuse for any bank to be processing large cash transactions—here defined as those in excess of \$100,000—without conducting a diligent and prudent investigation as to the source of the funds. There are numerous, obvious indicators of money laundering, which any competent bank official should be aware of, such as accounts showing no normal business activity, but which are used as temporary repositories before funds are transferred to foreign accounts, transactions involving large numbers of small bills, wire transfers to countries whose secrecy laws are known to facilitate money laundering, etc.]

II. Any officer, director, or employee of a financial institution which launders money, as defined above, with knowledge or reason to know that such monetary instruments represent income derived, directly or indirectly, from unlawful production or trafficking in illegal narcotics and dangerous drugs, shall be imprisoned for a period of five years for the first such offense, and for a period of ten years for each offense thereafter.

Comment: This provision is intended to make criminally liable, all those in the line of authority and responsibility of a financial institution. The standard of "knowledge or reason to know" is intended to include the concepts of "knew or should have known," "conscious avoidance of knowledge," "deliberate ignorance," and "willful blindness." This is the standard recommended by the President's Commission on Organized Crime. Here this provision is intended specifically to cover top-level officials of banks and other financial institutions who are responsible for the institutions affairs, not just lower-level employees.]

Other specifically federal provisions: There should be extraterritorial jurisdiction over the offense of money laundering.

There should begin immediate computer monitoring of deposits and withdrawals of all \$100 bills. The monitoring will be continued for not less than 18 months, and during such time monthly reports shall be filed with the Enforcement and Operations Division of the United States Treasury Department. All violations of the Currency and Foreign Transactions Reporting Act detected from these monitoring reports will be immediately prosecuted by the federal government.

The Currency and Foreign Transactions Reporting Act should be amended, so as to limit what exemptions the Treasury Secretary may grant and specify that casinos, racetracks, sports concessions, amusement parks, and department stores may not be exempted.

Other specifically state provisions: State laws should include stiff forfeiture provisions which would confiscate all monies laundered, plus any proceeds and profits deriving therefrom.

BIS protecting money-laundering

by Mark Burdman

Attorney General Edwin Meese was recently in Switzerland for meetings with relevant officials to "further cooperation" in investigation of drug-money laundering by banking institutions. Given the pattern of Justice Department behavior over recent months, however, one must ask outright if the "cooperation" sought is to involve stopping money-laundering, or covering it up?

Revelations that major international banks based in the United States and elsewhere are involved in "laundering" the proceeds of the narcotics trade and other illicit activities were among the more sensational developments of early 1985. New instances were being reported almost daily, and prosecutions were being launched by the Justice and Treasury departments. After a sensational case involving the First National Bank of Boston, it was learned that 104 other banks were under investigation or had admitted to large amounts of "unreported cash transactions" in violation of the Bank Secrecy Act.

But suddenly, beginning about mid-year, the pace of new revelations began to slow, to the point that, today, the issue of "dirty money laundering" has all but disappeared from public view. What happened?

Certain very high-level banking officials in Basel, Geneva, Zurich, and Berne evidently know the answer to that question. An *EIR* investigation has determined that an extraordinary intervention by the Bank for International Settlements (BIS) clamped the lid on all new disclosures, and with at least implicit agreement from Meese's Justice Department, ensured only the mildest of penalties for major banking institutions caught processing the tens, if not hundreds, of billions in drug dollars.

On Nov. 19, a London banker with experience in the capital markets of four continents told this correspondent: "Here and there, the worms are coming out of the wood on this money-laundering question. As soon as something begins to come to the surface, very quickly, the lid is put on, by the central banks, because of the great uncertainties in the international monetary system, the debt crisis and all that. The central banks are very adept at doing this kind of thing.

The central bankers are their own mafia outfit. The BIS gets together every month, and says, 'What should we do about these kinds of cases?' It's a close 'old boy' network, whose principle is not to upset stability, as they see it. . . . I'm sure they have some kind of special outfit, looking into these kinds of questions."

The "special outfit" is the so-called "Cooke Committee," named after a senior official of the Bank of England, William Peter Cooke. This "Committee on Banking Regulations and Supervisory Practices," based in Basel, was created in the mid-1970s to "regulate" the large speculative flows in and out of the "Eurodollar" market. Since that market is today estimated to be at the level of \$2.5 trillion (at least!), and since that market is in great part dependent on capital flight and laundered money, the Cooke Committee supervises the largest, and most illicit, speculative bubble in history.

"The big Eurodollar banks, love getting flight-capital money," said one source. "Of course, that is intermingled with drug money. Every time someone gets close to the truth on this, the bankers start screaming bloody murder. In particular, they don't like law-enforcement officials going public, and hurting confidence. The BIS is a club of central bankers, and their *last* priority is catching drug-traffickers. There's an implicit conflict of interest, an institutional conflict of goals: The regulators are supposed to regulate, but huge drug deposits are increasing liquidity, which makes the BIS happy. The money-laundering investigations can undermine the confidence trick of banking, so the tendency of the regulators is to quash all reports of money-laundering."

Put another way: According to informed American sources, the message has been delivered to the Reagan administration that if the money-laudries are gone after, the central bankers will crash the monetary system. Of course, this is in large part bluff, since under such conditions of declared war, the White House could be motivated to declare drug-money contraband of war. That, and related measures, would resolve some of the outstanding debt and liquidity problems in the international banking system, almost overnight.

The BIS cover-up

On page 163 of the *55th Annual Report* of the BIS, dated June 10, 1985, it is stated:

"The Committee on Banking Regulations and Supervisory Practices . . . continued to pay particular attention in 1984 to the capital adequacy of international banks. This work has three principal elements: the construction of a framework of measurement designed to facilitate broad comparisons of capital adequacy standards among different international banks; the monitoring of international efforts to strengthen banks' capital positions and their provisions against risk; and *consideration of new developments and techniques in the field of off-balance-sheet business and their appropriate treatment in assessing capital adequacy* [emphasis added]."

Currency Rates

"Off-balance-sheet business" for "capital adequacy"? The "new developments and techniques" cited, for what a normal person calls "money-laundering," were the subject of a Nov. 25-26 conference of the International Institute of Finance (IIF). Mr. Cooke, and at least five other officials of the Cooke Committee, were in Washington, D.C. to participate.

Their panel was entitled precisely: "Capital Adequacy and Off-Balance-Sheet Credit."

The IIF—comprised of 189 banks of the "creditors' cartel"—is chaired by Richard Devereux Hill, chairman of the board of the Bank of Boston through December 1984, covering the period for which that bank was convicted of \$1.2 billion in "unreported cash transactions" with nine foreign banks, including Switzerland's three largest.

Other 'coincidences'

On Nov. 21, a veteran Basel source stated: "I have heard no news of money-laundering here for weeks. The scene is very quiet, since about three months ago." He reported that, around that time, during the last days of August, there was a meeting between officials of the Swiss Federal Ministry of Justice and Ministry of Foreign Affairs, on the one side, and officials of the U.S. Justice Department, State Department, and Securities and Exchange Commission, on the other. On the Swiss side, the officials at the meetings included one Herr Krafft, from the international public law bureau of the Swiss Foreign Ministry, and Herrs Schmid and Krauskopf from the Swiss Justice Ministry. Known U.S. participants included a Mr. Lynch from the SEC, and a Mr. Olson from the criminal fraud division of the Justice Department.

"The talks were the second round of exchanges of this year, to discuss the Legal Aid Agreement (*Rechtshilfe Abkommen*) between the United States and Switzerland, according to which any investigations into bank practices here, must be done by the Swiss authorities themselves," stated the source in Basel. "This has been a cause of contention between the two countries, but the final statement said the talks were very useful, necessary, and constructive, that there had been a climate of cooperation, and not confrontation.

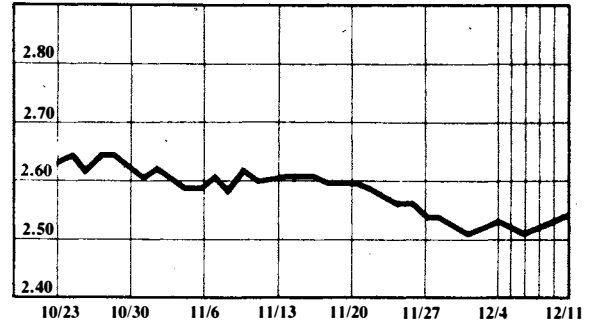
"It may be a coincidence," he concluded, "but you could date the lack of news on money-laundering here, to the same time as these meetings."

In March 1985, datelined Zurich, the *International Herald Tribune* published a feature entitled, "Tracking the Money Launderers: U.S. Officials Look to Switzerland." That piece quotes the head of the President's Commission on Organized Crime, James D. Harmon, saying: "Some international financiers may soon turn into international fugitives. In war time, Swiss neutrality may be viewed as morally admirable, but in the war against the drug trade, neutrality amounts to complicity."

One American source in Europe told this correspondent: "I thought that article would provoke all sorts of things, but instead, the issue is dying. It's very strange."

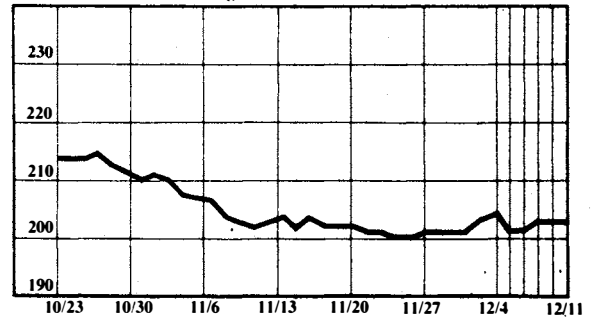
The dollar in deutschmarks

New York late afternoon fixing



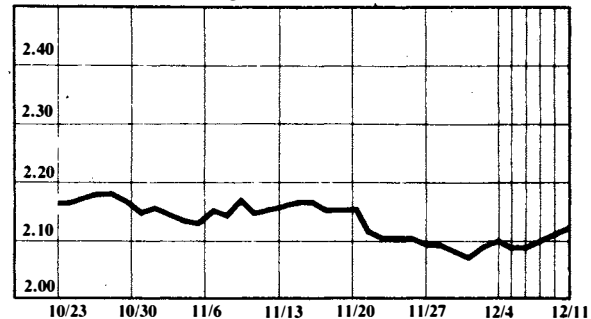
The dollar in yen

New York late afternoon fixing



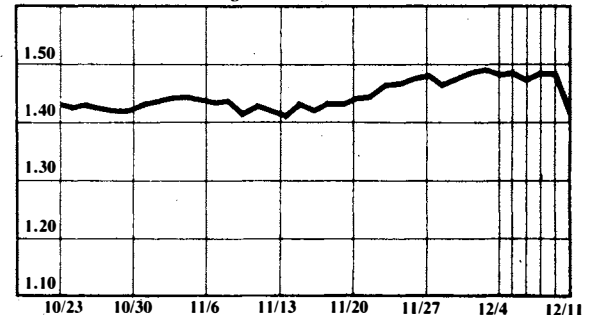
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



Nearing collapse

The FSLIC is holding billions of dollars in paper assets, and a reorganization along the lines of the farm sector is imminent.

On Nov. 30, Jack Anderson reported in his column that the potential widespread collapse of the U.S. thrift industry would have repercussions for the entire domestic credit system. The Sword of Damocles hanging over the industry is the inability of the Federal Savings and Loan Insurance Corp. (FSLIC) to even come close to meeting its obligations to insure deposits in federally chartered institutions. Not only is this situation brought on by the weakness of more than 150 such S&Ls currently in the program, but recently, in Ohio and Maryland, the federal program has just taken on new obligations because of the failure of the state insurance systems.

Now a new attack has been launched on the highly vulnerable FSLIC which could precipitate a crisis that will allow the Treasury to intervene to force a contraction of the entire thrift industry in line with the approach Treasury took in the Farm Credit System crisis. Former FSLIC director Peter Stearns has received widespread publicity for saying that the insurance corporation has issued notes to the thrifts against overvalued collateral. In effect, he is saying that, if the federal insurer had to collect on its note, the assets are not there to cover them.

The FSLIC has only \$4.88 billion of funds in reserve at this time, not nearly enough to cover the number of institutions now in trouble. To avoid disbursing cash, the insurer has deferred recognizing losses from col-

lapsed S&Ls by either ignoring the losses or assigning them to healthy thrifts in what is called the management consignment program. The 23 institutions so placed so far have received FSLIC notes, which they count as capital.

These notes are secured by assets of the thrift, which issues capital certificates to the FSLIC. In turn, the FSLIC has counted these certificates as actual capital, and thereby has added about \$1.4 billion to its reserve fund by this accounting. Stearns, who resigned in November as director of the FSLIC, claims that, within nine months, the FSLIC will have collected about \$2.5 billion of such certificates, but that "for all intents and purposes these loans are worthless."

According to Stearns' accounting, the FSLIC has overstated the value of its reserve by \$1.4 billion and, over the coming nine months, this gap will widen to \$2.5 billion. In effect, the FSLIC is carrying on its books as assets what will prove to be liabilities were it ever to try to collect against its notes.

The situation is heading for a major collapse. According to Stearns, at least 30 more S&Ls, mainly in Texas and Louisiana, will soon collapse into the consignment program. Since the funds are not there to insure deposits, the Corporation will continue to issue its notes against highly inflated real estate assets. And he adds, "The agency is looking at some unbelievable losses, up to \$500 million a crack from

some of the big S&Ls currently in the program."

It now appears that the General Accounting Office is preparing to call the question on the FSLIC. An official of the GAO recently said that the agency will carefully scrutinize FSLIC loans to failed thrifts as part of its year-end audit of the fund. "We will be looking at how collectible they are," he said. The pressure to review these loans is increased because the managers of the insolvent thrifts to whom they have been assigned in the consignment program are planning to claim additional write-offs of their portfolios as a result of recent audits.

The stage is now set for a total reorganization of the thrift industry, and, through it, the U.S. domestic credit system. The FSLIC and its parent, the Federal Home Loan Bank Board, are in exactly the same situation that the Farm Credit Administration and its banking arm, the Farm Credit System, were previously in. Congress has just finished a reorganization of both on the basis of a Treasury Department plan that essentially contracts the system by forcing an orderly write-off of billions of bad debt. The chairman of the Agriculture Committee, Kiki de la Garza (D-Tex.), admitted that this bill did not provide the direct aid sought by the FCS, but instead sent an "important message" of congressional support to the bond market.

The same will now happen to the FSLIC. And, undoubtedly, the Treasury will use the Farm Credit bill as its model. It will force the industry to provide billions to refinance the bad debt, and will then reorganize it to ensure that the availability of credit will decline. What is going on, in other words, is that Treasury is continuing its policy of forcing a bankruptcy and reorganization of the U.S. economy.

Business Briefs

The Invisible Hand

Friedman lashes out at Cardinal Ratzinger

"Cardinal Ratzinger is an ignoramus! There is no connection whatsoever between morality and science!" screeched free-market economist Milton Friedman on Dec. 6, when contacted by a journalist about Joseph Cardinal Ratzinger's Nov. 19 attack on Adam Smith.

"There is no issue of morality involved in why the planets have an elliptical orbit. . . . It's just what is. You want to know what immorality is? It's *fundamentally immoral* for Ratzinger to pose as an expert on economic science when he is not. It is *fundamentally immoral* for Ratzinger and people like him to propose policies that will have the exact opposite consequences of what they intend, because of this confusion between morality and science. You cannot deduce policies from good intentions!"

Asked about the potential for a Vatican offensive on the issue of Ibero-American nations' foreign debt, Friedman replied: "The high officers of the Church are ignoramuses. They will do more harm than good by blundering into areas they know nothing about.

"Maybe there is something like natural law. But it certainly doesn't have anything to do with economics or other sciences."

The Debt Bomb

Swiss bankers fear debtors' cartel

"Now, up to Dec. 15, everybody will keep up the motion on the debt front, because on Dec. 15, there will be the meeting of the Cartagena group, and the banks want to show something, to stop the radical countries from pressing for a debtors' cartel," a Zurich banking source told *EIR* on Dec. 15.

"Of course, if they do [form a debtors' cartel], there is nothing we can do to stop it, frankly," he added, "but the idea would be to find a way to keep the bigger debtor coun-

tries from joining in."

Eighteen heads of state, two prime ministers, seven foreign ministers, and many other ministers are attending, representing some 36 countries—the largest attendance yet at the summit, reflecting African disappointment with the American Baker plan. The French government has let it be known that Paris is "concerned" by IMF policies in Africa.

One special topic was the situation of Sudan, which, on Dec. 8, rejected IMF conditions after a long cabinet meeting. The IMF package concerned the rescheduling of Sudan's \$9 billion debt, on condition that Khartoum pay all its arrears to the IMF immediately—some \$230 million.

Sudan's finance minister was dispatched to Saudi Arabia on Dec. 10, one of Sudan's main financial investors. But both Saudi Arabi and Kuwait are refusing emergency help, unless Sudan signs an agreement with the IMF first.

War on Drugs

Peru calls for coordinated action

The government of Peru has demanded a coordinated international effort against Dope, Inc. There should be a central registry of narcotics convictions and a communications system so that all countries can keep track of traffickers, Peru's delegate to a conference of justice ministers of Ibero-America and the Philippines proposed on Dec. 10.

Swiss bankers are especially worried about the potential impact of the policies of Peru's President Alan García on larger debtor countries, he said. "Peru had already restricted its debt service payments to 10% of exports, and, just now, we learned last night, Alan García has announced that he will stop all payments to the International Monetary Fund, and that he will only pay back countries which lend to Peru. This is the first country to go so far."

He added: "What García is doing now, is one of the possibilities that we had been concerned about since the beginning of the

debt crisis, but now he is actually doing it. . . . We hope that his policies are only meant for Peru itself, and that most of the Latin American countries will not follow suit."

Pestilence of Usury

Ibero-American societies being destroyed by debt

"The debt crisis is causing severe damage, perhaps irreparable to the very essence of our societies," said former Peruvian Economics Minister Roberto Danino on Dec. 10. Danino spoke in Philadelphia on the final day of the 7th Annual Monetary and Trade Conference (Ditchley Conference).

Danino, a lawyer, said that the continuing Third World debt crisis is having "devastating and perhaps irreversible effects upon private enterprise in Latin America," adding that the private sector in most Latin American countries may simply "wither away unless its problems are addressed by those seeking a way out of the Third World debt crisis."

"Despite announcements like the one made at this same conference two years ago by the U.S. Undersecretary of the Treasury [Tim McNamar], the debt crisis is not over. Quite the contrary, it is fully alive and causing severe damage, perhaps irreparable to the very essence of our societies."

Africa

Franco-African summit convenes in Paris

Africa's foreign debt of \$175 billion was the main issue of discussion at the yearly Franco-African Summit which opened on Dec. 12 in Paris. The issue was raised by Organization of African Unity chairman Abu Diouf, who has been campaigning for an International African Debt Conference.

Dr. Luis Gonzalez Posada called for

permanent monitoring of flows of funds through banks, financial companies, and properties. He described how laundered drug funds were used to buy off government officials.

He insisted that, since drug traffickers act like a large multinational company, nations must join together to fight them, and institute uniform policies on investigation, prevention, suppression, and legislation.

International Trade

Soviets seek new plant from Fiat

The Soviet Union has requested that Fiat build a new industrial complex modeled on Togliattigrad in the U.S.S.R.

Nikolai Lunkov, the Soviet ambassador to Italy, told the press in Turin on Dec. 9, "The agreement between Fiat and the U.S.S.R. will be in the sectors of auto production, agricultural machines, diesel engines; the value of the contract is much greater than the value of the existing factory in Togliattigrad."

After a meeting with Schimberni of Montedison, Lunkov continued: "We are working with Montedison for a contract that has a value of one billion dollars."

Recently, Italmipianti (IRI) signed a contract with the U.S.S.R. for a tube factory valued at over \$1 billion.

International Credit

Brazil not interested in IMF mediation

Brazil will negotiate extension of its credit lines without the International Monetary Fund, according to Fernando Bracher, the president of the central bank, who traveled to Washington on Dec. 8 to negotiate directly with Brazil's creditors.

Finance Minister Dilson Funaro told the press, "We will not accept any recommen-

dations of the IMF. We will make adjustments in the manner we consider convenient." He explained that Brazil is paying all its obligations punctually, and that, at the same time, it had achieved economic growth, something which would not be possible if Brazil follows IMF prescriptions.

But Onno Rudding, the chairman of the IMF's Interim Committee, claims that Brazil may soon reach an accord with the IMF. Rudding, finance minister of the Netherlands, told reporters on his return from a seven-day visit to Brazil that his talks with the government there had been "tough but constructive," and he saw signs of accommodation in the fact that the country had not accepted a Peruvian plan for a debtors' cartel.

But at least one Brazilian government official, Dr. Luiz Gonzaga Belluso, finance undersecretary, has stated that Brazil should link debt service to export earnings, as Peru has done. He made the remarks at a seminar on Dec. 8.

AIDS Pandemic

Veronesi named to Sao Paulo post

Dr. Ricardo Veronesi has been named City Health Commissioner in Sao Paulo, Brazil, by mayor-elect Janio Quadros. Veronesi gained national renown with his denunciation of federal health officials for refusing to do anything about AIDS.

Veronesi, a professor of infectious diseases at the University of Sao Paulo, is also a consultant to the World Health Organization, president of the Brazilian Society for Infectious Diseases, and vice-president of the International Federation for Infectious and Parasitic Diseases.

Veronesi's views on the question of AIDS became known internationally through an interview and medical paper published by *EIR* in its Nov. 29 issue. He reported: "Authorities, both federal and state, don't want to confront the problem. In Brazil, AIDS has not been declared a priority disease for public health. Therefore, the control is going to keep lagging behind. The prospects are very somber, apocalyptic."

Briefly

● **WILLARD BUTCHER**, president of Chase Manhattan Bank, spent two days in Mexico in meetings with President Miguel de la Madrid and Finance Minister Silva Herzog, and praised de la Madrid for volunteering his country for the Baker Plan, but indicated that Mexico was only beginning the requisite policy changes. He also said: "I am inclined to think that if Peru does not pay its debts, it will have to spend many decades before that country can recover the confidence of the international financial system. . . ."

● **SELA**, the Latin American Economic Council, at its 11th annual meeting in Caracas the weekend of Dec. 6-7, supported "the establishment of a limit on debt payments as a function of export income. . . ." The communiqué explicitly mentioned Peru's 10% limit, and stated that such stands should be "encouraged."

● **BRAZIL** has announced that foreign creditors of three bankrupt private banks will receive the equivalent of 25% of their loans, although none of the banks were government insured.

● A **PUERTO RICAN** bank has pleaded guilty to money laundering. The Caribbean Federal Savings Bank pleaded guilty in early December in Federal District Court in San Juan to three counts of laundering totaling \$385,000.

● **SOVIET** oil minister Talgat Khuramsin, was dismissed for abusing his position and expelled from the Communist Party in early December. Khuramsin, age 53, is one of the highest officials to be purged since Gorbachov came to power in March 1985.

● **UNION BANK** of Switzerland (UBS) will buy Deutsche Länderbank, a Frankfurt-based bank, from Dresdner Bank. UBS is the third of the big three Swiss banks to establish a presence in West Germany this year, after the Bundesbank liberalized the domestic financial market.

Why the administration has tolerated the CDC cover-up of AIDS

by Lyndon H. LaRouche, Jr.

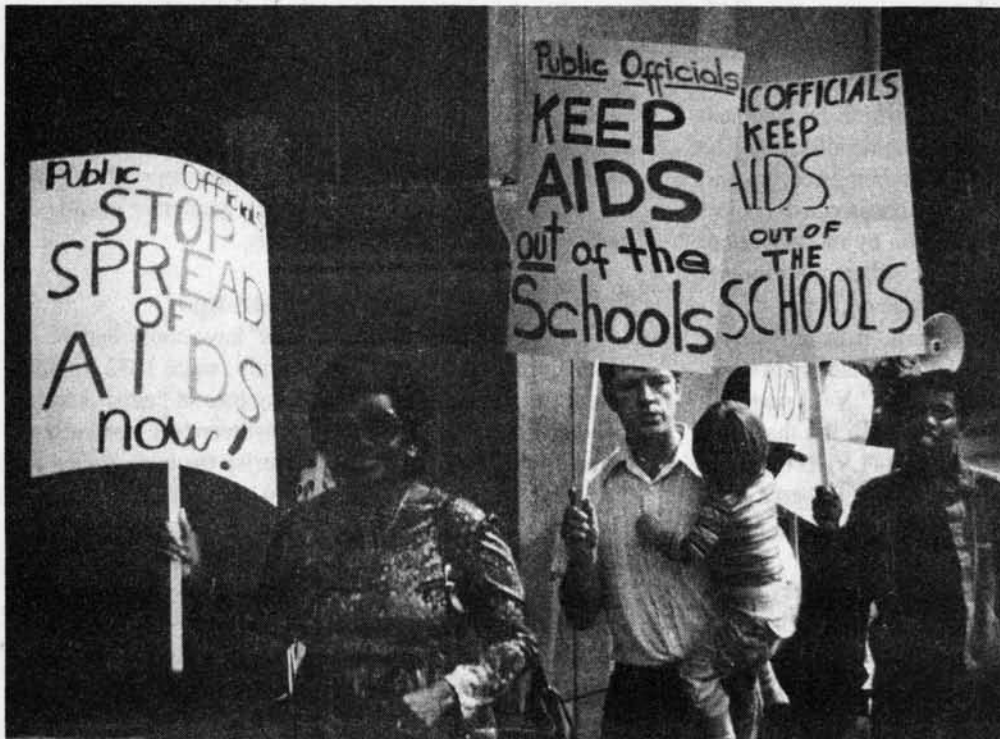
During the recent two months, I have been asked, frequently: "What do you think is the administration's motive for covering up the truth about AIDS?" Usually, those questioners have also asked me: "How soon do you think the popular political revolt over the AIDS issue will erupt?" I restate here what I have said repeatedly in private discussions.

There are three leading motives for the present "cover-up" of the AIDS danger by agencies of the U.S. government.

1) Both homosexuals and drug-users are powerful and very well organized political lobbies. The "gay" lobby represents about 4-5% of the U.S. population, and U.S. cocaine users, alone, are estimated at approximately a level of 20 millions. The drug-traffic takes out of the U.S. economy nearly \$400 billions annually, much of this laundered back into U.S. financial institutions; the drug lobby is a very wealthy and very powerful element of the Liberal Eastern Establishment's grip on both major political parties.

2) If the Reagan administration admits the fact, that AIDS is roaring out of control among non-homosexual and non-drug-user victims along the states of the Atlantic and Caribbean coasts, the administration would be forced to admit that AIDS is being spread by deteriorating economic conditions among a large and growing portion of the U.S. population. This means between \$1 and \$2 billions annually for AIDS research funded by the federal government, and also means that the administration must make drastic changes in its current monetary and economic policies overall.

3) So far, the Reagan administration is covering up the fact, that U.S. government policy on AIDS is dictated by the Soviet government, through Soviet control over the infectious-diseases bureaucracy of the World Health Organization (WHO). Just as the U.S. government honors the "arms-control" agreements established by former National Security Adviser Henry A. Kissinger, the United States also honors a "biological research" agreement with the Soviet government, negotiated during the 1969-72 Kissinger period. These "biological" agreements are implemented chiefly through the Soviet-controlled channels of WHO.



"AIDS cases multiply, and the terror of AIDS spreads in the population. The parents' and students' protest movement has stepped back a bit, for a moment, to gather its strength and attack again. Next time, the numbers in the movement will be much, much larger."

The official government line on AIDS, is supplied from Soviet officials in WHO, and conduited through the Atlanta Centers for Disease Control (CDC), the U.S. agency which is interlinked directly with the Soviet-controlled infectious-diseases section of WHO. The WHO line is, that AIDS is transmitted only by sexual intercourse or direct transfer of infected blood.

If we believed the WHO-CDC propaganda-line, except for the innocent victims among hemophiliacs, and those accidentally scratched, the victims of AIDS are spread by such "high-risk" categories of persons as:

- a) Homosexuals (including "bi-sexuals")
- b) Drug-users
- c) Persons who have sexual intercourse with a homosexual, bisexual, lewd woman, or drug-user.

As one medical expert has put the point, suppose we tell an audience of conservatives: "A fatal disease which infects only homosexuals and drug-users is spreading rapidly among such people." You couldn't raise a nickel for AIDS research in that audience.

Economic causes of AIDS

The safe estimate is that not less than 1 million Americans are presently carrying the AIDS virus. This includes more than 50% of homosexuals and a comparable, or higher percentile of heavy drug-users. By about 1990, over 95% of all homosexuals will be infected with a disease which is presently 100% fatal; the spread among drug-users will be comparable. However, AIDS is now spreading rapidly outside the ranks of homosexuals and drug-users, and sexual inter-

course with AIDS carriers does not account for this spread of AIDS into the general population.

The evidence is piling up: AIDS can be spread by biting insects, such as mosquitoes. There is no doubt that mosquitoes can spread AIDS, simply by carrying blood taken from an infected person, to a non-infected person. This "mechanical" transmission of infected blood by mosquitoes, and possibly other biting insects, probably depends upon typical "tropical disease" conditions, such as the slums along the Caribbean coast, from Florida to Texas, where 150 to 250 bites a day per person is not uncommon. If the mosquitoes travel only a short distance between infected and non-infected victims of their bites, a significant mechanical transmission of infected blood-samples to non-infected victims is probable. It's mainly a question of how long the glycoprotein coat of the virus can withstand the saliva of the biting insect.

AIDS can be spread in many ways, and every person infected with the virus is a carrier, whether or not they show any outward signs of AIDS or AIDS-related illness. So far, the experts aren't sure exactly how many cases of infection are being spread either by insect-bites, or touching infected door-knobs or tableware in restaurants, and so forth. However, the proof in the scientific literature is conclusive, that AIDS can be spread in various ways besides sexual intercourse and needles. Those official agencies which insist on the "sex or needles" propaganda-line, are simply lying outrightly.

We also know that AIDS is being spread rapidly among people who are not (a) hemophiliacs, (b) homosexuals, (c) drug-users, people who have not had sexual relations with an

infected person. So far, this appears to be concentrated among localities in which the population is badly nourished and lives under the kinds of unsanitary conditions which are responsible for rapid spread of most forms of epidemic infection. The fact that these localities seem to be concentrated, so far, among the states on the Atlantic and Caribbean coasts, points to a very high probability of transmission by mosquitoes or other biting insects, and also possibly co-transmission with some other infection characteristic of these regions.

Also, experts are beginning to warn, it is probably a mistake to think of AIDS and related diseases solely in terms of a single virus, HTLV-III. Not only is HTLV-III mutating rapidly; the evidence is pointing to the probability that there is a "reservoir" of retroviruses similar to HTLV-III buried in the tissues of sections of the population. Dr. Robert Gallo, who discovered that HTLV-III was an active agent in AIDS, has warned of this danger.

The evidence is piling-up, that AIDS, like every major pandemic in history, is spread by a deterioration in the physical economy: in nutrition and in sanitary conditions. I have long suspected, that new viral epidemics are created inside human cell-tissue itself. For example: Might it not be the case, that a piece of damaged DNA, split off from the main DNA stem, might become the building-block for a self-subsisting new virus, capable of infecting other cells? During a recent private scientific seminar on AIDS, to which I convened a selection of experts from Europe and the Americas, specialists in optical biophysics showed that there are known mechanisms in cells which might lead to such a result.

For example: HTLV-III is closely related to the virus of "simian AIDS," STLV-III. Many of the people living in the portions of Africa in which green monkeys dwell, carry the STLV-III virus as a harmless infection buried in their cell-tissue. If the pro-virus for STLV-III is carried in human tissue, is it not possible, under certain conditions, that an altered form of STLV-III, HTLV-III, might be generated? Experts in the West and Moscow, have argued that the evidence so far points to a "species-jump," a transformation of STLV-III into HTLV-III, as origin of human AIDS. Moscow has insisted that human AIDS can be synthesized from "simian AIDS"—and Soviet specialists such as Boris Lapin have been working on this for about 10 years, at the least. Most experts doubt that AIDS could be manufactured in a test-tube, but the experts shudder at the thought that perhaps it could be manufactured by inducing the "species-jump" in living human subjects.

The experts indicate that Dr. Gallo's hypothesis, that perhaps HTLV-III is "only the tip of the iceberg," that a hidden reservoir of AIDS-like retroviruses is exploding as a spread of new kinds of infections, is a sound line of investigation. If Dr. Gallo's suspicion is correct, then the eruption of human AIDS is chiefly the result of pathological conditions created by the harsh austerity imposed upon Central Africa—as my associates, back in 1974, projected such an eruption

of both old and new varieties of diseases to reach pandemic proportions during the 1980s. Whether or not the Soviet laboratories did create human AIDS, as the Soviet government claims is scientifically feasible, it is the "environmental conditions" created by worsening economic deprivation which are responsible for the spread of the pandemic outside the ranks of homosexuals and drug-users.

Political motives for the cover-up

The "new radical constituencies" have controlled the national Democratic Party, increasingly, since 1972. In addition to the powerful homosexual lobbies of "gays" and lesbians, the majority of the "new constituencies" spawned out of the 1960s "New Left" either overlap the homosexual and drug lobbies, or are allied with them in political power-blocs. The liberal wing of the Republican Party has adapted to the same "new constituencies" increasingly. For this reason, although the "new radicals" are a minority of the electorate as a whole, those radicals have managed to gain a stranglehold over the Congress, growing sections of the judiciary, and departments of the Executive Branch.

There is a next election coming up. There is always a next election coming up. This time, it is the 1986 congressional elections. The "new constituencies" control the leading agencies of the Democratic Party, and have potent leverage on the Republican Party. The Republican public relations specialists would prefer to bury the AIDS issue under "education on safe sex and clean needles" until after the November 1986 elections.

The gay-lesbian-druggie voting blocs are a significant factor in shaping congressional and administration policy on the AIDS issue, but this is not the decisive issue for the White House itself. The Reagan administration itself tolerates the cover-up because the administration is terrified of the economic-policy issues involved.

The \$300 millions of federal allotment for AIDS research is a farce. First, much of this was not "new money"; there was a cosmetic rearrangement of funds for several research programs, designed to produce a figure for research which would appease the frightened gay voters. \$1 billion a year of "new money" would be a very modest investment, if we are really serious about finding effective treatments, and, ultimately, a cure, for AIDS.

Even if AIDS were limited to homosexuals and drug-users, we ought to be spending at least \$1 billion for research. One needed instrument alone, mass flow cytometers equipped with Circular Intensity Diffraction Scattering (CIDS) capability, at \$160,000 each, and trained specialists in their use, for each relevant medical center across the nation, would eat up the entirety of the present federal allotment for research. No screening for AIDS is effective within safe limits, except the techniques of mass spectroscopy built into these machines. The cost of treating a single AIDS patient runs to over \$100,000, and we have at least 1 million Americans

already infected with this fatal virus, the number of reported cases of the disease doubling about every six months. Every person infected will come down with either an AIDS-related infection (in several years), pulmonary AIDS (within perhaps five years), or death from degeneration of the central nervous system (within perhaps 10-12 years). With only presently infected persons, the U.S.A. is looking at an AIDS-care cost of about \$100 billions over the next 10 years.

During his Sept. 17 news conference, President Reagan was asked if he thought the present allotment was a serious response to the threat of AIDS. The President brushed off the question with the observation, that the presently scheduled allotment was a major federal contribution, under conditions of the present budget crisis.

However, the costs of AIDS research and medical care are the smallest part of the economic-policy issues involved at the present time. The big cost-factor is costs of public-health measures. This is the factor which frightens the Reagan administration out of its wits.

The big problem is not treating the people who are presently infected. The big problem is stopping the spread of the infection. The pandemic can not be stopped from spreading without the following measures, similar to those used for containment of the tuberculosis epidemic:

1) 100% screening of the population and visitors to the U.S.A. for the presence of AIDS or a related virus. Presently, this can be done only by mass flow cytometers. The present AIDS test is not adequate; it fails to detect a relatively large population which is infected with the virus, but which appears to pass the screening test. Only large-scale spectroscopic screening for the presence of the virus itself, can do the job.

2) Isolation of carriers until they no longer communicate the virus. This requires facilities modeled upon the tuberculosis sanatoria of the past.

3) Measures of public sanitation, including pest-eradication in urban and suburban areas.

4) Measures to provide sanitary, uncrowded housing for the legions of the super-poor, who are already the main new target of AIDS. (Once AIDS infects the poor massively, the infection spreads to the population as a whole.)

5) Measures to improve substantially the level of nutrition for the population as a whole, including a sharp increase in per-capita consumption of animal protein, the key dietary factor in immunological potential.

To bring the basic economic infrastructure of the U.S.A. back up to average levels of 1970, would cost today not less than \$3 trillions spent for fresh-water management, generation and distribution of electrical power, transportation, sanitary conditions and services in localities, and adequate medical and educational services. However, the big cost-item is not combined expenditures by federal, state, and local government. The big cost-item is increasing the income of households up to levels to provide adequate nutrition and housing,

and to carry the tax-bills which building of infrastructure requires.

Once the administration faces the simple medical fact, that AIDS is a general pandemic, not limited to "dirty sex and needles," the administration has to face up to the fact that there never was a "1983-84 Reagan economic recovery." The public-health measures needed to stop the spread of AIDS are possible, if the U.S. economy is put through a recovery-program like that President Roosevelt accomplished during the 1940-43 period. That means, that every economic policy of the Reagan administration over the period since summer 1982 has been a howling failure; it means that these policies must be scrapped and replaced. The information comes to the Reagan administration like a hard political punch in the nose.

The administration does not need to be told even all of the facts I have listed above. Once the administration is

The gay-lesbian-druggie voting blocs are a significant factor in shaping congressional and administration policy on the AIDS issue, but this is not the decisive issue for the White House itself. The Reagan administration itself tolerates the cover-up because the administration is terrified of the economic-policy issues involved.

confronted with the facts of the spread of AIDS and the fact that this is a public health problem, not just a problem of dirty sex and needles, the kinds of measures required are pretty obvious to any senior government official.

About that point in the conversation, the administration official interrupts. "Thank you for your information, but this administration is in complete support of the CDC's recommendations." That's how the cover-up works.

The general public's response

At the beginning of the fall term, parents' groups in New York City and elsewhere, erupted in a protest against permitting students or teachers infected with AIDS into the classroom and schoolyard. Alert politicians had a knee-jerk reaction to this parents' protest movement. Then, the cover-up line came down from the administration. "Public education on safe sex and clean needles, is all we should do until we discover a miracle cure for AIDS," was the general line from



A shanty town in Texas: "If the administration admits that AIDS is roaring out of control among non-homosexual and non-drug-user victims along the states of the Atlantic and Caribbean coasts, the administration would be forced to admit that AIDS is being spread by deteriorating economic conditions."

the administration. The "Gay CLU" moved in, denouncing protests as a threat to the "civil rights" of AIDS carriers.

The parents' and students' protest movement, against AIDS in schools, was given a harsh slap in the face, with the full power of government bureaucracy behind the blow. The movement was stunned. Parents and students, stepped back from the blow. The movement was slowed down, temporarily. Slowed down, but not stopped: The AIDS cases multiply, and the terror of AIDS spreads in the population. The movement has stepped back a bit, for a moment, to gather its strength and attack again. Next time, the numbers in the movement will be much, much larger. Next time, the experts peddling the CDC "sex and needles" propaganda-line, will be booed and jeered, and denounced as "liars" by one angry parent and student after the other. "Next time" is coming, during the months ahead.

A few of the shrewder minds around Washington see the "AIDS revolt" as inevitable, and as, perhaps, a major political phenomenon of 1986. Most of Washington does not see this, and does not wish to see this. Most of Washington is self-blinded in three ways: the "clout" of the gay-drug lobbies, the economic implications, and a third factor, to which we turn our attention now.

Over the past 35 years, most clearly the past 20 years, the nature of politics in the United States has been changed. Formerly, the American way of thinking centered around pride in the American Revolution. We thought that the United States' existence had a moral purpose in the world. We tied this up with the principle that problems of material need could be overcome by investment in scientific and technological

progress. We believed that personal interest centered about "doing something useful with one's life"—something useful for society generally, and producing children and grandchildren to enjoy a better life than we have achieved. Beginning with the "Dr. Spock revolution" in suburbia, during the 1950s and early 1960s, the fundamental values of Americans began to change for the worse. The pampered children of the 1960s suburbs became the "new radicals" of the 1960s; over the past 20 years, everything has been turned upside-down.

Liberal ideas of suburbanite child-raising, during the 1950s, created among the youth of the postwar baby-boom a large middle-class stratum of lower moral values than their parents: the "me generation." "My irrational hedonistic pleasure, whatever I imagine might please me in the here and now," was the result. The architects of the "New Left" concentrated shrewdly on this factor in the "middle class youth." These youth were easily convinced that industry and the industrial trade-unionist were the arch-enemy of pleasure. These new radicals were easily maneuvered into seeking common cause with the irrational existentialism native to a meaningless slum-existence. The center-themes of Hugh Hefner's "Playboy Philosophy," "sexual freedom" and "recreational drugs," were easily inserted into the new radicals' "subculture." By the end of the 1960s, the New Left had marched into a variety of fascism like that of the Nazi *Jugendbewegung* during the 1920s and early 1930s. They had embraced Friedrich Nietzsche's and Aleister Crowley's call, to replace the Age of Pisces (Christ) with the worship of Dionysos-Lucifer, the Age of Aquarius.

The seemingly normal youth the suburbanite parents had

sent to university, returned, appearing on the family doorstep like a six-legged creature, of undetermined sex, from Venus. The attempts of the parents to reconcile themselves to these insane children, created the "new radicalism" which took over the Democratic Party in 1972, and which infested increasingly, the Republican liberals as well.

The New Left had been developed by linking it to the issue of McGeorge Bundy's protracted policy of "no-win war" in Vietnam. This, followed by the "Watergate" operation, made it possible for the New Left to be deployed as a battering-ram against not only traditional American institutions, but also against the traditional American moral values associated with those institutions.

The wind-down of the war in Vietnam, overlapped a deliberate wrecking of the U.S. economy. During 1966-67, under the mask of "Great Society," the U.S. government adopted the policy of steering the world into a "post-industrial society," beginning with a large-scale take-down of aerospace research and development. Between November 1967 and March 1968, the international monetary system was steered through the first round of collapse. In 1970-72, there was another round of collapse. In 1973-75, yet another round of collapse. In October 1979, Carter and Volcker set off a new round of collapse, creating the present debt-crisis building up under Carter's successor.

The social and moral fabric of entire regions of the U.S.A. was torn apart by successive rounds of collapse of basic industry and agriculture. The real level of average income of households has dropped consistently and deeply since 1968-72.

The reaction of the electorate to this pattern of developments? "There's nothing you or I can do to change it; we better learn to live with it. Hold onto your job, if you can, and get a new job if you can't. We'll get by somehow; you'll see." So, the population generally turned away from reality, into increasing dependency upon a low-cost fantasy-life centered on the family television-set. Emotion packed into rooting for favorite teams and players of commercial spectator sports, became a substitute for real issues in the real world. The characters of the TV "soap operas" enveloped the viewers with a synthetic fantasy-life controlling most conscious moments of their waking hours. TV news reporting shifted to accommodate to this, with less and less news of the real world, and more and more emphasis on the soap-opera-like "human interest angles behind the news of the day."

In this circumstance, reality was replaced by "perception." With some inspiring but rare exceptions, neither our federal government nor our political parties respond to reality. They respond to a "perception of a perception," as this is measured by public-relations surveys and affirmed by the evening TV news, the *New York Times*, and the *Washington Post*. The politician and bureaucrat do not act to change reality for the better; they act to influence the perception of themselves and their factions in the major liberal newsmedia. In clinical psychology, one would say that Washington pol-

itics is controlled by marked schizophrenic tendencies among the government and its hangers-on as a whole. There is an ugly resemblance to the already doomed Rome under Tiberius and Nero, where, also, the "perception" game, as the essence of palace politics, blocked out the government's perception of the ominous reality building up around it.

To this, the general population responds by retreating deeper into a private fox-hole of fantasy-life. Instead of responding with practical action to developments which threaten the nation and their local environment, every new disaster seems merely to drive them deeper into the fox-hole, adding another hour a week to their television habit. As long as this foxhole-behavior of the electorate continues, and until the Soviet barbarians come in to take over the decaying mess, Washington is ever more convinced that the "perception game" is the only true reality, the only practical reality.

What if someone begins tossing the moral equivalent of hand-grenades into those fantasy-life foxholes? At that point, a fellow just naturally gets out of that foxhole, and thinks about finding the culprit who interrupted his favorite TV program of that hour so rudely. AIDS is that hand grenade.

For weeks, the TV screen was covered with images of poor Rock Hudson in various stages of terminal illness. That already shook up the lady of the house: "[He-man] Rock Hudson was one of those. . . ? Isn't anything sacred any more?" Then, came the short-circuit of the fantasy-life: AIDS was not something which existed only in a soap-opera script; AIDS could come slipping in the front door of the house "while we're watching TV. It could be one of our children, bringing it back from school. . . ." That puts the hand grenade in the foxhole.

The woman of the house goes to the beauty parlor. "That nice hairdresser; couldn't he be one of those? Fifty percent have it; does he have it? He's going to be touching me!" Another hand-grenade right in the foxhole. "That waiter. . . do you realize he's touching the silverware we put in our mouths!" Bang! "One of the teachers at school is supposed to be sick with AIDS. Do you suppose. . . ?" Bang!

It's 100% fatal! Terror! Panic! Lots of grenades in the fox-hole. "Yes, I know what they said about 'safe sex and needles,' but there was another case reported yesterday." The grenades continue dropping in.

There is a movement against AIDS in school; it's a movement out of the foxholes. Washington fails to comprehend this; Washington asks Washington, which asks the *New York Times* and the *Washington Post*: How shall we perceive this movement?

Coming out of the foxholes

Did you ever have a fantasy, perhaps while watching a TV program or your favorite team or player in action? Were you ever interrupted, in the middle of that fantasy? Were you ever forced to leave the fantasy because something on the stove caught fire, or some other intervening action in the real world?

How did you feel about that interruption? Was it like being pulled from a warm farmhouse, to trek out in the storm and rescue some animal in trouble? Were you angered, irritable? Did you tend to "take this out on someone" at the first pretext?

Imagine the state of mind of the parents protesting against admitting teachers and students with AIDS into the school. There are two alternating states of mind among those parents. On the one side, they are engaged in a protest. Protests really don't mean much usually; it's a form of letting off steam, a form of recreation akin to spectator sports. Protesting in that way, by itself, is simply an extension of the fantasy-life of a foxhole mentality. At the same time, there is a little voice inside saying, "But this is real! This is deadly serious."

For that reason, in the beginning, most of the parents are confused. They are confused not so much by the debate; their essential confusion is internal, emotional. They are not emotionally certain, whether they are simply protesting, or acting in deadly seriousness. On the one side, to the degree they are merely protesting, they will be appeased by the proper sort of fatherly or motherly handling from the officials sent to put the lid on the event. At the same time, they are enraged by the officials' efforts to treat them like children, to ignore the fact that this matter is deadly serious.

They leave the meeting, so confused. The foxhole side of them says, "Let's go back to the TV set, now that the protest is over." Then, a few days later, another hand grenade in the foxhole. If the issue would go away, the return to foxhole fantasy-life-style would be settled; it won't go away, because AIDS is striking here and there every day.

One should begin to recognize from this, that the new movement out of the foxholes is somewhat like a new baby: it must be conceived; it must be gestated under appropriate circumstances; and, then it is born as a self-acting individual. Last summer and early fall, the conception occurred. Now, the gestation is in progress. Some months ahead, the baby will be born.

Only very rare individuals in our society act as individuals on important issues of public policy. Most act in groups, or not at all. Not merely "groups"; movements around issues of public policy are at least subtly organized entities, and derive their energy from the group's perception that it is an expression of a larger movement to emerge from the same sort of citizens composing the group at the given moment. The first critical point of analysis to be made here, is the distinction between a collection of individuals and a group unified around an issue. Until the collection of individuals takes the "organic form" of a task-oriented grouping, sustained action by the individuals is most unlikely.

Then, we must consider a second point. The groups of parents and students protesting against AIDS in the schools, were doubtlessly organized groups. However, the basis for the association up to that point had been common association on the basis of a common foxhole sort of world-outlook. The point is, the association was not defined on the basis of an

agreed, shared non-foxhole world-outlook. The quality of the issue raised by the group had a seriousness which stretched the preexisting character of the group beyond its cultural limits.

The communities represented in those protests can not become an effective and serious movement around the AIDS issue, until the groups representing this sentiment in the communities are constituted on a non-foxhole basis of common task-orientation. Until a locally influential nucleus of such associations begin to form, significant numbers of friends and neighbors will not find the courage to make a commitment to such an effort. This process must proceed in such a way, that the group senses it has a broader base of support for its work in the community at large: "I know that A, B, and C agree with us, but they're not ready to get involved at this moment." The group senses that it has the sympathy of A, B, and C.

This sort of process within the population, is the process of gestation. It is a process kept in motion by the recurring plopping of the hand grenades into the foxholes. The process builds up to a threshold-value, and thus the baby is born.

To the superficial observer, it must appear, in many cases of these protesting groups, that they are quite labile in their disposition for action. This lability is, essentially, an oscillation between the idea of deadly-seriousness and the foxhole mentality. It is a lability permeated with that anger and irritability which erupts, whenever persons long conditioned to fantasy-foxholes find themselves engaged in the real world once again.

The change in values, away from American to Aquarian values, which has dominated the recent 20 years, is a process described by specialists as a "cultural paradigm-shift." The essential feature on which we have concentrated attention here, is the past 20 years shift away from reality, into fantasy-foxholes. To discover the broader implications of the developing AIDS revolt in the population, we must see the essential feature of this process as a reversal of the earlier "cultural paradigm-shift."

As the AIDS revolt passes through the phase of gestation, into birth, there will be a change in the mind-set of those involved, and in the population around the revolt. In place of the "perception-game" mind-set, which has come to dominate the electorate, the reality mind-set will take over. This will reshape the way in which the population reacts to all issues. Their view will be of this form: "The reality of a policy is the practical effects it causes; if we don't like effects, we must find the responsible policies and change them; we shall not accept any new policy, unless we are satisfied with its calculable effects." It will be, relatively speaking, a return to the remembered values of the 1950s and early 1960s.

With such an electorate, Washington politicians who continue to play the "perception game," will get nowhere. This population will demand the kinds of policy-changes which the Congress and the administration are now wishfully working to avoid.

The Trilateral Conspiracy Against The U.S. Constitution: Fact Or Fiction?



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David Rockefeller: To some, the Trilateral Commission is a sinister plot by Eastern Establishment businessmen who will do almost anything—including going into cahoots with the Kremlin—for the sake of financial gain. The fact that many former members, including President Carter, are now members of the Administration is hailed as proof of how devilishly well the conspiracy works.

—Letter to the editor of the *New York Times*, Aug. 25, 1980

Moscow: The Trilateral Commission has opposed some of the military programs adopted by Washington which threaten to upset the strategic balance.

—Yu. Fedorov, in *International Affairs*, July 1985

Lyndon H. LaRouche, Jr.: The general object from the side of the Liberal Establishments was to establish a global *Pax Romana*, a thousand-year empire of shared global rule between the Trilaterals and the Soviet empire. . . . It happens, however, that the Soviets intend to cheat. They will maintain their partnership with the Liberal Establishments no longer than the Trilaterals and similar types continue to be “useful fools” working to advantage of Soviet imperial interests. Once the usefulness of those fools has been exhausted, the Soviets will variously assimilate or obliterate them.

—Foreword to *The Trilateral Conspiracy Against the U.S. Constitution: Fact or Fiction?*

To destroy the evil influence of the Trilateral Commission in American political life, one must expose the delusions in which the Trilaterals obsessively believe. *EIR's* Special Report provides a comprehensive textual analysis and refutation of key Trilateral writings, including: Zbigniew Brzezinski's delphic attacks on the Strategic Defense Initiative; George Shultz's argument for the decline of American power and influence; David Rockefeller's “socialism.” Foreword by Lyndon H. LaRouche, Jr.

Germany's positive contribution to world development

by Helga Zepp-LaRouche

We present the fifth and final part of Helga Zepp-LaRouche's policy paper, subtitled "Foreign Policy Theses for the Federal Republic of Germany." Mrs. Zepp-LaRouche is a member of the Patriots for Germany organization, and has issued this document in book form in the original German.

The Schiller Institute

For some years now, I have been convinced that all policy proposals for creating a "neutral Central Europe" are completely unrealistic. But it was only upon my return to the Federal Republic in the summer of 1983 after a lengthy stay abroad, that I was suddenly struck by how much progress had been made by tendencies on both sides of the Atlantic toward a decoupling of Western Europe from the United States. As I discovered in the course of a speaking tour through northern Germany, even within the ruling Christian Democratic Union party (CDU) it was not uncommon to find people who viewed President Reagan as a warmonger, and the Soviet Union as a peace-loving force. This led me to conclude that actual decoupling would only be a matter of time, unless there were a dramatic change in Western Europe's relationship to the United States. This became all the more evident, when on the American side, representatives of the neo-isolationist faction such as Sam Nunn and Henry Kissinger, began to step up their own activities.

In order to counter these decoupling tendencies and set a new and positive basis for the Western Alliance, I drafted a proposal for founding an institute for republican foreign policy, called the Schiller Institute. The core concept of this

institute, originally intended as an institution for strengthening German-American friendship, came out of the fact, that the already seriously strained relationship between the Federal Republic and the United States could only be truly put on a stable and positive basis, if in their definition of foreign relations they linked up with the best tradition of their two nations—namely, the ideals of German Classicism, the Prussian Reformers, the constitutional spirit of the German Liberation Wars against Napoleon, and the ideals of the American Revolution.

Only on that basis could we and can we effect the necessary cultural and moral improvement of the population; only thus, a mutual recognition of the principle of national sovereignty. For only if we link up with our own culture's very best traditions, and reciprocally relate to the best traditions in the culture of others, can we discover that higher level of reason, the only level on which we can sensibly define the future tasks of the Western Alliance. The Schiller Institute's program therefore comprised three major fields: cultural-historical, economic-scientific, and military-strategic.

It became immediately obvious, however, that the existing problems in German-American relations were also plaguing every single other Western European state. Thus, the themes of the Schiller Institute's first two international conferences on July 3-4 in Virginia, U.S.A., and on Sept. 22-23 in Wiesbaden, West Germany, encompassed the entire spectrum of tasks involved in improving the Western Alliance. Discussion topics included the necessity to immediately begin comprehensive collaboration with the American Strategic

Defense Initiative (SDI); the urgently needed reform of the world monetary system; an emergency program for Africa; the scientific tradition of Leibniz, Gauss, and the Göttingen School; and the pioneering scientific fields of fusion, laser, and bio-technology. All these revolved around the most important central theme: the significance of Friedrich Schiller, the Poet of Freedom, for our own era. Concerts of classical music gave participants a first foretaste of the beginning of a new renaissance.²³

All participants at that first conference in July 1984 were swept up by the sense of active participation in the making of world history, as 50 representatives from the various Western European nations marched into the conference hall, each waving their national flag, while the openings of their national anthems were heard one after another. Fifty representatives of Western European nations had come as delegates, to show the Americans that these Europeans stood firmly by the Western Alliance as it had been defined by the Schiller Institute. Among the over 1,000 Americans present, many eyes could be seen filled with tears of emotion. Both conference days were not only tremendously informative for both sides, but a strong consciousness also prevailed, that a historic step had been made toward saving Western civilization!

Only 10 weeks later, the Second International Conference of the Schiller Institute took place in Wiesbaden, where once again, over 1,000 delegates came together not only from Western Europe, but from African countries as well. From the United States came the appropriately named "Benjamin Franklin Brigade" of 100 Americans, who wanted to convey the absolute determination with which the Americans they represented would stand by the Western Alliance and the defense of Western Europe.

The fact that this conference was able to take place—despite enormous attempts to disrupt it from such agencies as the American embassy and the Bonn Foreign Ministry—was proof enough, that even here in the Federal Republic, it is possible to form a powerful counterpole to the peace movement and the decouplers.

From the standpoint of its content, the importance of this conference lay in its further elaboration of the idea of an American-European division of labor between the SDI and the so-called "Tactical Defense Initiative" (TDI), whereby the United States would put its chief emphasis on the extra-atmospheric field of repulsing intercontinental missiles, while Europe would primarily concentrate on its own more immediately pressing problem of defending itself against middle- and short-range missiles. This concept considerably influenced the SDI debate on both sides of the Atlantic over the subsequent period.

On historical and cultural questions, there were valuable presentations on the decisive worldwide influence of German Classicism—e.g., on Schiller's influence in the United States, the Humboldt brothers' influence in Latin America, and much more. In addition, new goals were defined for the Alliance in the fields of space exploration and research.

These two conferences established the Schiller Institute *de facto* as the only institution actively and successfully committed to maintaining and improving the Western Alliance, and to the great amazement of all observers, they proved that foreign relations between different nations can indeed be given a constructive groundwork. The precedent had been set, showing that foreign policy need not signify (as is generally the case today) interference into other nations' domestic affairs, economic warfare, putsches, and state terrorism, but that there actually does exist a level on which solutions can be found in the common interest of all, and on which every nation can reciprocally relate to the best traditions of others, to their mutual enrichment.

The Third International Conference was scheduled for only two months hence, Nov. 23-24 in Crystal City, near Washington, D.C., so as to have a maximum impact on the composition and policies of the second Reagan administration; only three weeks would have passed since President Reagan's expected landslide victory. For, in spite of Reagan's extraordinary electoral success, *one* thing had become dramatically clear: a continuation of the U.S. administration's current economic policies and its absurd superstitious belief in the mythical "upswing," had become the Achilles heel of the West in general. It was foreseeable that in view of the hysterical calls for budget cuts, the American SDI program would never assume the dimensions of the "crash" program required to keep pace with the Soviet Union's total mobilization for their own version of the SDI. Moreover, it was clear that if the U.S. administration stuck to its support for the International Monetary Fund's current austerity policies toward the developing nations, these countries would necessarily be plunged into economic chaos, thereby making it virtually impossible for even pro-American governments to remain friends and partners of the United States.

On top of this, famine was exploding in non-linear leaps in Africa, and there was the looming prospect that over the next few months, many millions of people in all the countries of Central Africa would die of starvation, with a total of 37 African nations forced to declare hunger and disease emergencies.

Since nothing decisive could be done without a change in the economic policies of the United States, I issued a call to the nations of the West and the developing countries, to come to the Crystal City conference and present discussion papers indicating what they would like to see changed in American foreign and economic policy, so that their own countries might survive and could also justify a continuation of their pro-Western orientation. Representatives from 50 nations responded to this call and took part in this third conference. And for the first time, there were 3,000 participants demonstrating in front of the White House in favor of a new, just economic order and an immediate emergency program for Africa!

During the preceding weeks of conference preparations, it had been proposed to me to draft a new platform containing

these foreign policy principles—a kind of improved U.N. Charter, but with emphasis on the principle of national sovereignty for all the world's nations—which could then be discussed and adopted by the participants at that conference. As part of carrying this out, I reread all the existing documents pertaining to international law: the Atlantic Charter, the U.N. Charter, the various Papal encyclicals on this topic, various national constitutions—until finally, I came back to the American Declaration of Independence. And lo! here I found the formulations I had been seeking, which gave me the spark of an idea!

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.—That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,—That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shown, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.

Here we had precisely what we needed: a formulation of the inalienable rights of all men, founded upon natural law; and we also had the specific circumstances under which a people have the right to rise up against the tyranny of those governing them. Moreover, the specific problems addressed later on in this document were highly topical, and were in exact correspondence with the plight of the developing nations today!

Thus, instead of drafting an entirely new document, I decided to take this American Declaration of Independence—which in content, historical significance, and beauty of language remains one of the most remarkable works in constitutional history—and simply extend it to apply to all nations of the world.

And so, I changed only a few formulations: Where it says “the present King of Great Britain” I substituted “the present International Financial Institutions,” and where it reads “these Colonies” I wrote instead “developing countries,” and so forth.²⁴

This solved a double problem. By simply extending the demands of the American Declaration of Independence—which incontestably established the national sovereignty of the first democratic republic—to all nations, we had located the point of reference for the American population who, despite all the liberal propaganda about the “lazy” and “corrupt” developing countries, were still able to understand that the latter were merely demanding what the American Founding Fathers had demanded before them. Moreover, the Declaration of Independence is probably the most well-known document in the United States, of which every patriotic American is tremendously proud. Hence a new reading of this declaration could not help but have a positive effect—at a time when the United States itself was in peril of once again losing its hard-won national sovereignty and falling under a Trilateral Commission dictatorship.

On the other side, this newly formulated “Declaration of the Inalienable Rights of Man” gave the developing countries a starting-point for relating to the positive chapter of America's history, so that in their justified criticism of the policies of the U.S. State Department, they would not fall victim to blind anti-Americanism. On the contrary: By appealing to America's own patriotic tradition, these countries could achieve clarity on the highest level, over the standpoint from which they were directing their criticisms of American foreign policy.

I am sure that the absolute majority of participants would stand by me, when I say that the days of the conference itself and the demonstration before the White House with the flags of 50 nations, as well the following days' smaller working groups, were filled with such an uplifting spirit, that they will be forever remembered as the hour when a new international movement was born, for the inalienable rights of all men on this planet—a movement determined to fight and swell its own ranks, growing to many millions, until the cause of humanity will finally have been won. The great idea of the community of nations, Nicolaus of Cusa's “concordance,” was experienced in reality as spokesmen from Europe, Africa, the United States, and Ibero-America united around one single theme: the idea of a just world order and the development of peoples. And suddenly, all could sense how it must have been at the time of the American Revolution or the Wars of Liberation, when every citizen thought of himself not as a tiny grain of sand, above whose head all the important decisions were being made elsewhere, but as an active citizen of the world, actively intervening into its history. Suddenly, the idea of republicanism had come to life.

But the most far-reaching breakthrough was achieved the following Monday, when a day-long discussion resulted in the creation of the Trade Union Commission of the Schiller Institute. Leading trade union representatives from Argentina, Peru, Colombia, Venezuela, Panama, Mexico, the United States, Sweden, and Italy decided to ally together worldwide, first in order to establish a counter-movement

to oppose the Communist and socialist trade unions, and second in order to work towards realizing "Operation Juárez," the only viable solution for both North and South. None could hide their enthusiasm over the fact that they were making history, and consciously so.

The proof that this feeling had a basis in reality, was to come exactly nine months later, when the baby conceived at that meeting first saw the light of day, on July 23, 1985 in Mexico City. Trade union leaders from eight Ibero-American countries assembled for the first conference of the Schiller Institute Trade Union Commission, in order to unite into an Ibero-American labor movement. Such a movement had not existed since the days of Argentine President Perón! The 45 leading trade unionists in attendance represented over 6 million members and the great majority of continent's non-Communist and non-socialist trade unions. Here the subsequently famous "Mexico Manifesto" was adopted, which begins with the quote from Schiller, "No, there is a limit to tyrants' power," and which ends with Schiller's observation about the French Revolution, along with a promise that contrary to that time, this present historical moment will indeed find "a great people."

The manifesto explains why Castro's and Kissinger's debt reorganization proposals ultimately amount to the same thing, and why Operation Juárez represents the only solution for which we must fight.

On July 28, 1985, Alan García Pérez was inaugurated President of Peru. García, who had just turned 36, set an

example for what a President can do, if he truly conceives of himself as a republican representative of his nation. What Alan García carried out as soon as the Senate had invested him with the necessary powers, was an absolutely uncompromising application of the law, as defined by the natural-law principle of national sovereignty. He declared total war against Peru's drug mafia: Only days after his inauguration, with the help of the police and army and in collaboration with Colombia's President Betancur and the U.S. Drug Enforcement Administration (DEA), he invaded the four largest cocaine refineries which had been set up and operated by the drug mafia in the middle of the Peruvian jungle. He simultaneously began an uncompromising cleanout of corruption in the military, the police, and the bureaucracy, as well as proceeding against officials of the previous government who had probably not only covered up the drug mafia's machinations, but were massively involved in it themselves.

President García acted with admirable courage and at the conscious risk of his own life. Whenever he was asked by journalists of the usual sort, just why he was waging this war on drugs, since it involved great dangers but had little effect on Peru itself, since after all, the drugs were being exported elsewhere—he would reply that he was only doing his duty, for he was thinking not merely as a patriot, but as a world citizen who had a responsibility toward all those being victimized by the dope mafia in the industrialized nations!

The next dramatic turn came with García's announcement that, effective immediately, he would be limiting repayment of foreign debt to 10% of all export revenues, since Peru's enormous economic problems could be solved in no other way. He would be ready to pay off the debt as soon as his country was in a position to do so, and the precondition for this was economic development. He had been elected by the Peruvian people, and not by the international financial institutions. He was therefore beholden to national sovereignty, and not to the IMF. At the same time, he called for national unity of the Peruvian population, to support him not only in good times, but also when the expected onslaught came from the international financial institutions.

It is a political fact of the first order, that after García had announced his program and had begun to put it into effect, Pope John Paul II gave his blessing to the Peruvian people and to its President. And it is equally significant, if not more so, that the Pope had his emissary, Monsignor Casaroli, deliver a message to the U.N. General Assembly, in which he stressed the necessity for a solution to the debt question, emphasizing that such was in the interests of industrialized nations and developing countries alike.

At the just-concluded annual meeting of the IMF in Seoul, South Korea, the Peruvian Foreign Minister Luis Alva Castro further detailed García's position: Either the IMF should be prepared to undergo a total reform which would remove the present injustices of the world monetary system, or the IMF must be replaced by another institution.



The author applauds trade unionists from eight countries of Central and South America, as they inaugurate the Trade Union Commission of the Schiller Institute. At right is Jorge Carrillo, now labor minister of Colombia.

Alva Castro then gave a shocking depiction of how IMF policies had destroyed Peru's economy over the past few years: workers' wages had fallen by an average of 40%, the cultivation of potatoes, their major staple, had dropped by one-half, corn by one-third, etc. He reiterated that no financial institution had the right to demand children's lives as repayment for usurious interest and debt, and proposed an action plan for how the world monetary system was to be altered.

This was nothing less than an announcement that the Peruvian government was taking over the leadership in getting Operation Juárez underway, and that it had emphatically rejected both Fidel Castro's demands for a total cancellation of the debt, and Henry Kissinger's attempts to force a return to outright colonialism; for both of these latter plans would simply drive the developing countries into Moscow's ranks. In view of this circumstance, it is scandalous that unveiled threats against García were voiced not only by U.S. Treasury Secretary James Baker (from whom we would expect such things), but also by West German Finance Minister Gerhard Stoltenberg and Martin Bangemann, chairman of the Free Democratic Party. García had offered them the solution for conquering the industrial nations' greatest debt crisis ever, and they openly preferred—Fidel Castro!

No! The hour of decision is come—not only for the Federal Republic, but for our own selves: in which world order do we wish to live? In a world dictatorship where Moscow calls the tune and all others are degraded into mere satrapies, and where the developing countries are condemned to death by a criminal and bankrupt world monetary system? If we opt for that solution, global nuclear war, or the rapid extinction of the human species, is a certainty.

On the other hand, the solution to the Federal Republic's economic crisis has never been so near at hand. Peru is already operating on the basis of *Operation Juárez*. In the meantime, one of the leading members of the Schiller Institute Trade Union Commission, Jorge Carrillo, formerly chairman of the powerful Colombian trade union confederation UTC, has been named labor minister of Colombia. At a recent conference of labor ministers from all American countries, sponsored by the International Labor Organization, Carrillo presented a program for creating 77 to 100 million new productive jobs in the Ibero-American countries, taking projected population growth into account. In short order, the already well-defined infrastructure and great industrial projects could remedy the currently increasingly desperate situation in Ibero-America, where entire regions are already at African levels. Jorge Carrillo contrasted his own plan with prospects for workers in the Americas were it not put into action: hunger, epidemic disease, regional warfare, and a reign of terror by the guerrillas and the drug mafia.

In mid-September President García received a 20-person delegation of trade union leaders from the Schiller Institute, who gave him their full support in his efforts to defend

national sovereignty against the IMF's dictatorship. Another project, for the foundation of a private "Alliance for Latin American Integration," is also making great progress. President García, Colombian President Belisario Betancur, and many former Presidents and ranking ministers have already promised to collaborate on this project.

In Africa and Asia, a great many governments and institutions, and the millions they represent, are looking with great hope toward this process in Ibero-America, in which Alan García has so courageously taken the lead. Is it not obvious, that we in the Federal Republic, on both moral grounds and in our own pure self-interest, must also take a stand for the development and progress of all peoples?

But in addition to this concrete concept of Operation Juárez and the level of organization made possible by the Schiller Institute, there was a third and still more important factor which moved the people of Ibero-America to their present actions. Pope Paul II's recent visit to a number of Ibero-American nations, during which he preached to many millions of people, had an extraordinarily remoralizing effect. Again and again, the Pope emphasized that no one had the right to exact usurious interest payments, if they must be paid with human lives. Again and again, he condemned the abuses of a liberal capitalism gone out of control (i.e., the so-called "free-market economy"), and passionately affirmed the inviolability of human life and the right of the people to development and a life of dignity.

How can the alleged *Christian* Democrat Stoltenberg deny that right? Is Mr. Stoltenberg acting like a Christian, when he advocates a policy which, according to the testimony of many leading figures, is responsible for the deaths of millions of human beings? As a Protestant, Mr. Stoltenberg may not feel he has to answer to the Pope; but measured against the Pope's moral authority, he is a nobody, or a faceless bureaucrat at best.

No one should ever forget those desk-jockeys who may have never directly harmed a soul, but whose signature on a piece of paper has meant the deaths of millions! And no one should ever forget what was said later about those people: "They knew, or should have known. . . ." Nor should we forget the blatant threats of Mr. Bangemann.

Is it not obvious, which side we should choose? The only economic way out for the Federal Republic lies in sealing an alliance with Ibero-America, Asia, and Africa, to help save the world from otherwise certain disaster, by means of domestic full employment and a giant export offensive to send capital goods into these countries.

It is hardly accidental, that the Colombian labor minister and Schiller Institute member Carrillo recently said that labor power represents a nation's greatest wealth, whereas the last will and testament of the Great Elector of Brandenburg Frederick William (1620-88) reads almost the same: "Respect men before great wealth." Whenever and wherever there has been an industrial revolution, it has always occurred on the basis of these same principles.

Until recently, we here in the Federal Republic were at the forefront of technological and industrial progress because of the superior productivity and skill of German labor; we therefore not only have an enormous reserve capacity we could mobilize, we also have a special moral responsibility, precisely because we are one of the few nations with the industrial capacity and technological know-how the world so urgently needs. We must not commit the sin of omission: We must declare merciless war on such institutions as the Friedrich Ebert Foundation whenever they come to conferences mouthing the Trilateral Commission's theories on Atlantic relations in the so-called "post-industrial era." This "post-industrial" policy is genocide, pure and simple. Without our technology, the developing sector will not survive, and epidemics such as AIDS will not only strike back at the perpetrators of that policy, but will also kill off the more normal sectors of society in the formerly industrialized countries.

German national identity

It should have become clear from what we discussed above, that settling the question of the German nation's territorial expanse is dependent upon the most rapid conclusion of a peace treaty. But that does not mean that in the meantime, we should hold off from fully defining our identity as a nation.

A nation is not merely an inhabited territory or a chunk of real estate. A nation's identity is determined by its citizens' self-understanding of the definition they themselves support of their state's national sovereign goals—their nation's task in the world.

Therefore, the role of the Federal Republic of Germany, and of a future reunited Germany in all its parts, must never relate to itself alone. Our national identity must be determined by what good we can contribute to the development of the entire world. The most important national goal at the moment, upon which the further existence of human society will probably depend, must be for our citizens to outgrow themselves, in effect—not simply reverting to being proud patriots in the spirit of Schiller, von Humboldt, vom Stein, Scharnhorst, and Gneisenau, but, as world citizens, assuming responsibility for the world's destiny.

Can we—a nation which has had the fortune to possess a high degree of development and industrialization, fruits of the labors of many generations, but also of the injustices of centuries of exploitation of its colonies—can we not now assume the role of the developing countries' loving parents, who tenderly take care that our children in Ibero-America, Asia, and Africa are protected and can grow into adulthood? Should we not, as a nation, think as such parents do, and view it as our life's goal to transmit everything we owe to the labors, the struggles, and often the sacrifice of lives across all previous generations, to our spiritually adopted children today, and thus see to it, that these children are able to fully develop all their latent abilities?

The most fundamental self-interest of every nation is to foster a republican world order of sovereign nation-states. The opportunity to establish a new, just world order lies within our grasp over the coming weeks and months. If we seize that opportunity, we can make the dream of Friedrich Schiller and the American Founding Fathers—the dream that mankind's mission is indeed to begin the Age of Reason—into reality.

In the meantime, before this world order of reason is achieved, we must nevertheless devote all our energies to defending the Federal Republic and the West. This not only includes full cooperation between the Federal Republic and the United States on a "crash" program for the most rapid possible completion of the SDI; Western Europe must also concentrate on the parallel Tactical Defense Initiative. It includes both a practical and a philosophical strengthening of the West German army, the Bundeswehr, in its military capability and its fighting spirit, which means total rejection of the Social Democratic Party's treasonous "von Bülow theses" and the equally scandalous reactions to Foreign Minister Genscher's deliberately misleading interpretation of Gorbachov's proposal at the Geneva negotiations, for a mutual 50% reduction in offensive weapons in exchange for an American renunciation of the SDI. Such horse-trading, as the head of the U.S. National Security Council has correctly analyzed, would leave us entirely defenseless in the face of Moscow's expansionist ambitions.

Friedrich Schiller, the great Poet of Freedom who firmly believed in all human beings' ability to act according to reason, put it this way: "There are moments in humanity's history, when mustering the will for an ethical and spiritual order demands the courage to apply force against those who are violating it; otherwise one would have to give up any idea of classifying history within the spiritual domain."

Classifying history within the spiritual domain—this must become the Western world's "grand strategy" for the next 50 years. Throughout history, peace has never been brought about through disarmament; on the contrary, countless examples can be cited where peace treaties often only marked the preparatory phase for the opening of military hostilities. In the most recent past, Moscow's shameless exploitation of the "détente years" for their own enormous arms build-up and their achievement of superiority in all arms categories, is the best proof that all such disarmament negotiations between such differently motivated opponents merely act to heighten, and not to reduce the danger of war.

In the present phase of history, preservation of peace is possible only from a position of military strength in the West. The concept of the SDI, with its layered anti-missile defense system, is based on the idea that through the application of "new physical principles" the cost of defense can be significantly less than the cost of offense, so that the opposing side's offensive weapons can in fact be neutralized. In this way, nuclear weapons can be rendered "obsolete," technologically outmoded, and by virtue of this we have a realistic and "ver-

ifiable" chance to liberate humanity forever from the Damocles' sword of nuclear terror.

This policy of military strength is the indispensable prerequisite for the preservation of world peace; but the West's more fundamental peace strategy for the next 50 years must go way beyond that. Its first indispensable moral precondition must be to aid the developing countries in developing up to the advanced countries' level within the next two generations. The immense resources of human potential set free in this way, far surpass the imagination of most people today. The human species still has an infinite potential to turn out even better geniuses than Leibniz, Schiller, Beethoven, and Gauss. It will transpire that many of these new geniuses will come from those regions which today are called the developing countries. The industrial revolution unleashed by the introduction of nuclear fusion, laser technology, and biotechnology, will raise the productivity of labor power by many orders of magnitude, producing a surplus product which will make the settlement of outer space feasible. This in turn will have a positive effect on relations between nations back on the planet Earth. If we follow this route, making the development of the Southern Hemisphere and the first settlement of space into our peaceful aim for the next 50 years, then and only then will an end to the seemingly hopeless superpower conflict come into sight; only then will the superior culture of European humanist civilization prevail and lead us toward the Age of Reason; only from this standpoint do we have a prospect that the Soviet Union might one day, in its own self-interest, join in this new world order.

And if we add courageous, patriotic defensive determination to our taking up the task of contributing to the economic development of the developing countries, then by our very act of defining a national purpose and peaceful aim, we will have overcome the national apathy of many of our citizens. Then we can shape the grand strategy of the state and society so that instead of the population progressively degenerating through drugs, pornography, etc., their condition will be improved.

Schiller, von Humboldt, and vom Stein were already well aware of the necessity for such a strategy. On this we can be informed by Schiller's *Aesthetic Letters*, which are required reading for every patriot. Von Humboldt seconded Schiller's theory²⁵ that any improvement in the political realm can only result from the ennoblement of the individual person. And it was vom Stein's view, that such improvement could only come from within, via the ennoblement of the national character.

"The human being's true goal—dictated not by changing whim, but by eternally unchanging reason—is the highest and most well-balanced education of his powers into a whole. For such an education, freedom is the first and indispensable precondition," wrote Wilhelm von Humboldt. This is the Cusan idea: Only through the maximum development of all microcosms, mediated through the maximum development of all sovereign nations, is concordance in the macrocosm

possible.

The role of the state and the institutions supporting it, lies in their fostering of scientific and technological progress—which alone can engender the necessary cultural optimism—allied with their absolutely essential fostering of classical art, since it is this alone which, as Schiller correctly remarked, can make men into "complete human beings."

What, then, shall we do with our younger generation—particularly all those poor, deprived young people who have been robbed by the Brandt reforms of virtually every access to real knowledge, and have had their language stunted? We see, that just as the problems Schiller addressed in his *Aesthetic Letters* precisely correspond to our own today, so also the difficulties experienced by the Prussian reformers were not so different from our own. As vom Stein explained in a letter to Princess Luise Radziwill, today's younger generation is particularly prone to dueling and tests of courage. There is no better way to equip them for their tasks, he wrote, than to refer them to examples of the great and strong characters of the past, and to classical writers. It is this instruction in history, vom Stein states in another location, "that gives the young minds exposed to it, the opportunity to become early imbued with love for their fatherland, to become acquainted with the great men [and women—HZZ] of the past, who in war, in science, in statecraft contributed to its glory and fame."

Indeed, all we need is the courage to take the examples we already possess in such great numbers, raise them up, and make them into our guides. And not the least of these should be the space pioneers of the 1920s, without whom neither of the superpowers, nor any other power, could have mastered space travel; and on up to our most recent astronauts, such as Ulf Marbold.

For, while we are literally putting our world "in order," we must at the same time raise our eyes to the stars, where countless tasks lie ahead of us, from the industrialization of the Moon, to the colonization of Mars and other planets. No, not only have we not reached the limits to growth, we are only at the very beginning of a new chapter in human history. I entirely agree with my dear departed friend Krafft Ehrlicke, that with probability verging on certainty, the Age of Reason will only begin when we cease quarreling over Earth's affairs, and jointly begin the colonization of outer space. He was right to insist that we will need an "extraterrestrial imperative" in order to have mankind operate on the level of reason.²⁶

In the meantime, let us be a nation Friedrich Schiller could be proud of! Let us prove we are still that people of poets and philosophers, and that we have infinitely much to contribute to the world's development.

National sovereignty is a cherished, inalienable possession, one which we must defend at all cost. But we Germans will only win our own sovereignty, when we give the decisive impulse for enabling all people on this planet to win that inalienable right. We Germans must acquire the ability not

just to give the world culture and science, but to give it joy, to make human life happy. And if we have a republican militia and a patriotic home guard carrying this idea of the nation within them, then the enemy will not have a chance.

To conclude these thoughts on inner-German and foreign policy, I would like to quote two passages from two Germans who perhaps more than any others, have had a profoundly positive influence on Germany's history. Each points out the two alternative paths before us.

O, what great blindness! Will the princes never stop believing they can enrich themselves from the Empire's wealth and keep on doing so indefinitely? For, if they are all solely intent upon increasing their own possessions, what will come of it, except the disintegration of the Empire? Jealousy, waxing greed, war, division, separation. . . . These aberrations must be rapidly and prudently opposed, because a fatal illness has befallen the Empire, and unless we quickly administer the proper medicine, death will inevitably ensue. And then we will search Germany in vain for the Empire; foreigners will seize our lands and divide them amongst themselves; we will become vassals to foreign nations. And there is no better preventive measure, than taking the trusty and well-trod path of renewal.—*Nicolaus of Cusa*

Conquering with shield and sword, . . .

He hath won the higher vict'ry
Who hath freed the human mind.
Setting Reason free occasions
Claiming justice for *all* Nations,
Lasts fore'er for all Mankind.

—*Friedrich Schiller, poem fragment "German Greatness"*

Notes

23. The proceedings of the First International Conference of the Schiller Institute have been published as a book, *Rescue the Western Alliance!* New York: New Benjamin Franklin House, 1984.
24. The Declaration of the Inalienable Rights of Man was first published in *Executive Intelligence Review*, Dec. 11, 1984, Vol. 11, No. 48; separate copies are available through the Schiller Institute, 1612 K Street N.W., Suite 300, Washington, D.C. 20006.
25. Friedrich Schiller, *Aesthetic Letters, passim*, in *Friedrich Schiller, Poet of Freedom*, New York: New Benjamin Franklin House, 1985.
26. On June 15-16, 1985 in Reston, Virginia, the Schiller Institute held a conference in memory of Dr. Krafft A. Ehrlicke. The proceedings are published in book form, *Colonize Space! Open the Age of Reason*, New York: New Benjamin Franklin House, 1985.

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Relatio Finalis: 'The sons of God have inalienable rights'

There follow excerpts from the final document of the Extraordinary Synod of Bishops of the Roman Catholic Church which concluded Dec. 8 in Rome, in a translation from the Italian (the original being in Latin). The abbreviation LG stands for Lumen gentium, official documents from Vatican II. All emphases are added, and all expressions in brackets are editorial additions. Expressions in parentheses are in the original.

Relatio Finalis

"The Church; in the Word of God, Celebrates the Mysteries of Christ for the Salvation of the World"

I

2. . . . The end towards which this synod was convened was the celebration, verification, and promotion of the Vatican II Council. With a thankful spirit, we feel we have truly reached this fruit, with the aid of God. . . .

3. Lights and shadows in the acceptance of the Council
. . . . Nonetheless, although great fruits have been obtained from the Council, we have recognized at the same time and with great sincerity the wants and difficulties in the acceptance of the Council. *In truth, there have also been shadows in the post-conciliar period due in part to a non-full understanding and application of the Council, and in part due to other causes. Yet in no way can it be affirmed that everything which has occurred after the Council has been caused by the Council.*

4. External and internal causes of the difficulty
. . . . In the rich nations an ideology is constantly growing characterized by pride for its technical progress and a certain immanentism which leads to the idolatry of material goods (so-called consumerism). . . . *Further, we cannot deny the existence in society of forces capable of great influence which*

act with a certain hostile spirit towards the Church. All these things manifest the work of "the prince of this world" and the "mystery of iniquity" also in our times.

Among the internal causes, we must note a partial and selective reading of the Council, as well as a superficial interpretation of its doctrine in one sense or another. On the one side, there have been disappointments because we have been too hesitant in the application of the true doctrine of the Council. On the other, due to a partial reading of the Council, there has been a unilateral presentation of the Church as a strictly institutional structure, deprived of its Mystery. Probably we are not free of all responsibility for the fact that the young especially view the Church critically as a pure institution. Have we not perhaps favored in them this opinion, by speaking too much of renewal of the external structures of the Church, and speaking little of God and of Christ? *From time to time there has also been lacking a spiritual discernment, not distinguishing strictly between a legitimate opening of the Council to the world and the acceptance of the mentality and ordering of the values of a secularized world.*

5. A more profound acceptance of the Council

. . . . The theological interpretation of the conciliar doctrine must bear in mind, too, the documents. . . . It is not licit to separate the pastoral dimension from the doctrinal vigor of the documents. *Thus it is also not licit to separate the spirit and letter of the Council.* Furthermore, the Council must always be understood in continuity with the great tradition of the Church. . . . The Church is the same in all the Councils.

II

Particular arguments of the Synod

A) The Mystery of the Church

1. Secularism and the signs of the return to the sacred

The brief period of 20 years which separates us from the end of the Council has led to accelerated changes in history.

In that sense, the signs of our times do not coincide exactly, in some points, with those of the period of the Council. Among these, special attention must be placed on the phenomenon of secularism. Without any doubt, the Council affirmed the legitimate autonomy of temporal things (cfr. GS 36 and elsewhere). In this sense one can speak of a correctly understood secularization. But it is something totally different from the secularism which consists of an autonomistic vision of man and of the world, which leaves aside the dimension of mystery, which disregards and even denies it. This immanentism is a reduction of the integral vision of man, which leads not to his true liberation, but to a new idolatry, to the enslavement of ideology, to a life in this world of reductive and often oppressive structures.

Notwithstanding secularism, there exist also signs of a return to the sacred. Today, in fact, there are signs of a new hunger and thirst for transcendence and the divine. . . .

2. The Mystery of God through Jesus Christ in the Holy Spirit

. . . The message of the Church, as it was described in the Vatican II Council, is trinitarian and Christocentric.

Because Jesus Christ is the Son of God and the new Adam, he manifests at the same time the mystery of God and the mystery of man, and his [man's] high vocation (cfr. GS 22). The Son of God was made man in order to make men the sons of God. *Through this familiarity with God, man is raised to the highest dignity.* For this reason, when the Church preaches Christ, it announces to men their salvation.

3. Mystery of the Church

All the importance of the Church derives from its connection to Christ. . . . *We cannot substitute a false unilateral vision of the Church as purely hierarchical, with a new sociological conception which is also unilateral.* . . .

Relation of the magisterium of Bishops and of theologians

Theology, according to the noted description of St. Anselm, is the "faith which seeks the intellect". . . . [T]heology is specifically necessary today for the life of the Church. . . . But, on the other hand, *we are sorry to see that sometimes theological discussions in our day have been the occasion of confusions among the faithful.* Hence there is required a reciprocal communication and dialogue among Bishops and theologians. . . .

4. Suggestions

Many have expressed the desire that there be compiled a catechism or compendium of all Catholic doctrine respecting both the faith and morality, such that it be almost a point of reference for the catechisms or compendia which are being prepared in different regions. This ought to be a healthy doctrine adapted to actual life of Christians. . . .

B) Sacred liturgy

1. Internal renewal of liturgy

Liturgical renewal is the most visible fruit of the entire conciliar work. Despite some difficulties which have arisen, generally it has been received with joy and benefit by the

faithful. Liturgical renewal cannot be limited to ceremonies, rites, texts, etc. Active participation, so happily increased in the Post-Concilium, does not consist solely in exterior activity, but above all in interior and spiritual participation, in the living and fruitful participation in the paschal mystery of Jesus Christ (cfr. SC 11). *It is evident that liturgy ought to favor and make resplendent the sense of the sacred. It must be permeated with the spirit of reverence, of the adoration and the glory of God.* . . .

2. Suggestions

Bishops must not only correct abuses, but also explain clearly to all, the theological foundations of sacramental discipline and of the liturgy.

2. Unity and pluriformity in the Church

As we believe in one sole God and in one sole mediator Jesus Christ, and in one sole Spirit, so also we have one sole baptism and one sole Eucharist, with which are symbolized and built the unity and uniqueness of the Church. This is of great importance especially in our times because the Church, in that it is one, as a sacrament, is thus a sign and instrument of unity and of reconciliation, of peace among men, nations, classes, and peoples. . . . In this way, ecclesial communion with Peter and his successors is not an obstacle but an anticipation and prophetic sign of a fuller unity. On the other hand, the one and same Spirit operates with many and varied spiritual and charismatic gifts. . . . Because of this, the one and universal Church is present truly in all the particular churches (cfr. CD 11), and these are formed in the image of the universal Church in such a way that the one and only Catholic Church exists in and through the particular Churches (cfr. LG 23). Here we have the true theological principle of variety and pluriformity in unity. *But pluriformity must be distinguished from pluralism. When pluriformity is a true richness and bears plenitude, this is true catholicity. Instead, the pluralism of fundamentally opposed positions leads to the dissolution, destruction, and loss of identity.*

4. Collegiality

The ecclesiology of communion offers the sacramental foundation of collegiality. For this reason, the theology of collegiality is much fuller than its simple juridical aspect. . . .

Collegial action in the strict sense implies the activity of the entire college [of Bishops], together with its head, over all the Church. Its highest expression is the Ecumenical Council. *In all the theological questions on the relationship between the papacy and the college of Bishops no distinction can be made between the Roman Pontiff and the Bishops, considered collectively, but between the Roman Pontiff alone and the Roman Pontiff together with the Bishops.* . . . because the college exists with its "head" and never without. . . .

5. The Episcopal Conferences

The collegial spirit has a concrete application in the episcopal conferences (cfr. LG 23). No one can doubt their pastoral usefulness, even their necessity in the present situation. . . .

In their manner of operation, the Episcopal Conferences ought to bear in mind the good of the Church, or rather the service of unity and the inalienable responsibility of each Bishop respecting the universal Church and his particular Church. . . .

7. Ecumenical communion

Basing itself on the ecclesiology of communion, the Catholic Church, at the time of the Vatican II Council, fully assumed its ecumenical responsibility. After these 20 years, we can affirm that ecumenism is inscribed profoundly and indelibly in the conscience of the Church. . . .

. . . The ecumenical dialogue . . . ought to be spiritual and theological. . . . The dialogue is authentic and fruitful if it presents truth with love and faithfulness towards the Church. . . .

8. Suggestions

a) Because the new Code of Canon Law, happily promulgated, is of great joy to the Latin Church in the application of the Council, there is expressed the desire that the Eastern codification be carried to term as rapidly as possible.

b) Because the Episcopal Conferences are so useful, even necessary, in the present pastoral work of the Church, we wish that the study of their theological "status" be more broadly and profoundly clarified, and above all the problem of their doctrinal authority, bearing in mind what is written in the Conciliar Decree *Christus Dominus* n. 38 and in the *Code of Canon Law*, can. 447 and 753.

D) The mission of the Church in the world

1. . . . [W]e . . . perceive that the signs of our time are in part different from those of the time of the Council, with greater problems and anguishes. In fact, everywhere throughout the world there is a growth of hunger, oppression, injustice, and war, of suffering, terrorism, and other forms of violence of all types. This obliges us to a new and more profound theological reflection. . . .

3. Bringing up to date

In this paschal perspective, which affirms the unity of the cross and the resurrection, is to be found the true and false meaning of the so-called "aggiornamento" [bringing the Church up to date with the modern world]. *We exclude a facile adaptation which could lead to the secularization of the Church. We exclude also an immobile closing within itself of the community of the faithful.* We affirm instead the missionary opening for the integral salvation of the world. . . . But integral salvation is obtained only if these human realities are purified and further elevated through the grace of familiarity with God, through Jesus Christ, in the Holy Spirit.

4. Inculturation

In this perspective we have also the theological principle for the problem of inculturation. Because the Church is communion, which combines diversity and unity, it being present throughout the world, it assumes from every culture all that which it finds to be positive. *Inculturation is nonetheless different from a simple exterior adaptation*, because it sig-

nifies the intimate transformation of authentic cultural values, through their integration into Christianity, and the rooting of Christianity into various human cultures. . . .

5. Dialogue with non-Christian religions and with non-believers

The Vatican II Council affirmed that the Catholic Church refuses nothing of what is true and holy in non-Christian religions. . . .

6. Preferential option for the poor and human improvement

After the Vatican II Council the Church became more aware of its mission to serve the poor, the oppressed, the emarginated. In this preferential option, which is not understood as exclusive, shines the true spirit of the Gospels. . . .

Apart from material poverty, there is the lack of liberty and spiritual goods, which in some way can be viewed as a form of poverty, and is particularly grave when religious liberty is suppressed by force.

The Church ought to denounce prophetically every form of poverty and of oppression and defend and promote everywhere the fundamental and inalienable rights of the human person. This is especially true when it is a matter of defending human life from its beginning, of protecting it in all circumstances from aggressors, and promoting it effectively under every aspect.

. . . The mission of the Church, although it is spiritual, implies its promotion also under the temporal aspect. . . . Certainly in this mission there is a clear distinction, but not a separation, between the natural and supernatural aspects. This duality is not a dualism. The false and useless oppositions must therefore be put aside, as for example between the spiritual mission and *diaconia* towards the world.

7. Suggestions

Because the world is in continual evolution, it is necessary to analyze continually the signs of the times, such that the message of the Gospels be heard in a clearer way and the activity of the Church for the salvation of the world become more intense and effective. In this context, there should again be an examination of what the following are, and of how they are to be put into practice:

. . . b) the theory and praxis of inculturation, as well as the dialogue with non-Christian religions and with unbelievers;

c) what is the preferential option for the poor;

d) the social doctrine of the Church in relation to human improvement in ever new situations.

All we Bishops, together with Peter and under his guidance, worked to understand more profoundly the Vatican II Council and realize it concretely in the Church. This has been our objective in this Synod. . . . The message of the Vatican II Council has already been heard with great consensus by all the Church and remains the Magna Carta for the future.

Pope supports Ibero-American unity

Pope John Paul II received on Dec. 6 a group of former prime ministers and chiefs of state from Latin America, who were in Rome participating in a conference. His address is given below in translation.

Your Excellencies:

Whenever my thoughts return to the vast regions of Latin America, the sentiment is renewed in my heart, which in that young and beautiful continent can be awakened as something that belongs to it, and that sentiment is hope.

Your reverent visit today brings this special sentiment to my spirit, and the intimate pleasure of knowing the ideal of friendship between your nations and of Latin American unity—an ideal that is worthy of achievement with all efforts and sacrifices, by deliverance and renunciation.

The Church also lives, and very deeply, in Latin America. In the general Conference of the Episcopacy, celebrated in Medellín and Puebla de Los Ángeles, an apostolic and pastoral plan of action, of vast and profound dimensions, has been drawn up, fundamentally orienting to the spiritual invigoration of the brotherhood and unity of all the people of your continent, who have a common cultural, historical, and religious substratum.

Many of the circumstances of the present day prevent the development and renewal of those meetings oriented not only to conserving that which underlies Latin American unity, but to integrating it more fully into the future, in accord with the principles of reciprocity, solidarity, and effective collaboration. There is one action which has been a particular relief in these last years: the return of various Latin American countries to democratic constitutional rule. Permit me to express, in this respect, the anxious desire that this action, reviewed in the history of Latin America, have a new and more profound significance in the sense that this transition is conducive to invigorating and consolidating the ties of cultural, political, and economic unity among your countries, and that thus there may be born a more efficacious cooperation, to confront the grave problem of injustice and misery: At the same time, may it favor the integral promotion of human beings, teaching them of their rights and always respecting their dignity.

One factor of the economic order that today aggravates the situation of poverty and social inequality in vast sectors of the Latin American world, is that of the foreign debt. Concerning this preoccupying question, I wish to reiterate what was expressed at the General Assembly of the United Nations on the 40th anniversary of the adoption of the Charter of the United Nations. The question of foreign debt has become expanded into a problem of political cooperation and economic ethics. The economic, social, and human cost of this situation is frequently what places entire countries on the edge of rupture. For the rest, neither the creditor nations nor the debtor nations gain anything, if desperate situations fall apart and become totally uncontrolled. Justice and the interests of all demand that, at the world level, the situation be examined globally, and in all its dimensions, not only economic and monetary, but also social, political, and human.

Thus, to confront the gravity of this problem, it is necessary to put greater vigor and efficacy into the principle of unity and Latin American integration. This is a noble ideal, demanding the efforts of everyone together, to find remedies to the ills that afflict so many persons of that continent. . . . I think of so many youth who are presented with a somber future, lacking in authentic spiritual values, when they are not inducted into the terrible affliction of drug addiction. Also in this area, the necessity is imposed to adopt a plan of legal cooperation on the regional and continental level to achieve the most efficacious means to combat narco-traffic.

On my apostolic visits to your nations, I have seen the depth of the social crisis that affects them, and the danger that they run of a social policy that is intended to overcome the crisis by means of violence, such as occurs in some regions, where certain groups and movements leave a trail of sadness and death where they pass. But on those same visits, I have also been convinced that Latin America is precisely the region of the developing world in which there is a spiritual, social, and cultural reality whose values make it possible to overcome the crisis by the routes the Church inspires with its social doctrine. Let this horizon of hope of a peace that is the fruit of justice, open the minds of the men who govern and of political leaders, to induce them to the indispensable actions to destroy the spiral of violence at its roots.

In this, the end of the Second Millennium, when we are preparing to commemorate the Fifth Centenary of the beginning of the evangelization of Latin America, I vow that the children of that beloved continent of hope, faithful to their noblest traditions and their Christian roots, may walk by the way of reconciliation and fraternity in a common effort to succeed in overcoming the division in favor of the hoped-for unity.

Your Excellencies, in recompense for this visit, I express to you my greatest desire for the happy success of the works you are in the process of realizing, while I invoke upon each of you, your collaborators, families, and the beloved nations which you represent, the blessings of the Lord.

Is Russia a 'most favored nation'?

by Vin Berg

Mikhail Gorbachov emerged from private talks with U.S. Secretary of Commerce Malcolm Baldrige in Moscow on Dec. 9, to loudly demand, in exchange for expanded U.S.-Soviet trade, a full round of political and economic concessions from the United States. The Soviet general-secretary's demands included the lifting of all restrictions on sensitive (e.g., military-related) technology, a lifting of all embargoes, (e.g., of the sort that followed the Afghanistan invasion), and massive expansion of trade credits.

He then lashed out: "We don't want outdated U.S. technology. If we have to, we'll do it ourselves. . . . We've done it before and we can do it again. The Soviet Union has outstanding scientists, engineers, and highly skilled workers. The Soviet Union was the first to build experimental rockets, it was the first to build a man-made satellite and the first to launch a spaceflight." It is the U.S. economy that is "severely effected" by Washington's policy of economic embargo.

To these demands, delivered to a U.S. business delegation led by the commerce secretary, Gorbachov then added the demand that the United States grant Russia "most-favored-nation" status in international trade, i.e., the lowest-offered commodity prices and credit rates—something generally reserved for nations whose easy access to American products is deemed in the national security interests of the United States.

Who in their right mind, under present strategic circumstances, would even consider such a demand from the Kremlin? Apparently, Malcolm Baldrige and his businessmen's delegation would. Not surprising, in that a leading member of the delegation is Occidental Petroleum's Armand Hammer, the representative of the Soviet state in the Western business community.

It is a ridiculous spectacle—Baldrige with 400 top U.S. businessmen in tow, basking in the Geneva summit's "new optimism" regarding East-West relations.

The Soviet party newspaper, *Pravda*, on Dec. 9, played this up: The summit had made it possible for "the regular forum of Soviet and American businessmen to become a major event." The editorial appeared under the headline, "Trade is a Bridge to Mutual Understanding."

But Moscow is in the middle of a massive military build-up, whose thrust is unmitigated by the summit. Moscow is in need of whatever it can find outside its borders, to keep its population fed and industry going, while it devotes every-

thing it can produce inside its borders to military build-up. And then, Moscow demands that the adversary power targeted by its build-up provide it with what it needs to sustain the build-up, on the most favorable possible terms!

Were things as they should be in Washington, the President would instruct his secretary of commerce to reply to the Soviet embassy in Washington: "Begging your pardon, but, are you nuts?"

Instead, the secretary of commerce has led 400 top U.S. corporate executives to Moscow, precisely to negotiate providing Russia with whatever it wants on the terms it wants. The American delegation includes executives from Coca-Cola, Kodak, Estée Lauder, Dow Chemicals, Levi Strauss, Pepsico, Union Carbide, American Express, and Chase Manhattan Bank.

The trip itself being appeasement, Gorbachov did not hesitate to raise demands: U.S.-Soviet trade will not increase unless the United States removes political "obstacles." Gorbachov told the businessmen: The United States is blocking U.S.-Soviet trade, by blocking trade credits to the U.S.S.R., banning Soviet products, breaking contracts through embargoes and boycotts, and denying it most-favored-nation status.

"As long as these obstacles exist, there will be no normal development of U.S.-Soviet trade and other economic ties on a large scale."

James Giffin, the president of the U.S.-U.S.S.R. Trade and Economic Council, quickly fell to kiss Gorbachov's feet. All obstacles, like the Jackson-Vanik Amendment's linkage of trade to emigration of Soviet Jews, have to go, he told a press conference in Moscow on Dec. 9:

"We believe the Jackson-Vanik amendment should be repealed. And we support most-favored-nation status for the Soviet Union. . . . We hope to continue the momentum begun in Geneva, to start the whole trade mechanism again."

Malcolm Baldrige, for his part, stated on Dec. 8: "The fact that about 400 American businessmen are coming to take part shows that the United States is willing to develop trade with the Soviet Union."

'New Yalta' trade

The Treasury Department's delegation is part of pattern of peace-loving dealings which are providing the economic underpinnings to the U.S. State Department's "New Yalta" agreements with the Kremlin. Among already standing economic concessions:

In September, Agriculture Undersecretary Daniel Amstutz, the once-and-future Cargill executive, assured a Soviet trade delegation that the U.S.S.R. could have at least 22 million tons of U.S. grain during this trading year. In November, just before the summit, a group of five banks led by First National of Chicago put together a special \$400 million loan facility for the Soviets to draw on to buy such grain from the United States and Canada—the first credit in five years, since the Soviet invasion of Afghanistan.

Let us pray Moscow rejects MBFR proposal

by George Gregory

In the first week of December 1985, the Soviet delegation to the Mutual Balanced Force Reduction (MBFR) talks in Vienna, Austria received a new Western proposal. British Ambassador Alexander tendered the offer: to withdraw 5,000 American soldiers from Western Europe (i.e., from the Federal Republic of Germany), in exchange for a Soviet withdrawal of 11,500 troops from East Germany, Poland, and Czechoslovakia.

The withdrawal would occur over a one-year period, and each side would promise not to increase its forces for a three-year period. Only troops would be withdrawn, not their equipment.

We are reminded of West German parliamentarian Jürgen Todenhöfer's memorable statement of July 1985: "The worst thing that could happen to the West, would be the acceptance of its proposals by the East."

Many things are wrong with this particular initiative, but ultimately, it just goes to prove that there is no rational reason for the MBFR talks to exist. That the talks do exist is proof that forces in the West intend to grant the Soviet Union hegemony over Europe. The talks were initiated by Henry Kissinger on a visit to Moscow in September 1972, and commenced in Vienna, Austria, in October 1973. "Mutual and balanced force reduction?" The geographical and logistical realities of Central Europe make "balanced" force reduction impossible. Any force reduction, in any ratio, is to Soviet advantage.

Until now, since the Soviets were always as consistently stubborn in the "soldiers number game" as they are in the "missiles number game," Western defense officials did not worry about what was under negotiation in Vienna. The "numbers game" played the useful role of preventing the diplomats from producing any results for 10 years. It was only after the last official Western MBFR proposal in April 1984, that a NATO commission was established to work through the damage that would be done if results one day did emerge from the Viennese mess. The results of their studies have never been made public, but it is now to be feared that this latest little "initiative" could be the flick of the toe that starts the avalanche.

The players are all Kissinger colleagues or protégés. There is West German Foreign Minister Hans-Dietrich Genscher,

Lord Peter Carrington at NATO, U.S. Ambassador and fellow of Georgetown University's CSIS David Abshire, U.S. Ambassador to the MBFR talks Robert Blackwell, Richard Burt at the U.S. embassy in Bonn, John Kornblum, now at the Berlin consulate, and James Dobbins at the U.S. embassy in Bonn. They have had a free hand in designing the latest MBFR initiative.

In a recent appearance at the Hanns Seidel Foundation in Munich on Nov. 18, Burt managed to make a Soviet takeover of Europe sound like a Soviet "change of attitude" for the better: "Soviet forces are not deployed to defend Eastern Europe, but to occupy it. American forces are not deployed to occupy Western Europe, but to help defend it. When Europe no longer wants our help, we will go home. When the Soviet Union adopts a similar attitude, the division of Europe will be overcome. It is this change in attitude that we must seek to effect."

Now, "encouraged by the Geneva summit meeting" (British Ambassador Alexander), the West tosses the Soviets an opportunity to accelerate their takeover, in a way that will cost the Soviets nothing at all.

The strategic reality of Europe is, that regardless of numbers of troops discussed, any Soviet agreement to withdrawal is meaningless because the Soviet troops—no matter how many are "withdrawn"—can be back with their noses at the East/West border in a matter of hours.

Under the new Western proposal, the numbers (5,000, 11,500) are insignificant. First, the Soviets, of course, would only take their forces a few hundred kilometers away, into the Western Soviet Union, while the Americans would be moved at least 6,000 kilometers. Since the Soviets have prepositioned immense quantities of new equipment for numbers of troops far beyond those now present, the Soviets can return and attack—in a matter of hours.

The Americans can also leave their equipment, but the Soviets can gain far more than the removal of American equipment would give them. Were the West to agree not to increase forces for a trial three-year period—and the "West" has now proposed this—the annual NATO exercises, "Reforger," to make sure that Western European forces can be re-enforced in event of conflict, would be scrapped.

At present, the average Soviet theatre superiority ratios are 3:1 in tanks, 4:1 in artillery, 3:1 in anti-tank artillery, more than 2:1 in fighter aircraft. In conflict, these average superiority ratios become actual superiorities of 7:1 to 10:1 along chosen axes of assault. These superiority ratios would not change one one-hundredth of a percentage point if the Soviets remove 11,500 troops.

One can imagine the headlines in the *New York Times* on the day the Soviets accept this "Western" initiative: "Demilitarization Under Way in Europe," "Fruits of the Spirit of Geneva," "Soviet Accepts Western Proposal—Withdraw From Eastern Europe." Or even "Budget Cutters Jump for Joy—5,000 Soldiers Coming Home; No More Reforger Maneuvers: Big Savings Seen!"

AIDS: Behind the Chazov scandal

by Warren J. Hamerman

In an outrageous affront to the security of Western nations, on Dec. 11, 1985 Dr. **Yevgeny I. Chazov** was allowed—stormy protests notwithstanding—to receive the 1985 Nobel Peace Prize.

Chazov has not only been a member of the Communist Party Central Committee since 1982, a deputy Soviet health minister, and the senior personal physician to the last several Russian party chiefs. In the Soviet chain of command, he is, strictly speaking, the supervisor of the work of the notorious Soviet nest currently controlling AIDS policy at the Geneva-based World Health Organization.

The Soviet nest at the WHO was first exposed by this author in an *EIR* cover story Oct. 25, 1985 entitled "Soviet Role in Covering up the Deadly Threat of AIDS" and provoked an immediate howl of protest by the journal *Literaturnaya Gazeta* (see issue of Oct. 30, 1985, the subsequent issue on the eve of the Geneva summit, and the issue of Dec. 12 for three direct Soviet responses to *EIR*'s charges). The substance of the preposterous Soviet counterattack to *EIR* was to charge that our journal and its founder Lyndon H. LaRouche, Jr. were only "exposing" the notorious Soviet AIDS nest in Geneva to "cover" for the Pentagon/CIA, who had synthesized AIDS as a biological weapon and then unleashed it on the U.S. population and Western nations, thereby crippling the West while only giving the Warsaw Pact nations a few token cases.

An Off-Off Broadway performance

Apparently the KGB and Soviet military believe that the West is stupid enough to buy any story, so, on top of this concoction, they staged a Grade-B skit on the eve of the Nobel Prize award, when, during Chazov's press conference, a Soviet journalist dramatically clutched his heart and fell to the floor. Demonstrating his heroic reverence for life, Dr. Chazov, in true Superman fashion, ripped off his jacket and, aided by the American fellow-traveller **Dr. Lown**, saved the life of the journalist. Obviously, the Soviets are going not only for the Nobel Prize but the Academy Awards as well. This performance by Dr. Chazov not only gave him hero reviews in most of the world's press; it also created just enough room for him to sneak into a side door of main hall of Oslo University the next day—thereby avoiding a demonstration against his award—to deliver a Soviet propaganda

speech denouncing the U.S. Strategic Defense Initiative and rehashing the old Soviet position of massive military buildup of Warsaw Pact forces "in exchange" for a vast reduction of Western military capabilities.

The bad theater aside, the reality of the situation is that when Chazov's Nobel Prize award was first announced, he was in Geneva at the WHO building involved in a series of discussions with Dr. Sergei Litvinov and other Soviet moles there. Thus the real story of Chazov's crimes is by no means limited to his sordid role in the Sakharov affair.

Here are a few further facts on the matter of Chazov and friends' biological warfare capabilities, without even getting into the notorious work of **Vlail Kaznacheyev** and **Ludmila Michaelova** in Novosibirsk and the experiments at the Institute of Physiology and Biophysics and the Frank Institute in Pushchino just outside Moscow:

1) This week the Soviets are sending a top scientist, **Dr. M. I. Parfanovich** of Moscow's Ivanovsky Institute of Virology to a special meeting on AIDS hosted by Litvinov's Communicable Diseases Division of WHO.

2) Litvinov's Operations Officer in Geneva is **T. A. Bektimirov**. Before his career in Geneva, Bektimirov in the early 1970s did extensive research reported in such papers as one entitled "Isolation of a Leukovirus from a Continuous Human Cell Line" (*Arch. Gesamte Virusforsch* 39:309-16, 1972).

3) T. A. Bektimirov's scientific co-worker **V. M. Zhdanov** was an intimate collaborator of the notorious **Boris Lapin**, the Soviet Union's retrovirus expert stationed at the Sukhumi Primate Center, who as early as the late 1970s was experimenting with the AIDS related virus disease—Simian Acquired Immune Deficiency Syndrome, or SAIDS—in his African Green Monkey colonies. In the early 1970s, Doctors Lapin and Zhdanov published numerous joint papers on animal RNA tumor viruses being expressed in human cells; in other words, *Lapin and Zhdanov published numerous papers on infecting human cells with deadly animal retroviruses*. In short, the scientific nest currently controlling AIDS policy at the WHO belonged to the Soviet scientific network which investigated retrovirus "species jumps" from primates to humans. *The AIDS virus HTLV-III/LAV is, of course, the most famous such retrovirus which made a species jump.*

4) On Nov. 22 and 23 at the Brussels, Belgium Conference "On African AIDS," the Warsaw Pact sent a specialized delegation under the direction of **V. P. Sergeev** and **G. P. Zarubin** of the Moscow Ministry of Health. While contributing no scientific information to the conference, the Warsaw Pact team focused on manipulating African delegates into believing that AIDS was a CIA-Pentagon biowarfare agent which the Americans now wanted to blame on Africa.

5) **Sergei Litvinov** himself was stationed in Ghana, Africa from 1973-77, where he coordinated a number of activities including population-reduction programs run out of the University of Ghana Demographic subsection of the Geography Department and the Russian medical facility founded in the late 19th century in Africa.

Soviet Union incites tribal insurrection

by Konstantin George

While the West was being lulled with the "Spirit of Geneva," Russia has launched an escalation of its war in Afghanistan, extending it, through tribal Pashtun surrogates, onto the territory of Pakistan. In the first weeks of December, Moscow and its Kabul puppet regime ignited a separatist tribal insurrection in Pakistan's Northwest Frontier Province (NWFP), bordering on Afghanistan. The NWFP is better known to the average citizen as the "Golden Crescent," one of the two largest heroin-producing areas in the world.

On Dec. 1, sixteen NWFP Pashtun chieftains, led by the Afridi tribal chief, Wali Khan Kukhikhel, went into open revolt against the Pakistan government. These tribes began to attack supply and troop caravans of Afghan resistance fighters crossing through the NWFP into Afghanistan. For the first time in the history of the Soviet occupation of Afghanistan, there is a real threat to the rebels' crucial supply lines to Pakistan.

Pakistan responded to the separatist threat by sending thousands of regular army troops and dozens of tanks into the tribal region. On Dec. 2, Radio Moscow, in its English language and other international broadcasts, started beaming out propaganda denouncing the actions of the Pakistan Army, and, abandoning the Soviet profile of granting covert assistance while maintaining public silence, openly endorsed the tribal rebellion.

The Pakistani government has since confirmed that the Army was moved in, and that the tribal areas have been sealed off—with the partial exception of the Pakistan-Afghanistan border. Pakistani government sources have confirmed to *EIR* 1) that there is a raging tribal insurrection ongoing; 2) that the thousands of rebel tribesmen are heavily armed with Soviet-made weapons, brought in from Afghanistan; and 3) that Afridi chieftain Wali Khan is the titular head of the uprising.

Previously Moscow and Kabul were destabilizing Pakistan through repeated air raids and artillery bombardments of Pakistani border villages, and with scorched-earth tactics in wide areas of Afghanistan which generated the expulsion of some 3.5 million Afghan refugees into Pakistan, causing an intolerable social and economic burden on that country.

Pakistani government officials emphasized to *EIR* that the uprising marks a new, qualitative escalation by the Soviet

Union, whereby a strategy of tribal separatist blackmail is being employed against Pakistan. The escalation amounts to a virtual ultimatum to the government in Islamabad: Either join with Moscow in crushing the Afghan resistance, or face an interminable guerrilla conflict and potential fragmentation of the nation of Pakistan.

Knowledgeable sources note the obvious "coincidence" in the timing of the Moscow-steered tribal revolt, and the arrival of the Afghan foreign minister, Shah Mohammed Dost, in Moscow on Dec. 12, for talks with the Soviet leadership, before proceeding to Geneva, where U.N.-sponsored talks on the war in Afghanistan will resume.

Russia's tribal assets

In November, while the world's TV cameras were focused on the charade in Geneva, other meetings, symbolic of the post-Geneva drive by Russia to expand its sphere of influence in the developing sector, were taking place in Kabul. Leaders of the Afridi and Shinwari tribes of the NWFP were being wined and dined in Kabul, and bought off by Moscow and the Kabul regime. Thousands of Kalashnikovs and other Soviet-made automatic weapons began flowing to the tribes, together with foodstuffs and other materials. According to Afghan resistance sources, the tribal chiefs were also each given a personal gift of \$10,000 cash.

Besides the obvious strategic value to Moscow in exploding the tribal uprising inside Pakistan, there is another side to the story, equally important, but almost never mentioned—the drug connection. Pakistani government representatives told *EIR* that the tribes now in revolt—the Afridi and the Shinwaris—are the main opium growers and heroin producers in the NWFP, and form the core of narcotics traffic inside Pakistan, and in shipping heroin out of Afghanistan into the West.

If doubts exist on this score, the communiqués issued on Dec. 11 by the government of Pakistan, will put an end to them. Pakistan reports that its Army units operating against the Afridi and Shinwari tribes seized "large quantities of heroin," after conducting searches of tribal villages.

Besides the obvious international importance of this massive drug flow from Afghanistan and the NWFP—the core of the "Golden Crescent"—in the last few years, Pakistan itself has suffered a skyrocketing increase in heroin addiction among its own population.

Earlier this year, the Pakistani government began a severe and very commendable crackdown against these tribes for their role in the drug trade. The Pakistani Army and police not only seized large supplies of heroin, but also killed many drug-trafficking tribesmen in numerous clashes.

As one source stated, "Moscow has exploited the resentment generated among the tribal drug kings against Pakistan for its having cracked down on the drug trade. The quid pro quo for receiving massive arms supplies from Kabul, is that the drug trafficking will be protected . . . and Moscow will get its 'cut.'"

The Asia Pacific military balance

by Uwe Henke v. Parpart
and Col. (ret.) Molloy Vaughn

The following speech was delivered at a conference Dec. 2-3 sponsored in Bangkok, Thailand, by EIR. The conference was attended by 100 Thai military, business, and government leaders.

The increasing Soviet and Warsaw Pact preponderance in strategic nuclear and European theater nuclear and "conventional" forces over United States and NATO forces, achieved during the 1970s and early 1980s, has been well publicized. Less attention has been paid to the equally significant strategic threat of dramatic post-1973 changes in the U.S.-Soviet military balance in the Asia-Pacific region. Despite warnings from our Asian allies, this threat has been obscured by two equally dangerous illusions.

1) The Kissinger-Brzezinski "China card" fantasies have fostered the assumption that the three-fold increase (from 17 to 52) of Soviet Far East divisions under the Far East High Command, re-established in 1979 under the direction of Marshal Ogarkov, is nothing to worry about. This increase was allegedly prompted by Soviet concern over the Chinese threat, and these 35 additional Soviet divisions will be taken care of by the Chinese on our behalf.

2) Since the 1973 withdrawal from Vietnam—however traumatic—and save for our commitment to South Korea, the United States has no mainland Asian military commitment or responsibility and is safe behind the Seventh Fleet screen patrolling the Pacific and Indian Ocean waters.

Let us not counter assumptions by other assumptions, but re-examine points 1 and 2 in light of the following tables, showing in detail the shifts in Asia-Pacific deployed military power between 1965 and 1985.

Reviewing the following tables, four things stand out:

1) Even counting two Soviet-type divisions as the equivalent of one U.S.-type division (in terms of fighting power, this will tend to overestimate U.S.-type forces' strength), we see that ground forces' strength has shifted in 1985 from a 2:1 U.S. (and allies) advantage. In addition, key Soviet supply and re-supply lines are one-third to one-fourth the distance of U.S. supply lines.

2) U.S. reduction of naval strength by one entire fleet since 1965 has led to a significant Soviet preponderance in surface combatants (in addition to the always existing submarine preponderance) by 1985. Increases in Japanese naval strength have not been sufficient to offset U.S. reductions.

U.S. supply lines are long and uncertain. Subic Bay, Hawaii, and Seattle do not add up to Vladivostok and Cam Ranh Bay.

3) A qualitatively new factor is the presence since 1978-79 of the Soviet SS-20 nuclear ballistic missile threat to all Pacific forward-based U.S. systems as well as to Guam. Forty percent of all SS-20s have likely Asia-Pacific region targets.

4) Since 1965, Japan has grown to become the OECD's second largest economy and an increasingly valuable Soviet target. In the same time period, Japanese energy and raw materials dependence on the Middle East and Southeast Asia has increased manyfold, multiplying the strategic importance of the Southeast Asian straits (Malacca, Sunda, Lombok, etc.) and the South China Sea.

In light of these developments, any belittling of Soviet Asia-Pacific military strength would be utter folly. With the expansion of base facilities around the Indian Ocean and



especially the acquisition since 1979 of large new bases in Vietnam (Cam Ranh, Danang) and Cambodia (Kompong Son), the Soviet Union has achieved strategic break-out from the Seas of Japan and Okhotsk—not only for its Pacific Fleet, but for its air and ground forces. Japan and U.S. ground and naval forces are now not only threatened by long-range ICBMs, but also by massive ground and air forces capable of taking and holding territory.

The latter capability in particular is the preferred Soviet threat deployment mode. While recognized in Europe, it has been largely overlooked by Western analysts—preoccupied and fascinated almost exclusively as they are with past matters of sea power, which has a much reduced significance in the present and future. The Soviet Union can be expected to bring its newly developed *all-around* Pacific military strength to bear much as in the case of Western Europe: not necessarily through military action and occupation of territory, but by threats and blackmail (especially of Japan) with the aim of bringing large portions of the Asian Pacific rim into its sphere of influence.

To drive home the point that we are facing a new strategic reality in Asia qualitatively different than in the pre-1979

period, we briefly examine two potential theaters of warfare—Northeast and Southeast Asia—and the U.S. position vis-à-vis these theaters.

Northeast Asia

On the Korean peninsula, 1.5 million troops (including a U.S. infantry division in the South) and an additional 23 ready reserve divisions face each other across the 18th parallel, probably making this the area with the highest concentration of military power in the world. Consider also that a circle of 500 miles radius around a hypothetical point in the middle of the Sea of Japan would include all major Japanese cities, the major naval base at Yokohama, all of the Koreans, much of Manchuria and Soviet Pacific Fleet headquarters in Vladivostok, and it would almost reach to the Chinese capital of Beijing. Next to Central Europe (Germany), this is the most important theater for potential U.S.-Soviet conflict. But even moreso than in Europe, U.S. and allied forces are badly outgunned in this region. U.S. forces—even including the Marine division on Okinawa—are only of token character. Japanese forces remain inadequate. And there is no credible defense for South Korea or Japan (including U.S. bases there)

TABLE 1
1965 Pacific Rim deployment of forces

	U.S.A	S. Korea	Japan	Taiwan	Philippines	S. Vietnam
Total armed forces	n.a.	604,000	246,000	524,000	36,500	565,350
Army						
Total strength		540,000	172,000	380,000	25,500	280,000
Active divisions	6	18	13	23	1	4 corps
Independent						132,000 US 15,000 SK 1,500 AUS 350 NZ
Brigades/regiments/battalion	1 airborne brigade	57 battalions		1 airborne brigade	4 training divisions	
Reserve strength			24,000		120,000	280,000
Divisions/brigades		10 divisions				
Navy						
Total strength	1st & 7th fleets	17,000	35,000	35,000	4,000	15,350
Aircraft carrier						no large vessels
Battleship/cruiser						
Destroyer		1	19	5		
Submarine		6	6			
Frigate		16	28	8		
Other vessels		53	280	216	69	
Air Force						
Total strength	Hq 5th & 13th	20,000	39,000	82,000	7,000	10,000
Total combat aircraft			500	900	200	400
Tactical fighters	8 squadrons	4 squadrons	17 squadrons	8 squadrons	4 squadrons	
Tactical bombers	2 squadrons	4 squadrons		3 squadrons		
Transport/reconnaissance	7 TC squadrons 2 squadrons	19	35 squadrons			
Misc. aircraft		90	400			
Marine						
		27,000		27,000		5,000
Divisions	2					
Marine/airwing	2					

against the Soviet SS-20 threat.

There are essentially two possible Northeast Asia conflict scenarios.

First, a North Korean attack on South Korea not backed up by Soviet (or Chinese forces). Reasonable estimates are that South Korea, properly resupplied and after some initial losses, could probably stay its ground. In the longer run, superior South Korean industrial and population potential should further improve their relative position. Of the two possible Northeast Asian theater scenarios, this one is more palatable to U.S. war planners and—perhaps for that reason—considered the more likely of the two.

In the context of global U.S.-Soviet conflict, the limited Korea war scenario becomes largely irrelevant—except as a possible trigger point. South Korean forces will be out-flanked; resupply will become impossible. Soviet efforts will be aimed at achieving break-out from the Sea of Japan. The first target—with North Korean flanking protection—will be northern Hokkaido. Should Chinese involvement appear likely, North Korean and Soviet forces will have Liaoming peninsula port facilities as a primary target, and Tianjin and Beijing as a secondary target. Combined U.S. and Japanese

forces—including Seventh Fleet support—will be found grossly inadequate to offer effective resistance beyond the very initial phase of the conflict if it remains confined to non-nuclear means. Given the regional value disparity of nuclear targets (threat to Japanese population centers versus principally military targets on the Soviet side), a decision to go to a nuclear denial of Soviet break-out is if anything even more problematical than in Europe. On the other hand, if denial of Soviet aims by nuclear means becomes a plausible option, an almost complete reversal of the strategic situation ensues. Soviet break-out to be effective requires high concentration of forces creating ideal targets for nuclear attack. The principal regional strategic question thus is the possibility of shielding Japanese cities against nuclear annihilation. SDI-type of defensive systems provide the only available answer.

The South China Sea and Southeast Asia

In the case of global U.S.-Soviet conflict (or even short of that as the result of gross U.S. foreign policy failures), the South China Sea, crucial link between the Pacific and Indian Ocean basins, is in danger of becoming a Soviet lake. This threat, much as the strategic threat in Northeast Asia, has

Table 1 (continued)
1965 Pacific Rim deployment of forces

	Australia	New Zealand	U.S.S.R.	N. Korea	N. Vietnam
Total armed forces	69,000	12,900	n.a.	353,000	240,000
Army					
Total strength	37,500	5,400	n.a.	n.a.	n.a.
Active divisions	1		17	18	11
Independent			600 tank		
Brigades/regiments/battalions	3 regiments	1 brigade		1,300 artillery	
Reserve strength	29,000	9,000		30-50% nuclear capability	
Divisions/brigades				5 brigades	
Navy					
Total strength	14,000	3,000	n.a.	n.a.	n.a.
Aircraft carrier	1 TRP 1 ASW	1			
Battleship/cruiser					
Destroyer	5				
Submarine			120 conventional 20 nuclear	1	
Frigate	4	3 ASW			
Other vessels	28	4	150	135	80
Air Force					
Total strength	17,720	4,500			
Total combat aircraft				500	FE10/MiG-15
Tactical fighters	6 squadrons	1 squadron	MiG-15, 17 IL-28	MiG-15	MiG-17
Tactical bombers	3 squadrons	1 squadron	20 bisons 10 bears	MiG-17 IL-28	
Transport/reconnaissance	3 squadrons	4 squadrons			
Misc. aircraft					
Marine					
Divisions					
Marine/airwing					

been largely ignored or underestimated, because U.S. military planners prefer to view all Asia-related matters almost entirely in naval (sea power) terms. However, acquisition by the Soviet Union of large and modern bases in Vietnam and Cambodia (under development) does not only provide new operational capabilities for the Soviet Pacific Fleet and attached air wings. Landing operations conducted out of Kompong Son (Cambodia) against the Kra Isthmus area can lock in Thailand and achieve control of the Malacca Strait (recall Japanese World War II strategy). And highly capable Vietnamese divisions provided with Soviet logistical, airlift and landing craft back-up will find no great difficulty in gaining an immediate foothold in the Philippines. (Of course, present U.S. State Department policy toward the Philippines may spare them the military effort.) The South China Sea will then be surrounded and entirely controlled by Soviet and Soviet-allied forces—a feat no more difficult and with present force constellations no more likely to be effectively resisted than comparable Japanese World War II operations.

(Where was the mighty combined British-Dutch fleet when the Japanese landed at Kota Bharn? Largely at the bottom of the ocean, hit by *land-based* bombers.)

We have drawn attention without going into greater detail to the Northeast and Southeast Asian theater problems to force consideration of the very large combined Soviet, North Korean, and Vietnamese ground forces superiority in Asia over U.S. and allied forces. Therein, at least as much as in the rapid growth of the Soviet Pacific Fleet, lies the most important strategic threat.

In the beginning phase of World War II in the Pacific (after Pearl Harbor), Admiral Yamamoto had proposed and designed a combined arms (navy, army, air force) Asian rim and Southeast Asian offensive to be carried into India and the Indian Ocean rim. Only when this was abandoned for political reasons we cannot explain here, did Yamamoto agree to the Midway alternative which would prove to be the early turnaround of the Pacific War. The Russians will have no more reason or incentive to go island-hopping in the South Pacific. Once they control the rim they can safely leave the wild blue yonder to us. We remark in conclusion of this section that detailed joint Japanese-U.S. war planning in the Asia-Pacific region drawing deliberately on relevant World War II experiences could go a long way toward redressing the present Asia-Pacific strategic impasse.

Table 2
1975 Pacific Rim deployment of forces

	U.S.A	S. Korea	Japan	Taiwan	Philippines	S. Vietnam
Total armed forces	n.a.	625,000	233,000	491,000	55,000	565,000
Army						
Total strength		560,000	154,000	340,000	35,500	450,000
Active divisions	1-SK	23	12	20	2	12
Independent	1-Ha.					2 regiments
Brigades/regiments/battalions		2 brigades	2 brigades	4 special forces 2 regiments 2 airborne brigades	3 brigades	48 battalions
Reserve strength		1,000,000		750,000	218,500	
Divisions/brigades						
Navy						
Total strength	7th fleet	20,000	38,100	36,000	11,000	40,000
Aircraft carrier	3					
Battleship/cruiser	25					
Destroyer		6	27	18	1 IDE	
Submarine		14	2		2	
Frigate		3	27			9
Other vessels		122	109	91	68	901
Air Force						
Total strength	48,600	25,000	40,900	80,000	9,000	80,000
Total combat aircraft	11 squadrons	210	385	206	36	509
Tactical fighters	11 squadrons	11 squadrons	14 squadrons	5 squadrons	3 squadrons	4 squadrons
Tactical bombers	5th AF 13th AF 7th AF	5 squadrons	3 squadrons	6 squadrons		14 squadrons
Transport/reconnaissance			3 squadrons	3 squadrons	5 squadrons	13 squadrons
Misc. aircraft		350	113			
Marine						
Marine		20,000				15,000
Marine/airwing	1	1				



Table 2 (continued)

1975 Pacific Rim deployment of forces

	Australia	New Zealand	U.S.S.R.	N. Korea	N. Vietnam
Total armed forces	68,851	12,630	n.a.	467,000	583,000
Army					
Total strength	31,185	5,553	n.a.	410,000	570,000
Active divisions	1		45	23	19
Independent	3 regiments	1 brigade			
Brigades/regiments/battalions	6 battalions	1 battalion		3 brigades 7 regiments	
Reserve strength	20,200	2,664		250,000	
Divisions/brigades					
Navy					
Total strength	16,115	2,845		17,000	3,000
Aircraft carrier	1	1			
Battleship/cruiser			60	4	
Destroyer	3		10		
Submarine			40	1	
Frigate	6	4			
Other vessels	40	18	55	150	80
Air Force					
Total strength	21,551	4,232	100,000	40,000	10,000
Total combat aircraft	151	29	1,725	598	203
Tactical fighters	6 squadrons	2 squadrons	1,100	500	6 squadrons
Tactical bombers	1 squadron		225 Iraf	98	7 squadrons
Transport/reconnaissance	2 squadrons	5 squadrons	400		
Misc. aircraft		85			
Marine					
Divisions					
Marine/airwing					



Table 3
1985 Pacific Rim deployment of forces

	U.S.A	S. Korea	Japan	Taiwan	Philippines	Thailand
Total armed forces		622,000	241,000	484,000	104,800	235,300
Army						
Total strength		540,000	156,000	330,000	60,500	160,000
Active divisions	1-SK 1-Ha.	23	13	18	5	9
Independent Brigades/regiments/battalions		3 airborne brigades 8 brigades	2 brigades	3 airborne brigades 6 brigades	1 special warfare 1 regiment	1 special warfare 8 infantry brigades
Reserve strength		1,400,000	41,000	1,500,000	20,000	500,000
Divisions/brigades		23 divisions		9 divisions	18 divisions	4 division hq
Navy						
Total strength		49,000	42,000		28,000	32,000
Aircraft carrier	2 heli					
Battleship/cruiser	5					
Destroyer	8	11	31			
Submarine	8	14				
Frigate	7	8	17		7	6
Other vessels	115	14				142
Air Force						
Total strength	Hq 5th & 13th 3 MA Div SAC	33,000	43,000		16,800	43,100
Total combat aircraft		450	280		42	188
Tactical fighters		19 squadrons	14 squadrons		2 squadrons	3 squadrons
Tactical bombers		4 squadrons	6 squadrons			7 coin squadrons
Transport/reconnaissance	2 squadrons	19	1 rec		3 squadrons	3 squadrons
Misc. aircraft						
Marine						
Divisions	12	2 divisions			3 brigades	2 brigades
Marine/airwing	12	1 brigade plus 11,000 naval, air 43 combat aircraft, 62 combat heli		3 brigades	2 brigades 2 infantry battalions	



Table 3 (continued)
1985 Pacific Rim deployment of forces

	Indonesia	Malaysia	Singapore	Australia	New Zealand	U.S.S.R.
Total armed forces	281,000	124,500	55,500	72,345	12,690	n.a.
Army						
Total strength	210,000	100,500	45,000	32,680	5,540	n.a.
Active divisions		4 division hq	1			52
Independent	4 special warfare	1 special force brigade	4 brigades	3 regiments	2 battalions	4 airborne brigades
Brigades/regiments/battalions	16 brigades 37 battalions	12 infantry brigades				
Reserve strength		45,000	150,000	30,300	1,410	
Divisions/brigades			2 divisions 6 brigades			
Navy						
Total strength	42,000	11,000	4,500	16,988	2,827	
Aircraft carrier						2
Battleship/cruiser						16
Destroyer				3		16
Submarine	3 non-nuclear			6		133
Frigate	9	2		10	4	11
Other vessels	18	55	34		13	186
Air Force						
Total strength	29,000	13,000	6,000	22,677	4,317	
Total combat aircraft	68	34	167	133	33	3,090
Tactical fighters	15 F-5s 1 coin squadron	1 squadron	4 squadrons	5 squadrons	2 squadrons	1,700
Tactical bombers		2 coin squadron				560
Transport/reconnaissance		3 squadrons	3 squadrons	7 squadrons/3 squadrons	2 squadrons/1 squadron	200
Misc. aircraft						
Marine						
Divisions	2 regiments			1,310 fleet		1 division
Marine/airwing						3 regiments

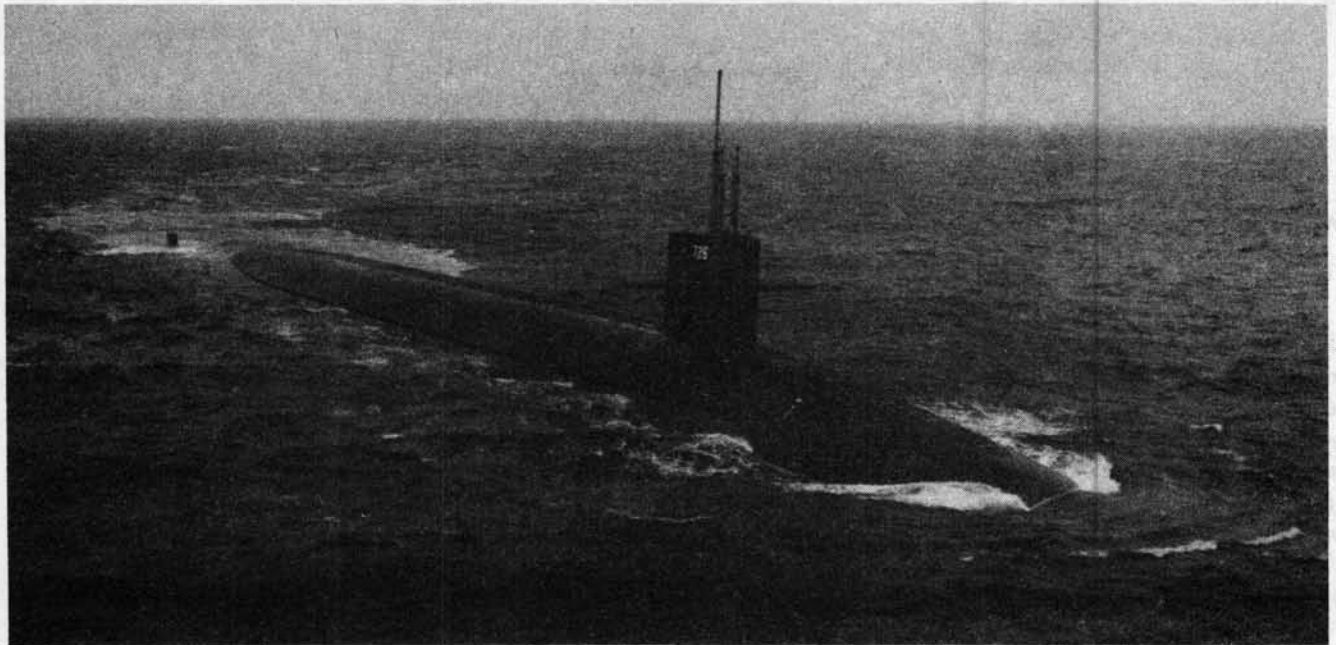


Table 3 (continued)

1985 Pacific Rim deployment of forces

	N. Korea	N. Vietnam	India	Bangladesh	Pakistan	China
Total armed forces	784,500	1,029,000	1,120,000	81,300	478,600	4,000,000
Army						
Total strength	700,000	1,000,000	960,000	73,000	450,000	3,160,000
Active divisions	36	58	31	5	18	131
Independent	14 brigades 6 regiments 5 river crossing regiments	6 regiments		12 infantry brigades	9 brigades	local forces 73 divisions
Brigades/regiments/battalions	3 brigades 7 regiments		13 brigades	2 regiments		
Reserve strength	260,000		200,000		500,000	5,000,000
Divisions/brigades	23 divisions					
Navy						
Total strength	33,500	4,000	47,000	5,300	11,000	350,000
Aircraft carrier			1			
Battleship/cruiser			1			
Destroyer			3		8	14
Submarine	21 non-nuclear	4 U.S.S.R.	8		11	100 non-nuclear 2 nuclear
Frigate	4	5	23	3		22
Other vessels	427	76	46	32	48	
Air Force						
Total strength	51,000	15,000	113,000	3,000	17,600	490,000
Total combat aircraft	740	290	920	27	314	5,300
Tactical fighters	25 squadrons	7 regiments	36 squadrons	3 squadrons	18 squadrons	4,500
Tactical bombers	3 squadrons		3 squadrons			620
Transport/reconnaissance	250	6 regiments	9 squadrons/2 squadrons	1 squadron	2 squadron/1 squadron	550/130
Misc. aircraft	280					
Marine						
Divisions		2 divisions				
Marine/airwing						

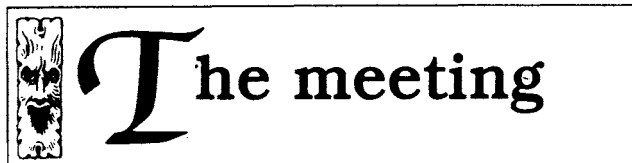
The Greek Premier: A 'roman à clef'

We publish here Part III of a mysterious manuscript, discovered "somewhere near Qasr al Nil, in Cairo," during the Christmas season of 1982, according to the person who has passed it on to us. In Part II, we left Dane Crystal, the terrorist controller on the payroll of the Greek KYP intelligence service, emerging from interrogation by the Athens magistracy to confess before the assembled press corps his own role in numerous murders and conspiracies, under the direction of KYP Director Lt.-Col. John Dyslexakis.

Meanwhile, the adventure of the "Qasr al Nil manuscript," took a new turn. Phocion, our man deciphering the poorly preserved, hastily handwritten sheets of paper, has encountered certain, customary in such enterprises, obstacles making the deciphering difficult, which, unfortunately, obliges us to suspend indefinitely publication of future installments.

The first two installments of the series appeared in EIR Oct. 18 and Nov. 8, 1985.

Chapter Seven



Two huge Military Police sergeants, with sparkling white shin guards, gloves, belts, shoulder cordons and helmets, slowly, ceremoniously, pulled open the enormous oak doors for Dyslexakis to enter the cavernous private office of the Minister of Defense. The Premier himself was also the Minister of Defense.

Everything was hushed in the discreetly lit, imposing office. Heavy, Prussian-blue drapes concealed the view of the enormous windows, on either side of the Minister's enormous, polished ebony desk. The dimly lit chandelier, hanging from the meander-decorated tall ceiling, was sending discreet rays of light to illuminate the huge oil painting hanging on the wall, 15 yards opposite the minister's desk. It depicted, in subdued, blue-dominated tones, a scene of martial gallantry from the naval battle of Salamis. Walking softly on the enormous, thick, Persian rug, Deputy Director of the

KYP Dyslexakis noticed that apart from the Premier, sitting quietly at his desk, there were four more persons in the oblong room, sitting in the deep, black-leather upholstered armchairs, arranged one in each corner of the rug. The intricately carved coffee tables next to each were lit by solid, classical-style bronze lamps. Dyslexakis, without waiting for the invitation, went and sat on the empty leather sofa beneath the oil painting, directly facing the Premier. The other four persons were Deputy Minister of Defense Gen. Anthony Johnny-Cool, Minister of Public Order Menelaus Koulos, Director of the KYP Gen. Gregg Pauletes, and the Premier's private secretary, Raphael Xyangas.

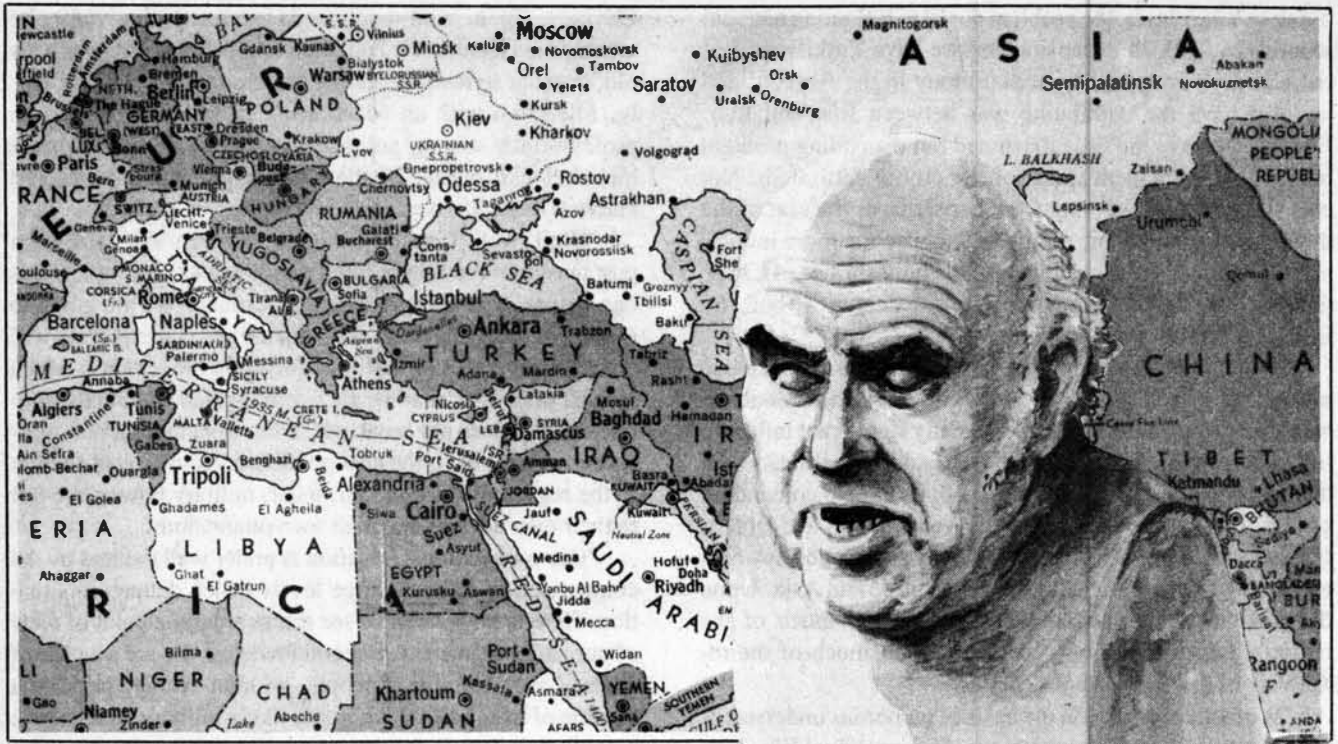
There was complete silence as the Premier took his time to light his pipe. Then he spoke:

"Gentlemen," he said, "I did not call this meeting to hear your reports, but rather to reiterate certain matters to you and to summarize the government's situation as of this evening's developments. I shall welcome your reactions to my statement and afterward I shall put certain questions before you."

Dyslexakis noted that each time the Premier resorted to this sort of formal, exact, tone, he did so in order to control his murderous rage. "The Premier must be frightened," Dyslexakis made a mental note and listened on.

"As you know, competent organs of the United States government informed us yesterday that GRU Col. Sergei Bokhan, formerly the first secretary of the Soviet Embassy in Athens and now the well-cared-for guest of the Central Intelligence Agency at Manassas, Virginia, had provided a list of 24 senior members and supporters of my government who are said to be in the service of the Soviet secret services. The American authorities saw fit to supply us with only 3 of these 24 names and to inform us that the remainder will be released to us 'in the future, as appropriate.'

"We were further informed that, as a result of these circumstances, the agreed purchase of our fleet of 50 F-16 jet aircraft will have to be postponed indefinitely, leaving our Air Force modernization in limbo. Within hours of this, by itself already calamitous situation, Generals Baskinakis and Batzanakis of the Security Police saw fit to arrest KYP agent Dane Crystal and induce him to a series of public statements, already broadcast throughout the nation, designed to insinuate that I, the constitutionally designated head of the KYP, am involved, by omission or commission, in protection of terrorist activities within Greece. In short, gentlemen, in the



span of one night, two devastating blows have been delivered against the nation: the first against our national defense, the second against the government and, therefore, against internal stability."

He stood up, walked to the side wall opposite the entrance door, and flicked a switch which began to slowly roll down a huge military map of the Near East.

"Let me now explain to you why I believe that no foreign power, no foreign enemy of the state is behind these two combined developments. I shall state the case that one, or perhaps two persons in this room, one or two of you, is personally responsible for this crisis. Therefore, be assured that, at the end of this session, one—or two—of you, will not walk out of that door free."

He paused, looked at them through the shadows and then picked up the map pointer. Nobody said a word.

"You are the only five persons, apart from my wife, in all the government and the party, who know what this administration is all about—and have known, more or less from the beginning. Many, many years ago, before we came into office, it had become evident that if world peace were to be preserved in the age of nuclear weapons, a dramatic reorganization of the world political map would be necessary. It was then codenamed 'the Change.' Those who first grasped this dramatic program during the old, heady days at Harvard, gentlemen, were at least as familiar with history as you are. They therefore knew that a redrawing of the world political map would have to be anchored on events occurring in this particular area of the world," he stressed as he drew, with his pointer, an imaginary circle from the Strait of Hormuz,

east to the Himalayas, up through the Caspian and Black Seas, over the Balkans into the tip of the Adriatic, through Venice, down the map, through Sicily, Malta, completing the circle to include Libya, Chad, Sudan, Egypt, the Red Sea, and the Arabian peninsula. The "Middle East."

"It was so in the time of Herodotus, and it is so today. We came into office four years ago, because we alone of all Greek politicians and political parties understood this one historical necessity."

Dyslexakis was unimpressed. "You came into office because you are a god-damned CIA agent, and you know it," he muttered to himself.

"Over 180 million people live in this crucible," the Premier went on. "They have their political, religious, and ethnic institutions and traditions. They live inside national borders which date from 1922 or 1923, even though these peoples have been around for millennia. For the Change to be carried out, for the great stability to finally settle in, institutions and borders will have to change. Festering problems will have to be settled. We have: the Palestinian problem; the Cyprus problem; the problem of legitimate Israeli national security; Lebanon's ethnic and religious disintegration; the matter of Syria's legitimate national aspirations; the legitimate national and political aspirations of minorities oppressed by Turkey, such as the Armenians and the Kurds; the matter of the national aspirations of ethnic Albanians and ethnic Bulgarians

living in Yugoslavia; the problem posed to Bulgarian national security by Turkish expansionism; we have Turkish territorial claims over our national patrimony in the Aegean, and we also have the continuing war between Iran and Iraq. Finally, we have the little discussed but overriding problem of the final permanent status of the city of Jerusalem. Not only the problems deriving from her status as the seat of the three great monotheistic religions, but also the more intractable problem of guardianship over the holy shrines of Christianity, over which claims are laid for centuries, both by Eastern and Western Christianity.

"Count them: 14 major international problems, each one of which, by itself, might trigger world war. Thermonuclear war! Our government is but one of many significant influencing factors in the region, but it has the added qualification of having been a bridge of communications among contending groups. Our good offices are employed by Arab and Israeli, Iranian and Iraqi, Albanian, Bulgarian and Yugoslav, East and West, Warsaw Pact and NATO, Europe and Asia. Upon the wisdom of our government will depend much of the region's future evolution—and upon that, much of the re-drawing of the world's political map.

"We came to power on the basis of numerous understandings based on these essential facts of international life. You know and I know that a permanent resolution of these festering conflicts will not be possible while the region remains the arena of superpower rivalry. For this rivalry to end, the region must, eventually, settle under the influence of that superpower, which, by reasons of geography, has more legitimate cause to be interested in the region's permanent stability, the Soviet Union. This is a matter which has been well understood and appreciated by the more responsible, senior, leaders of the American foreign policy establishment, as well as by the British, of course. We have received, from these circles, the understanding and support needed to carry out our tasks. West German, Austrian, Swiss, French, and Italian foreign policy leaders are likewise aligned with our perspective."

General Pauletes, the senile titular director of the KYP, stirred politely in his armchair and interrupted, innocently: "These are foreign matters, Mr. President. Fascinating, no doubt, but foreign. Your father, my lad, God rest his soul, in the old days, when I used to work for him, always used to explain things to us according to the interests of the nation. For an old man such as myself, this was a sound way then, Mr. President, and it is a sound way now: This way, also, old-fashioned folk, like me, can follow you, if you please, God bless you, sir."

Now the Premier, even in his moments of rage, was not without a wicked sense of compassion. Many a time in the past, not only had he not been offended, but, instead, felt a kind of pity for the old buffoon, whom circumstances and convenience had placed at the head of the KYP. He paused with the interruption, looked at the old man, and whispered to himself, "My poor, demented Elpenor," quoting from the

Odyssey. Then, with a softened, condescending voice, he resumed his lecture. He had often found that slipping into his old, familiar style of a lecturing professor, always, unflinchingly, filled him with an added sense of security. To lecture professorially among political associates, he found, made him feel like master of the situation. It was like the old Harvard days, all over again.

"Well, well, General Pauletes," he went on, "you are a past master of reading military maps. Let us now look at this one before us and ask it several questions. We are going to assume, for argument's sake, that the two superpowers will not get themselves militarily involved in the region—which means, of course, that we are assuming that general thermonuclear war does not break out, a fair assumption; our question now, is: What is the next possible level of violent conflict in the region, if the regional, local, military powers are left to their own devices and their own momentum?"

"Our own national situation is pretty well defined by the comparison of military force levels which define our situation. Here is how we must see things from the point of view of our national interest, General Pauletes: We are a nation of slightly over 10 million people, with an average per capita income of over \$4,000. Our only likely military adversary is neighboring Turkey, with a population of 49 million and per capita income of about \$1,000. Though we are economically marginally stronger, Turkey has five times our population, six times our surface area, three times our land army, twice our Air Force, and a slightly larger Navy."

The map on the wall was marked with indications and military symbols:

Turkey: *Army*, 14 infantry division, 3 armored divisions, 4 mechanized divisions; 1 paratroop brigade, 1 commando brigade, 11 infantry brigades, 3,500 tanks.

Greece: *Army*, 11 infantry divisions, 3 armored divisions, 1 mechanized division, 1 paratroop/commando division, 4 armored reconnaissance brigades, 2,200 tanks.

Turkey: *Air Force*, 458 combat aircraft.

Greece: *Air Force*, 303 combat aircraft.

Turkey: *Navy*, 16 subs, 29 major surface combatants.

Greece: *Navy*, 10 subs, 29 major surface combatants.

"Our problems are two, if ever the situation deteriorates into a military conflict between us and Turkey alone, without any other participants. First, none of our large Aegean islands, all located a swim's distance from the Turkish coast, is defensible from Turkish landing assault. Lemnos, Samos, Chios, Lesbos, Rhodes, and so forth—all go. Second problem: Land combat between us and them can only take place in Thrace, around the Maritsa River valley. This, as you know, is prime tank warfare territory, which enables Turkey to fully deploy her armored superiority in a location closer

to Turkish air support facilities than to ours. All this is known." He paused.

"Continuing to exclude from our assumptions any superpower or other power intervention, these military facts impose only one possible foreign policy for us: my foreign policy. This country must work closely with Turkey's other neighbors, Bulgaria, Syria, Iran, and the Soviet Union, for the purpose of permanently maintaining such pressures and potential threats around the entire Turkish perimeter, which will perpetually oblige Turkey to keep its military forces dispersed to the four points of the compass. Our cooperation with Bulgaria, Syria, and Iran, regardless of political and ideological implications, must continue to prohibit Turkey from establishing a local numerical superiority over us in Thrace and the Aegean. This diplomatic combination adds to our advantage 16 Syrian divisions and 10 Bulgarian divisions and similar naval and air strengths."



"It is necessary," said the Premier, "for us to weaken and terminate our alliance commitments and those of every one else in this part of the world. My foreign policy is anchored in cooperation with those in the United States who want to end U.S. commitments in Europe, and control their nation's intelligence services."

Colonel Dyslexakis was thoroughly unimpressed with the charade and was getting impatient.

"Mr. President," he interrupted, "first of all, you do not have 16 Syrian divisions because they are nicely pinned down by the Israelis. Secondly, I fail to see the relationship of all this neat theorizing to the crisis at hand. I would strongly recommend you turn on the television, in case Dane Crystal, or the Ministry of Interior for that matter, has any new surprises for us."

The polite equivalent of "all hell" started breaking out in the stately room. "Exactly what do you mean 'the Interior Ministry,'" shouted the Minister of Public Order, Menelaus Koulos, who was supervising Interior; the Deputy Minister of Defense was seen jumping up from his armchair and waving his right index finger, repeating "about the 16 divisions . . . about the 16 divisions . . . let me explain about the 16 Syrian divisions. . . ." Raphael Xyangas engaged in repeated, discreet coughs. The Premier, red in the face,

shouted "Quiet!" a couple of times, but both Koulos and Johnny-Cool continued their agitated talk about the Interior Ministry and "about the 16 Syrian divisions." Xyangas' "discreet coughing" threatened to infect General Paulettes as well.

"OK, Colonel Dyslexakis, you asked for it!" the Premier shouted, dropped his map pointer and, abandoning his lecture, returned to his impressive desk.

"Asked for what, Mr. President?" asked Dyslexakis provocatively. Silence fell in the room.

"If you are so clever as to know how the Israelis are pinning down the Syrian divisions, Mr. Deputy Director," the Premier said sarcastically, "then maybe you will understand the necessity for us of proceeding to weaken and eventually terminate our alliance commitments and to terminate everybody else's alliance commitments in this part of the world. And if you are clever enough to understand this, then it will not escape your attention that my foreign policy is, perforce, anchored on close cooperation with those gentlemen in the United States who are sufficiently intelligent to wish to terminate their country's defense commitments in Europe and powerful enough to control their nation's intelligence services."

"And the F-15s?" asked the Deputy Defense Minister in horror.

"Be quiet, Anthony!" barked the Premier and continued addressing Dyslexakis; ". . . which brings me to the point, Mr. Dyslexakis, that whereas this day my government is faced with the prospect of destabilization, it is neither in the interest of those who set American policy nor in the interests of Moscow, to set me back and to set my policies back. Therefore, neither the Americans nor the Russians are behind this destabilization. And I ask you, Mr. Deputy Director of the Central Intelligence Service, who on earth, then, is behind the effort to wreak havoc in my government? It is within your purview to know. It is you who assured me two hours ago that all was under control. It is you who suggested that Dane Crystal engage in what you call the 'G. Goat Vossis Ploy.' And you, finally, who gave assurances that Crystal would not admit his employment at KYP. Is it too much for the Premier to ask if he has not been deliberately deceived by the nation's chief of counterintelligence? I will not only ask, Colonel. By god, I shall have your head!"

"You shall have nothing of the sort!" retorted Dyslexakis, already set in a grim, vengeful pose. He continued to feel master of the situation. "Instead of having my head," he went on, "you are going to extract some explanations from my friend, the Minister of Public Order, here." He thrust his index finger in the direction of Menelaus Koulos. "You shall ask him why he authorized Generals Baskinakis and Batzanakis to arrest my agent. And you shall ask him why he authorized his deputy, the Minister of Interior, to issue to the national press a release announcing that Dane Crystal had admitted to the interrogating magistrate that he is an employee of the KYP. And you shall also ask him

why this information was given to the public before it was given to you, or to Xyangas here, or to the service." He paused for one second and surveyed the silence in the room. "And after you have received answers to these questions, I shall have a few things to say about the 'G. Goat Vossis Ploy,'" he concluded.

The Premier's face was changing from scarlet to stone-wall gray. Old-fashioned General Paulettes was becoming animated seeing the insolence in the face of his chief of counterintelligence. Xyangas was deliberately dropping his worry-beads one by one. The Deputy Defense Minister was holding his breath in fear. And a determined, hateful spark was shining in the eyes of the Minister of Public Order. Finally, the Premier spoke.

"I believe some answers are in order, Menelaus," he addressed the Minister of Public Order.

"Mr. President," Menelaus Koulos responded, "this entire matter has been out of my hands entirely. Generals Baskinakis and Batzanakis acted above and beyond any authority they were given by me, and contrary to my admonitions!"

"Is the Minister submitting his resignation?" Dyslexakis pressed on.

"The Minister is prepared to submit his resignation immediately, Mr. President," Koulos said stiffly.

"I will accept no resignation before I get to the bottom of this matter," the Premier responded, "but I must ask you to explain, on the ground of what backing and what force, did these two police generals feel they would act with impunity to override your authority and reduce you to impotence."

Koulos felt whipped by the word "impotence."

"They simply and directly threatened to break ranks and to give to the press all the documentary materials pertaining to certain irregularities in last June's elections," Koulos replied simply.

"So that everyone is aware of what is involved," he went on, "let me review the bill of particulars. My ministry is the sole possessor of the magnetic tapes containing the names of all the registered voters in the country, against which lists the electoral returns from every voting precinct of the country had to be matched by the election judges. One of these tapes contains the names and addresses of 350,000 fictitious voters. They can be proven to be fictitious because, if one were to inquire at the indicated addresses, one would not be able to find any persons bearing the names contained in the tapes. These fictitious persons voted for us during the June election. Moreover, there is a second magnetic tape, containing the names—about 200,000—of actual, existing, registered voters which were excised from certain precincts in which we knew the opposition would register overwhelming majorities. When the election judges counted votes from these precincts, they gave the opposition smaller margins of plurality than had, in reality, been cast, because our local party

organization had successfully caused the disappearance of a certain amount of ballots and registration sheets. Without access to the full, computerized lists, the judges had no way of discovering the irregularity. As you know, after this, hmm . . . fixing, we won that election by a difference of 100,000 votes, approximately. You may now be told that Generals Baskinakis and Batzanakis are in possession of these computerized lists and also of the magnetic tapes containing the programming instructions to the computer, which effected these modifications. They threatened to take this material to the domestic and foreign press and to the Supreme Court."

Dyslexakis was startled.

The Premier was now shuffling with his pipe, his hands trembling. "But . . . but . . ." he muttered, "Menelaus, I had no idea. I most certainly had no idea that such things went on during the election."

"Mr. President," Koulos responded, "you will recall that you had asked me to do 'whatever is necessary to ensure victory.' And you had told me this when I was already in charge of the ministry, and when the ministry was already assigned to supervise the election. Am I now to be blamed for this?"

"There will be no recriminations for this," the Premier hastened, seeing through Koulos' veiled threat.

"If I may, Mr. President," Dyslexakis intervened, "recriminations have nothing to do with anything. What the minister is describing is that the two top generals of the security police are carrying out a cold, legal coup d'état as we are sitting here and talking. They employed the blackmail pertaining to the election lists for the purpose of arresting a KYP agent, a uniquely situated KYP agent, I might add, for the purpose of establishing a public, juridical, case against you, the constitutional head of the KYP, on charges that the KYP itself perpetrates and encourages to be perpetrated, acts of political terrorism in the country. It seems to me that Batzanakis and Baskinakis are giving you—us, I might hasten to add, in this instance—one of two choices: Either abandon the government and go to jail for electoral fraud, or abandon the government and go to jail on charges of terrorism. Am I correct in reducing the matter to these bare essentials?"

Silence filled the stately room.

Finally, the Premier said, "I believe you are correct, Colonel, though in reality, I think there are certain things which can be done to prevent this whole thing from arriving to these 'bare essentials,' as you call them."

"But what we can do, Mr. President? Very much depends on certain things we do not know. Let me elaborate: We are all agreed that Baskinakis and Batzanakis are now in the process of carrying out a legal coup d'état. A well-considered one, I might add. It is based on impressive sources of information. Even so, given that they are engaged in nothing less than toppling this government, we are right to

ask—on whose behalf? Whom are they preparing to put in our place? You, Mr. President, said a while ago, that neither the American, nor the Russian side is interested in disrupting what we are doing here. I certainly agree with that and I would hasten to add the British to the list. The question then is, on whose account are the generals working? Even more puzzling is the fact that no leader or personality of the domestic opposition is anywhere close to these generals. We know the situation in Parliament in detail. The generals' legal coup does not seem to have worked out a solution to the succession question. After us, who? Without answering this, we shall not know in which direction to strike, Mr. President."

Then, for the first time, the Premier's private secretary, Raphael Xyangas, spoke: "I do not believe the generals are going for a change of government, sir," he said. "I believe Baskinakis and Batzanakis are trying to knock out two persons, Dyslexakis, here, and myself. Let us not overdramatize things, John," he said turning to Dyslexakis. "Things are bad enough as they are. These two gentlemen have, for some time now, been incensed over the government's anti-terror program, principally, I believe, because they have been excluded from it."

"I can vouch for that," Minister Koulos interjected. "Both generals, in point of fact, have repeatedly emphasized to me, that they believe terrorists are sanctioned and protected by the KYP. Baskinakis believes that if Dane Crystal is squeezed in the right way, he might provide information to prove the case against the KYP. As you know, they have been under pressure to produce results from American base security officers at Nea Makri and Hellenicon. Professional frustration and a certain degree of professional rivalry, may be at work here."

"If you are suggesting that American pressure is behind this," the Premier responded, "the implication might be that something unusually and terribly wrong is going on in Washington. We are supposed to be covered over there."

"We were not covered on the matter of the Bokhan revelations," the Deputy Defense Minister finally found his voice to say something.

"True enough," the Premier remarked, "but so long as the Bokhan revelations appeared to be in isolation, before the Dane Crystal affair intervened, I was inclined to believe that it was a minor matter. I still believe, in fact, that the so-called Bokhan revelations may be the result of inter-service pressures, the kind of normal Washington bureaucratic needs to 'show results,' having nothing to do with Greek politics per se. You know very well that throughout this year, the CIA has suffered from so many spy scandals, defections, and so forth, that they desperately needed something positive to show up on their report card. Making revelations about Soviet penetration into Greece would produce such result without causing any serious damage to anyone—provided we here could exercise normal damage-

control. It is the Dane Crystal affair which threatens to deprive us of that ability. If the Bokhan case is in fact, in some way, through the Americans, connected to the Crystal case, then we *do* have an alarming problem in Washington which is not supposed to be there. We must at all costs ascertain whether we are dealing with two isolated cases or with a single operation with these two prongs . . . and, if there are two prongs, there may be more coming," he added with hesitation.

Dyslexakis noticed that Xyangas was maintaining an uncharacteristic silence and distance from the proceedings. He wondered if Xyangas knew something that the others did not know. What the Premier was saying, was true enough, Dyslexakis admitted, but all too abstract and theoretical. The point is that heads are about to fall and we must determine whose heads they will be.

"Action must be taken before we can develop answers to these questions, Mr. President," he said. "Someone must take the rap. The way I see it, either Dane Crystal will remain in custody and the case will proceed, in which case, it will be your head, Mr. President, or Dane Crystal will be released, error will be admitted, and it will be the Public Order Minister's head along with those of Baskinakis and Batzanakis. I can assure you that, in any event, it will not be my head."

Shocked, both the Premier and Minister Koulos looked at each other. The two men had been together for over 30 years. Koulos had been the Premier's personal attorney forever, it seemed, since before either of them had entered public life; Koulos was the family's confidant and godfather of the children. Now, Dyslexakis appeared to be driving a wedge between them. As the two men exchanged glances, they shared the thought: "Could it be that Dyslexakis himself was orchestrating this crisis?" Then the Minister decided to speak. In a tense, harsh, and deliberate voice he said:

"No heads will fall yet, Colonel; not mine and not the Premier's. Not until you divulge what this 'G. Goat Vossis Ploy' is all about."

"Forget Menelaus, you don't want to know," interrupted the Premier.

"How do we know, sir, that Baskinakis and Batzanakis are not right? How do we know that Colonel Dyslexakis and the KYP's counterintelligence directorate do not control terrorism?"

"You don't want to know," the Premier repeated.

"He will know, by god!" Dyslexakis raised his voice. "He shall know the truth, and the truth shall make him free,' as the Premier's American friends say." Dyslexakis quoted the CIA's motto. "But before I tell him, I want the Premier to take notice that the Minister of Public Order is on the record defending the assumptions and presumptions of his mutinous subordinates, Generals Baskinakis and Batzanakis."

With this, the Premier looked sharply at both the speaker

and Koulos. He wondered if his old bonds of affinity with the Minister of Public Order were snapping.

"With this," barked Dyslexakis, "let me give you the lowdown on the 'G. Goat Vossis Ploy.' Pay attention and do not interrupt. You shall learn something. Way back when, in the summer of 1974, there was a change of regime in this country. The 'despised junta,' as the saying goes, was toppled as the Turkish Army was invading Cyprus, and all of you civilians, our cherished 'democratic forces,' headed back home from exile to take over. And after you did, some wholesome, high-level killing started around here. I enumerate: first was the Christmas 1975. . . ."

"Shut up!" the Premier barked.

"No way, sir. And I will have you know, that I have in my possession receipts, dated and signed by Xyangas, and numbered according to your personal protocol files, signed receipts of no fewer than six, fully detailed reports on these matters. These receipts will prove in any court of law that what I am about to say has been known to you. Now, let me have your attention, once again, gentlemen."

The Premier lowered his eyes, broken and tamed. Xyangas, in the other end of the room, shook his head with a grave, knowing nod. He was confirming the matter of the signed receipts.

"OK, now," Dyslexakis continued brutally, "two nights before Christmas eve 1975, the CIA station chief in Athens, Richard Welch, was assassinated by masked gunmen in the middle of the street, one block away from the American ambassador's residence. The KYP went and collected from the pavement his splattered brains with absorbent cotton, and this is when our country entered the modern era of 'international terrorism,' as the game is called. A couple of years later, that particular American ambassador, Henry Tasca, you will recall, was assassinated in Rome, where he was then living, crushed by two trucks. Some months later, Welch and Tasca's three top Greek associates were also executed: Police Inspector Petros Babalis, Police Commissioner Mallios, and Deputy Chief of Police Sotiris Kouvas. The remaining members of Welch and Tasca's 'American team,' who used to run the country's affairs during the years of 'the junta,' were all in the relative safety of the Korydallos prison, serving life sentences. Other terrorist killings came later, but that's different. The essential killings were the systematic exterminations of that 'joint Greek American committee' which administered the country during the years of the dictatorship."

The Premier was again shuffling with his pipe. Xyangas was intently screening the faces of everyone in the room while the narrative was going on. Poor old General Paulettes was dozing off in his chair. The Deputy Minister of Defense, to Xyangas' amusement, was taking notes. And Menelaus Koulos, with eyes bulging, jaws clenched, and lower lip protruding, was trying to fight off rage and shame, unable to take his eyes off Dyslexakis. The colonel continued, in

the same harsh, brutal tone of voice.

"Now tell me, whoever heard of any other instance of a CIA station chief executed in broad daylight, in any other country of the world? And whoever heard of the perpetrators going scot-free? I asked the Russians—they never heard of such a thing—before or after. So how did this happen, you'll ask. Well, you heard today, authoritatively, how our Premier's rise to power is associated with certain powerful policymaking circles in Washington. How did he characterize them, a while back there? Oh, yes, he called them 'sufficiently intelligent to wish to terminate their country's defense commitments in Europe, and powerful enough to control their nation's intelligence services.' I do not know if these 'sufficiently intelligent' and 'powerful enough' friends of the Premier actually killed Welch, or Tasca, or any of the others. I do however know—the Premier himself told me this—that these 'sufficiently intelligent' and 'powerful enough' gentlemen in Washington made a request, at the highest level of our government, to please be discreet and not press too hard in the investigations of these still unresolved murders. It was I who received the orders to arrange for a coverup. Now, you all have heard of this notorious, terrible, anti-imperialist terrorist organization, the 'N-17' or 'November 17' organization."

"Of course," interjected General Paulettes, suddenly waking up. "They are the ones who assassinated Welch, Mallios, and the others."

"Exactly my point," Dyslexakis continued politely, "exactly my point and the widely respected columnist G. Goat Vossis shares General Paulettes' evaluation. The 'N-17' is responsible for terrorist assassinations in this country. Now has any one anywhere seen any member of this 'N-17'? Has any member of 'N-17' ever been arrested or even positively identified for prosecution? Of course not. You will notice that this organization exists only in the form of mysterious press releases and limited circulation leaflets. You will further notice that every major daily newspaper faithfully reprints the statements by means of which the 'N-17' 'assumes responsibility' for any given terrorist act. It is done with mirrors, gentlemen. G. Goat Vossis, for his own reasons, fervently believes that there is more to the 'N-17' than the leaflets and press releases. He argues, and argues persuasively in his columns, that there exists an impressive, tightly knit, professional, potent, secret, anti-imperialist organization. The counterintelligence directorate of the KYP, myself, knows better, because we received instructions to provide the wherewithal for the coverup, and we did. We wrote and supplied the 'N-17' press statements, and we induced the newspapers to give them wide publicity. I don't know who it was actually, and who it is today, who proceeds with these executions which appear to be terrorist episodes. More to the point, I do not wish to know, and I will refuse to be told. I know only who of my superiors instructs me to provide coverups. I do not know why my superiors wish coverups,

nor who suggests to my superiors that coverups are advisable. And I do not wish to know. Moreover, according to service regulations, I have not been at liberty to divulge this actual secret of so-called international terrorism in our country, neither to my immediate superior, General Pauletes; nor to the relevant Minister of Public Order, nor, of course, to poor General Baskinakis and General Batzanakis, who are at their wits' end trying to figure out this mysterious, all-powerful terrorist capability. Besides myself, only the Premier knows, because he issued the orders for the coverup. And perhaps the quiet Mr. Xyangas knows certain aspects, since some of the orders were conveyed through him."

He stopped and the tension in the room was unbearable. The only noise was the Deputy Defense Minister's pencil scratching over his notepad.

"And this is the reason why it shall not be my head," concluded Colonel Dyslexakis.

The Premier, his lustre gone, managed to lift his eyes from his pipe and look outward toward the others. He was weary. Hearing Dyslexakis speak had made the professorial self-confidence disappear. Gone also was the enraged crispness with which he had opened the meeting. Tired, flabby, with black circles around his eyes and his jaw half opened, he slowly let his eyes wander around the room, as though he were begging for help from somewhere. No help was forthcoming. General Pauletes was dozing off again. Xyangas remained expressionless. Looking at him, the Premier murmured quietly, "You damn coward." Menelaus Koulos had his elbows on his knees and his face covered with his hands, which made the Premier wonder if his old friend was still capable of weeping. He dismissed the thought with a faint, weary, cynical smile that lasted for half a second. The Deputy Defense Minister had finished taking notes and was now, meticulously, looking over his notepad.

"There will be none of this, Anthony," the Premier said quietly. "There will be no notes coming out of this room. Everything is off the record."

"Mr. President," the Deputy Defense Minister started with comical pomposity, "I must, for the record, state my absolute, unqualified revulsion at . . ."

"Shut up, you jackass, and listen to me," the Premier interrupted with a weary but determined voice, "and listen very carefully. You shall get up from that armchair, walk over to the paper-shredder opposite that big door, and you shall shove your notepad in it. If you do not do this right now, I or the Colonel or Xyangas will put a bullet through your head, here and now. The Colonel shall compose another 'N-17' press release claiming the credit."

Anthony Johnny-Cool resisted an impulse to talk back, got up from his chair and did exactly as he had been told. Dyslexakis watched with satisfaction. Neither he, however, nor anyone else, was in the mood to say anything. Xyangas' worry-beads were clanging against one another. Johnny-Cool returned to his seat. The Premier let out a deep, guttural

sigh. He fixed his eyes past Dyslexakis, standing straight in front of him, and let his vision wander over the painting on the wall behind. Everybody now waited.

"OK, let's take a coffee break, everybody is tired," suggested Colonel Dyslexakis. He knew the Premier had enough sense left in him to assert control over Johnny-Cool, but not enough to see through the mess they were in, and come up with some sort of solution. "If I get the bastard out of this mess, he'll owe me for life," he thought to himself. Someone got up and turned on the television set. The Premier ordered refreshments through the intercom. Xyangas walked over to the window and pulled the drapes to look at the disappearing red-orange sunset. The Premier walked over to his crestfallen friend Koulos, and started chatting. The telephone buzzed, Xyangas picked it up and began taking notes. He kept taking notes when the sandwiches arrived and everyone settled back to their places chatting quietly.

"I believe we're all in this together, and we've got to start figuring on some kind of fancy damage control," Dyslexakis said tentatively, looking with mock sadness at his bitten sandwich. He tried to look relaxed for the sake of the others. The Premier picked up on the hint and raised his glass of lemonade. "I'll drink to that," he tried to make light of the situation. He wondered what kind of "damage control" Dyslexakis might have in mind—and he welcomed the prospect of Dyslexakis interesting himself in collective "damage control" rather than further recriminations and blackmail.

"Before you go on with what you may have in mind, John," the Premier, trying to be friendly, addressed Dyslexakis again, "let me say a couple of things I have in mind. Whatever damage control you may propose for our local situation here, what you just outlined, just before, over the Welch and the others' deaths, does give us a handle on the situation, you know. If, just in case, the worse of what I suspect happens to be the case, if, that is, the Bokhan revelations and what Baskinakis and Batzanakis did do in fact happen to be somehow coordinated somewhere back in Washington, we can play hardball with the guys back there. You may not know, but I do, who in Washington, wished the coverup of those killings. I shall appropriately let it be known that their identities will be revealed, unless the pressure on us is dropped. This might give us the breathing spell to take measures back here."

Dyslexakis weighed the idea in his mind while swallowing the last bite of his sandwich with bent head, his ear in the Premier's direction. "Naw," he said casually, "I don't think it'll work, sir," reverting to his routine, amiable, collaborative demeanor toward the Premier. "The way I figure this is, if in fact there is a serious American influence, turning the squeeze on us both with Bokhan and with this Crystal thing, then it can't possibly be coming from your friends over there. Now, the way I figure, it must have been your friends who were interested in hushing up the assassinations, right? These friends of yours are different people from those

who, say, are putting the squeeze on us now. If you go around and tell your friends that you are going to spill unless the pressure is taken off, I don't think they'll be able to help us. You see, the people who are putting the squeeze on us must want to screw your friends back in Washington. If you spill from here, your friends will be finished there, and no constraint will be left in Washington which might call off this operation against us, right? So, your threat to your friends won't be credible."

"We can signal, though, that if we are let down, we'll take the whole shebang down with us," the Premier suggested.

"Well, I don't think our options are exhausted yet, sir," Dyslexakis responded. "Let's see. I presume that, after all that was said here, tonight, Minister Koulos now shares the same concerns as we do, isn't that right?" Koulos nodded his head. "Fine then, this is already beginning to weaken Baskinakis' and Batzanakis' case. Our problem is getting the voter registration tapes back. For this we need time. So we play for time. For the next 48 hours, we come out of this room with one, unified approach. We say, 'Yes, Crystal was an employee of the KYP. But, the service was suspicious of him. Unreliable, a pathological liar.' We shall insist on branding all of his statements and testimonies as lies. Now, whoever is running this operation—Baskinakis, some American, whoever—will evaluate our defense to be very weak, right? So they'll continue feeling they are on top of the situation. Fine, that's what we want. The more they are confident, the safer the secret of the voter registration tapes is. They won't spill the beans, and we'll gain the time we need to get back the tapes. Their strategy will be to go for full-scale investigations, subpoenas, testimonies, the whole legal route. It's time-consuming—months, maybe years. All they have is Dane Crystal. People don't live forever."

"Its an idea," the Premier said.

"Now, the denials from our side must come down firm and heavy. Minister Koulos must speak out. I will speak out. Xyangas must handle the press. You, sir, stay out of it. No public statements. You must crack the whip on the judiciary. I'll send you a dossier with all I have on the interrogating magistrate, the district judge on the case, every relevant person. Lay down the law all the way up and down the echelons, from the Supreme Court on down. Say you want the most proper, clean, unassailable investigation ever in history. Say Dane Crystal will get the most thorough and correct trial ever. Say that, even though he is a terrorist, he will get the most legally unassailable trial ever, because we want to prove we are a land of laws. That's good, because perfect trials take a very, very long time. Meanwhile, the KYP will produce evidence that Dane Crystal was a terrorist all along, pretending to be an informant of the service in order to infiltrate us."

Raphael Xyangas, having finished taking notes over the telephone, had approached and quietly joined the group,

listening with fascination to the Deputy Director's gameplan. He did not interrupt, until Dyslexakis had finished. Then, in hushed voice, "We just had a phone call from Pablo, from Paris," he said. The Premier sharply turned toward Xyangas. He suddenly remembered his nightmare of early this morning, when he saw an eerie vision of his dead father suddenly become transformed into a grotesque figure of "Pablo." He wondered if he should start believing in dreams. "So, what did Pablo have to say?" he asked.

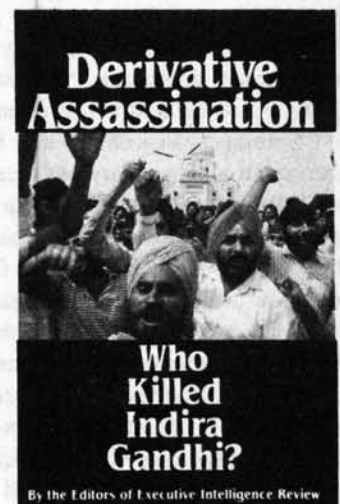
"Pablo says that he has been informed of all that has been going on here since last night. He says he believes he understands what is really going on, and that a certain person will be arriving at the Athens airport tomorrow evening, from New York, carrying certain messages and suggestions for resolving the crisis. The messenger is Father Basil, serving in the New York Greek Orthodox Archdiocese. You may know him, sir. I think, Pablo thinks that you actually met him once. Father Basil is the chairman of the board in Mr. John Matsis' shipping company. He is also vice-president of the Greek American Chamber of Commerce and a member of the board of directors of the New York branch of the Israel Discount Bank. He certainly goes places, for a clergyman. He will be coming here tomorrow with suggestions for resolving the crisis. Pablo says he already knows of these suggestions and that he strongly recommends we give them serious consideration."

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Moscow's New Year terrorist explosion

by Thierry Lalevée

Bombings of NATO facilities in France and Belgium on Dec. 5, of shopping centers in Paris on Dec. 7, and of churches in Italy on Dec. 10-11, have concretized the fears of European intelligence officials that this Christmas and New Year's season may become one of the bloodiest in recent years.

West German General-Attorney Kurt Rebmann's press conference of Dec. 11 was indicative of the tense situation. Rebmann, who has frequently downplayed the terrorist threat, could not hide his concern. Rejecting any suggestion of coordination among European terrorist organizations, Rebmann focused his speech on the domestic German situation, warning that before the end of the year, a reactivation of the Red Army Faction (RAF) and the Revolutionary Cells would occur. He predicted that the main targets will be American and West German military installations, which will be hit both by home-grown and "international" terrorists. Yet he persisted in his refusal to admit that the "domestic" RAF is itself an international terrorist organization.

Without such self-consoling subtlety, the daily *Die Welt* had reported on Dec. 9 on the still-secret debriefing of a former member of the RAF, who surrendered to the police earlier in the month. The article stressed the connections between local and international terrorists, and warned of a major anti-NATO explosion. Law enforcement authorities are currently watching for a replay of the Dec. 18, 1984 car-bomb attempt at the Oberamergau U.S. military base, which was prevented at the last minute. In December 1985, a car-bomb driven by two Middle Eastern terrorists carrying false Moroccan passports exploded in front of an American military shopping center near Frankfurt, wounding dozens.

Bombs against NATO-connected installations in France and Belgium on Dec. 5 were claimed by the Communist Combatant Cells. A NATO pipeline was hit in Belgium, while in the Paris suburb of Versailles, a computer center regulating NATO pipelines was badly damaged—the first time that the Belgian CCC had ever perpetrated a terror act on French territory. The following day, a bomb exploded inside the Justice Palace of Liège, just a few minutes before the arrival of Belgium's justice minister. The CCC's Dec. 10 communiqué emphasized that its operations were conducted in cooperation with the Communist International Organization in France—confirming the coordination among "domestic" Euroterrorists.

The terror wave has two intertwined aims: to strike at vital NATO and European military installations, as part of a

Soviet prewar deployment to weaken NATO, and second, to spread panic among the population, to foster political destabilization.

This second aspect was illustrated on Dec. 7 by the two bombs which exploded in Paris shopping centers, wounding dozens. The type of bombs used made clear that the aim was not immediately to kill; the explosives were placed inside a sand-filled parcel, decreasing their power. Similar operations occurred in Italy on Dec. 10-11, with bombs placed in churches.

Besides the CCC and the French Direct Action terror group, others are preparing their next moves. The Armenian terrorist group ASALA has been named as the most probable culprit in the Paris bombings, and warnings are circulating in France and Italy that the the Organization of Socialist Revolutionary Muslims, a front for Palestinian terrorist Abu Nidal which has been responsible for countless assassinations of diplomats, will strike in Europe, together with the Armed Revolutionary Lebanese Faction, the European liaison of Georges Habash's Popular Front for the Liberation of Palestine (PFLP). Since the beginning of December, authorities have been on alert for 400 Iraqi Shi'ites traveling with false passports and ready to strike in Europe and the United States.

The Turkish connection

The ongoing trial in Brussels of Turkish terrorist Muzaffer Kacar is shedding new light on the coordination of the Euroterrorist apparatus. Kacar possessed false passports provided by the Direct Action group, and explosives from a robbery perpetrated in June 1984 by the CCC and Direct Action. The Belgian government is accusing Kacar and his Turkish accomplices with having been the main liaison between the CCC and Direct Action. In his own defense, Kacar insists, "We only operate inside Turkey." Kacar belongs to a network around the Turkish Communist Party-Marxist Leninist, based in a Turkish "cultural center" in Paris. The center is also the European base of the Shining Path and M-19, and all three belong to the shadowy Revolutionary International Movement.

How is it that European law enforcement agencies are having such difficulty dealing with the terrorist threat? How can the CCC or Direct Action still get away with striking at NATO installations, when last year the German BKA (equivalent of the FBI) found in a RAF safehouse a map of all NATO installations?

The fact that M-19 and Shining Path demonstrations are condoned by the French interior minister, Louis Joxe, indicates one dimension of the problem. More broadly, the answer may be found by questioning those who are advocating an American-Soviet agreement on terrorism. "Not even the CIA believes that Moscow is the mastermind of world terrorism," wrote the *Sunday Times* of London on Dec. 8. But if the Soviet role in deploying terrorists against the West continues to be ignored, the terror will continue.

Soviets seek armed clash with So. Africa

On Monday, Dec. 9, 1985, the U.S. Senate voted by a two-to-one margin to prohibit American assistance to the anti-Soviet UNITA guerrilla forces in Angola, led by Dr. Jonas Savimbi. The following day, President Reagan, in a speech in observance of "Human Rights Day," launched into uncharacteristic verbal violence against the Republic of South Africa, condemning it for its "abhorrent" regime. Meanwhile, during the immediately previous weekend, in Luanda, the Angolan capital, Soviet Politburo member Geydar Aliyev, addressed the conference of the ruling MPLA party and promised unqualified material support to the pro-Communist guerrilla forces fighting to overthrow the governments of South Africa and South West Africa/Namibia.

From all available public evidence, it appears that the Reagan administration has abandoned its previous policy of constructive engagement with respect to South Africa, and embraced the policy adopted by the latest meeting of British Commonwealth heads of government which, under the chairmanship of Queen Elizabeth II, resolved to turn the southern portion of Africa over to the military onslaught of Soviet- and Cuban-directed military bands.

According to UNITA spokesmen abroad, the Soviets, using the Angolans and Cubans, have prepared a December rainy-season offensive, even though the weather will be unfavorable for maneuvering armored convoys off paved roads. UNITA says the Soviet objective is to take the town of Mavinga, deep within UNITA territory, turn it into a major logistics base for the FAPLA (Free Angolan People's Liberation Army) and the Cubans, but, primarily, to then bring in sophisticated radar equipment, extending the operating range of Angolan MiG-23s into southeast Angola and northern Namibia. From there, a drive would be launched all the way to the Okavango river, at the Namibia-Zambia border. Mavinga is currently an important point in UNITA's own logistic system.

On Dec. 5, UNITA attacked a large convoy of 250 vehicles, including APCs, on the road from Menongue to Catocalari. They claim to have destroyed 28 vehicles and killed 27 Cuban troops, also shooting down two MiG-23s and one MI-25 Hind helicopter. The next day, they reportedly shot down another MiG-23 and another helicopter. The convoy was part of large-scale supply operations involving increas-

ing docking of Soviet freighters at the ports of Luanda and Benguela, and subsequent day and night air shipment to pre-positioning areas for the offensive.

The entire situation is designed to force South Africa's hand, and in particular, as the Angolans have recently boasted, they now feel themselves in a position to challenge South African air superiority. According to a report out of Windhoek, there is an increased call-up of troops going on in Namibia with increased military activity of the SADF (South African Defense Forces) and SWATF (South West African Tactical Forces). If these are sent into southern Angola to help UNITA, as they did back in September 1985, the rainy season will present a serious hindrance to their armored convoys, with the risk that the Angolans will use their air force against them.

According to the British intelligence sheet, *Africa Confidential*, the South African Impalas (combat version of the Italian Aeromacchi trainer aircraft), Mirage F-1s, and aging Buccaneers "are no match even for indifferently piloted MiG-23s," and also, "the Soviets, who manage top down all Angolan military operations, have initiated a rainy season offensive, not waiting for the March beginning of the dry season, which means that they are ready to risk a significant Angolan/SADF clash, minimally in the air."

The Soviets are also opening up a front on the Zimbabwe/South African border. In recent weeks, there have been repeated African National Congress minings of roads in the Northern Transvaal border areas, combined with rocket attacks. According to a South African source, there is a SADF military build up in the area due to these increased cross-border ANC terrorist activities. On Dec. 8, Zimbabwe Prime Minister Mugabe, just back from Moscow with weapon pledges, said that South African troops were massing near the border and that his government was prepared to ward off any invasion. The ANC is obviously deployed in a way to force the hand of the South Africans in terms of cross-border operations.

The Nov. 25 *International Herald Tribune* reported on a London *Observer* article that Castro is seeking Soviet approval for a formal declaration of war on South Africa. A senior Cuban diplomat was quoted stating that Castro was eager to bring the crisis in South Africa to a head, with the aim of removing "Pretoria's forces or their protégés from Angola, Mozambique, and Namibia." Several RSA military attachées queried on this said it would be disinformation, primarily designed to test the waters, but did readily concede that the Soviets would want to escalate to a military crisis.

In the current situation, the Soviet escalation could possibly attain the objective of administering a shock to South Africa's military reputation, if their air force is challenged and mauled. Minimally, it creates a military "override" of South Africa's leverage on the Front Line States due to their economic dependency on South Africa, giving the Soviets the upper hand with Zimbabwe and Mozambique.

The Syrian connection

A three-year-long investigation by police officials in Spain has unveiled what many suspected.

Syria, as we have long known, is the center of international terrorism. But Syrian diplomatic bags, often used to smuggle weapons, also frequently contain large shipments of heroin to Europe. Police in Spain have now proven it.

Syria's involvement in running drugs is nothing new; Damascus has decades of experiences in controlling the Lebanese drug trade. However, the Syrian annexation of large parts of Lebanon has now brought under the sole control of Damascus all of Lebanon's drug production. Moreover, under Syrian military control, regions which used to produce hashish have been converted to the production of large quantities of opium. In recent years, Syrian intelligence, under the personal control of Hafez al Assad's brother, Rifaat, has created some 600 laboratories within Lebanon to refine opium into heroin.

According to the Dec. 6 issue of the London weekly *Ad Dastour*, Spanish police began their investigation in early 1982, after 40 kilograms of heroin were found in the Madrid flat of a Syrian national. By May 1985, investigators were able to prove that the Syrian drug connection in Spain was run directly by the ambassador, Riad Siadj, through his security officer, Mohammed Rowalha, and his general consul, Hajj Ibrahim.

Along the way, Spanish police arrested scores of Syrian couriers, some with diplomatic immunity. Two diplomats are reported to have been arrested and expelled. The issue heated

up to the point of threatening relations between Madrid and Damascus.

After the preliminary arrests, a major break came on May 29, 1985, when police arrested one Yusuf Kassar, a long-time courier, as he was about to open the trunk of a car. Inside were several kilograms of heroin. The car belonged to Hajj Ibrahim, the general consul, and had been left for four days in a parking lot, the usual procedure of the Syrian smugglers. (The heroin would arrive by diplomatic bag, be deposited in the car, and then four days later, Kassar would remove and sell it.)

Interrogation of Kassar revealed that Syria was introducing large quantities of drugs to Spain through two routes; the diplomatic bags arriving directly in Madrid, the route considered the safest, and another route from Syria to Barcelona by truck via Bulgaria and Turkey. Two Syrians were arrested in Barcelona, from where heroin was sent elsewhere in Europe.

Within Spain, the network has been run jointly by the Syrian diplomatic mission and a Lebanese millionaire, Ali Abdullah. Proceedings of the sales were deposited in two accounts in Marseilles, at the Banco Hispano-Americano and the Banco di Bilbao, under the name of Mohammed Khalid, another Lebanese.

But the Syrian connection in Spain is only the proverbial tip of the iceberg.

First, there is growing evidence that drug proceeds have been used by the Syrian intelligence services to buy

weapons and otherwise service the numerous terrorist organizations they control in Europe. Barcelona is of special importance. In recent years, it has become the headquarters not only of Spain's separatist groups like the Basque ETA, but of others such as GRAPO. A July 1984 series of arrests also revealed Barcelona to be the base for Iranian hit squads deployed throughout Europe. These were found to be associated with, Eric Moreau, one of the founders of the French terrorist organization, Direct Action.

Second, Syria has clearly become one of the most important heroin producers in the Middle East, if not the world, thanks to its control over Lebanon and informal deals with the Israeli mafia represented by Ariel Sharon.

One victim of such deals is Egypt, which has been targeted by both Israeli and Syrian drug-smuggling networks. In early November, Egyptian police shot dead what was believed to be an Israeli intelligence agent working for the Israeli mafia, with 10 kilograms of heroin in his flat. However, Egyptian narcotics officers have made no secret of the fact that most of the heroin in their country is coming from Syria.

Nothing new: In 1981, President Sadat ordered a crack-down against drug smugglers, calling them "Syrian agents."

More than 60 kilograms of heroin has been seized since the beginning of 1985, compared to a mere 19 kilograms for the whole of 1984. The heroin and cocaine-smuggling business within Egypt is estimated at \$3 billion a year—equal to the cost of the country's annual food consumption.

The enormous financial power this represents was shown in the collapse of the Egyptian pound during November, because smugglers began buying hard currencies.

International Intelligence

Brandt vows 'security partnership' with Poland

West German Social Democratic Party chairman Willy Brandt met in Warsaw on Dec. 7 with Polish Prime Minister Wojciech Jaruzelski, with "the Europeanization of Europe" top on the agenda—another way of saying that Western Europe is to be "decoupled" from the United States.

Brandt discussed his idea of a "security partnership" between Eastern and Western Europe at a dinner at the Royal Castle of Warsaw that evening. He said that "in the age of nuclear weapons, there must a security partnership of survival," and that "Geneva opened the door to a new future for Europe."

After his first encounter with the Polish general, Brandt affirmed that "the German-Polish treaty of 1970 affirmed full integrity of the current Polish borders in the West."

Brandt and fellow Social Democrat Johannes Rau, who aspires to replace Helmut Kohl as chancellor of the Federal Republic, are scheduled to meet with U.S. Secretary of State George Shultz in West Germany on Dec. 13.

Soviet Union's press boring from within

If *Pravda* is any indication, Mikhail Gorbachov's purges are about to extend to Soviet news media.

"The Communist Party newspaper *Pravda* attacked the rest of the Soviet press today for boring and repetitive reporting and said some newspapers were failing to carry out their role as the party's propaganda arm," Reuters reported on Dec. 12. "In a front-page editorial *Pravda* said such newspapers were not informing readers about the 'burning issues of the day.'

"In the past few years this type of journalism has somehow faded and turned into a dull pattern of repetitive journalism," it said.

"*Pravda*, the voice of the party central committee, said other papers were not criticizing failures enough.

It echoed Kremlin chief Mikhail Gorbachov drive for more frank reporting and greater criticism of economic failures in the state media.

"Many organs of the press are still reticent toward the burning issues and superficial in their analysis of day-to-day life," *Pravda* said. "Not all publications are concerned about the effectiveness of criticisms and the realization of authors' suggestions.

"The Soviet man does not accept simplified answers to questions. We are obliged to speak to him in the language of truth," it added. The word '*Pravda*' means truth in Russian.

"*Pravda*, whose own lay-out and presentation has changed little since it was founded in 1912, said the press must also play a major part in educating the people about the need to modernize and achieve scientific progress."

M-19 threat against Colombian labor leader

Colombian labor leader Guillermo Pedraza issued a declaration in Bogota on Dec. 10, revealing that death threats had been made against him by the terrorist group M-19. Pedraza is organizational secretary of the Confederation of Colombian Workers (CTC) and a member of the Ibero-American Trade Union Commission of the Schiller Institute. He participated in the Commission's first continental conference in Mexico City July 15-17.

Pedraza reported that on Sept. 15 he had gone to Lima, Peru, with a delegation of Schiller Institute labor leaders, to meet with President Alan García and to convey to him their support for his battle against the International Monetary Fund and the narco-terrorists.

"After I returned, from Oct. 15 to Nov. 20, my family and I were the targets of telephone threats and terrorism," he reported. Over and over, male voices threatened to

end his life "our style," and said they would give his wife a bag with his quartered body in it.

"Before this happened, my car had been 'decorated' with M-19 stickers while it was parked in front of the union local of which I am the president, the Sintraceitales," he said.

Pedraza concluded: "I want to make public that no matter how many threats come, I will not cease my patriotic fight for better conditions for the Colombian people and for strengthening the democratic system. Also, I have the support of many labor leaders throughout Latin America who share my commitment not only to fight narcotics traffic, but to completely wipe it out."

Zepp-LaRouche worries Social Dem paper

The West German Social Democratic weekly newspaper *Vorwärts*, in three articles published the second week of December, denounces Helga Zepp-LaRouche, the chairman of the Schiller Institute, for trying to pull Western Europe into cooperation with the U.S. Strategic Defense Initiative and to prevent a "red-green seizure of power" in Bonn.

The paper's front-page article is headlined, "Arms Lobby Moving With Loads of Money for Breakthrough On European SDI." It complains that "Christian Democratic parliamentarians show a breathtaking willingness to go along," as shown by the fact that the CDU chairman of the Bundestag Disarmament Committee, Jürgen Todenhöfer, endorsed a "European SDI" at a conference of the Schiller Institute in July 1985.

Vorwärts devotes three-fifths of page 7 to another article, "Citizens' Movement Patriots for Germany—A New Child from the Political Marriage of EAP-Helga." The article describes the various "children" of "mother Helga Zepp-LaRouche and Lyndon LaRouche, the American economist, her husband": the European Labor Party, the Club of Life, the Anti-Drug Coalition, and the Schiller Institute. The author quotes Mrs. Zepp-LaRouche's keynote speech founding

Briefly

● **THE ORGANIZATION** of American States (OAS) will hold the first American summit on narcotics traffic in Rio de Janeiro, Brazil April 22-26, 1986. An Inter-American convention on drug-trafficking is expected to be drafted there.

● **RAJIV GANDHI**, the prime minister of India, denounced Great Britain for giving citizenship and a British passport Dec. 6 to Sikh extremist Gurmej Singh Gill, who calls himself the "prime minister of Khalistan." Gandhi told foreign correspondents in Delhi on Dec. 9, "We feel it's a step backwards." The British government defended its move by saying that illegal acts are matters for the police, not the Home Office.

● **HANDEL'S 'MESSIAH'** was performed for all the people of Peru people on Dec. 8, by request of President Alan Garcia. The performance, which took place in the Plaza of Lima, in front of the Presidential Palace, was televised nationwide.

● **'THE ISSUE** of the *Filioque* was the reason for the split between the Eastern and Western churches," wrote linguist Umberto Eco on Dec. 10 in the Spanish daily *Diario 16*. Eco currently resides at the Kloster Eberbach, near Wiesbaden, West Germany, to direct the production of a movie based on his best-seller *The Name of the Rose*, a cultish medieval novel set in a Benedictine monastery.

● **OTTO WOLFF** von Amerongen, a founding member of the Trilateral Commission and leading advocate of Germany-Soviet trade ties, demanded that a "foreign policy cost-benefit analysis" be conducted in Bonn before any decision is made to cooperate with the U.S. Strategic Defense Initiative. "For me the question is whether the economic and technological reasons are sufficient to justify participation of the European economy in this program," he said.

the Schiller Institute: The Institute "has the task of developing a positive conception for maintaining and renewing the Western alliance." Now there is a "new child": the Patriots for Germany initiative. The Social Democrats suspect that this is a new Schiller Institute conspiracy to mobilize the "Stahlhelm" (Steel Helmet) faction of Christian Democrats to fight against the policies of Foreign Minister Hans-Dietrich Genscher and his Social Democratic friends, who are seeking an accommodation with the Soviet Union and a "decoupling" of the Western alliance.

Vorwärts accuses the Schiller Institute of playing the "Pied Piper of Hameln," because it orients its policies to the "beauty of humanity . . . in the spirit of the common humanist tradition of the American Revolution and the German classics, best embodied by Friedrich Schiller."

Britain forms an 'SDI Participation Office'

British Defense Minister Michael Heseltine announced the establishment of an SDI Participation Office, in a statement to the House of Commons Dec. 11. On Oct. 30, Britain became the first country to sign a cooperation agreement with the United States on the Strategic Defense Initiative.

Britain's policy toward the SDI, Heseltine said, remains based on four principles spelled out in December 1984: 1) not to achieve superiority, "but to maintain balance, taking account of Soviet developments"; 2) to "enhance, not to undermine deterrence"; 3) SDI deployment would, "in view of treaty obligations," have to be a matter for negotiation; 4) to reduce offensive systems on both sides.

The confidential memorandum which he and U.S. Defense Secretary Caspar Weinberger signed, Heseltine said, "safeguards British interests in relation to the ownership of intellectual property rights and technology transfer, and provides for consultative and review mechanisms in support of the aims of the memorandum."

In the debate that followed, Heseltine rebuffed Labour Party claims that the SDI is escalating the arms race and that Britain would suffer a "brain drain" to the United States. The defense secretary underlined that the Soviet Union "has been working on these technologies for many years," and that the SDI will create job opportunities in Britain. "The SDI research program goes to the heart of future defense technologies. Participation will enhance our ability to sustain an effective British research capability in areas of high technology relevant to both defense and civil programs." If Britain did not participate, "there would have been no jobs coming to this side of the Atlantic. Our scientists would have been persuaded to go to the other side of the Atlantic."

Israel and Poland to open diplomatic ties

Diplomatic relations between Israel and Poland are to be renewed without establishing full-fledged embassies, the West German daily *Frankfurter Allgemeine Zeitung* reported on Dec. 9. Unconfirmed reports indicate that Israel will have one diplomat in Warsaw, who is to communicate with the Polish government through the Dutch embassy, which will represent the Israeli government "in all diplomatic affairs."

Israeli Foreign Minister Shamir has named Andrej Kalachinski, a leading member of the Herut party, as the Israeli cultural attaché in Poland; Kalachinski will begin his mission in January.

Poland's two diplomatic representatives will work at the office of the Polish Savings Bank PKO in Tel Aviv. The PKO has operated in Palestine/Israel for 52 years, and is currently financing Israeli trade with East European countries, usually through the mediation of Finland and Austria. A recent contract for the delivery of 50,000 tons of Polish coal to Israel, was realized through Austrian mediation. Poland hopes that the rapprochement with Israel will facilitate Polish access to Western credit markets and improve relations to the United States.

Gramm-Rudman: The real enemy is the IMF

by Stephen Pepper

No one likes Gramm-Rudman, not even its sponsors, and yet it passed both houses of Congress and was signed immediately into law by the President of the United States, albeit in a ceremony so underplayed that only the night janitor was in attendance. Even the *Washington Post*, no friend of the national honor, endorsed it by writing, "The Gramm-Rudman budget amendment, now signed into law, is the wrong way to allocate public funds, a sign of impotence, an effort to deceive, an abdication of responsibility—and we welcome it." How can such an unloved act be so successful?

The answer is the International Monetary Fund, because the nasty truth is that Gramm-Rudman is to the IMF what the dirty drug pusher at the school door is to the fancy banker laundering drug money: The one could not exist without the other.

Many powerful people, Henry Kissinger for one, who hate this country and wish to see it destroyed, dare not say or do so openly. They wish to render it defenseless, reduce its population's standard of living, and see its power in the world cut back to a quarter of its present stature. Since this could not be achieved openly, the deficit was seized upon as the means to these ends. James Baker, while attending the Interim Committee of the IMF in April, said, "The United States will do its part. . . . We must follow a steady anti-inflationary policy. We are determined to reduce substantially the U.S. budget deficit."

Regan: a Jack the Ripper

But "normal" politics in 1985, seemingly divided between the White House agenda for military buildup and the House Democrats' social agenda, had made such austerity demands impossible. And so was born Gramm-Rudman,

whose great advantage is that it treats the federal budget the way Jack the Ripper treated his victims. Baker, too elegant to touch such messy legislation, endorsed it but basically just let it happen.

It was Don Regan who jumped in enthusiastically to give the concept its initial impetus, who stuck to it through its time of trial in conference, and who openly argued against Secretary Weinberger, the Joint Chiefs, and former National Security Chief Robert McFarlane on its behalf. There is no surprise in this since Regan openly welcomes the role of the tough enforcer among the Troika of Baker, himself, and Shultz which now run economic policy in this country. Regan was reported to have blown up at an NSC meeting when McFarlane asked him, "Does the President know that Gramm-Rudman means the end of his defense build-up. That it means the end of the SDI?" Shortly thereafter, McFarlane was gone.

Just before the final vote, Secretary Weinberger made a valiant effort to stop the amendment. The Defense Department issued a statement that "Gramm-Rudman will give aid and comfort to the Russians." Later, after its passage, one of Weinberger's assistants admitted ruefully, "The hysteria over deficits led Congress to move it ahead without daring to look at what it would do to defense. The congressional mood was such a panic that it was overwhelming—Reagan didn't have any choice."

Defense will feel the effects of Gramm-Rudman immediately. Estimates vary as to the depth of the cuts. The present Defense budget stands at \$302 billion, but already the House has lowered the spending authority for the current fiscal year by nearly \$10 billion in the current omnibus appropriations bill. Since Congress provides spending authority for defense contracts that extend over a number of years which always

increase over the life of the contract, cuts made in the coming budget often result in cuts of two to four times as much in later years. Thus, estimates of the current reduction of \$5 billion translates into estimates as high as \$20 billion over three to five years. Rep. Les Aspin (D-Wisc.), who has been one of Weinberger's chief antagonists, himself described the situation, "We're fooling around with national security. The situation on paper of Gramm-Rudman plus no tax-increase is taking us to the point where we can't defend the country."

In yet another belated recognition of the disastrous effects of Gramm-Rudman, Sen. Jeremiah Denton (R.-Ala.) introduced a motion to recommit the amendment to the Senate-House conference with instructions that defense spending be protected in the name of national security. In a vote that should have sent President Reagan a message, the motion was defeated 79-17. Denton, in arguing for his point, said, "I now bitterly regret my vote on that day [of the first vote on Gramm-Rudman] because, as many feared, this . . . is a legislative ticket to . . . an avalanche, an historical avalanche, the fall of the United States, the eclipse of the light of freedom in the 21st century AD." Denton correctly characterized the budget-cutters who claim to be for a strong defense, but are more concerned about the deficit, "Senator Rudman decries defense spending . . . asking how dare the spokesman for the DOD say that the threat, not the deficit, should determine the fashioning of the defense expenditures. I dare to say the same thing. . . . We should decide how much is required to survive."

Nevertheless, within the confines of Congress, no expectation could have been entertained that the nation would be spared Gramm-Rudman. It was only at the executive level that the very vigorous opposition of Weinberger and the Pentagon had any hope of success. It was here that Reagan most energetically played on the President's weaknesses, insisting that the deficit was the number-one issue, and that it would compel a reluctant Congress to enact the administration's program of cuts from domestic spending. Reagan agreed to sign the bill, since it so fitted his oft-proclaimed position, but he cancelled any ceremony, and only issued a written statement. In it, he alluded both to the issue of military cuts, and to constitutional questions surrounding the bill.

He began: "Deficit reduction is no longer simply our hope and our goal—deficit reduction is now the law. . . . I anticipate that we will have to take some significant across-the-board reductions in a wide range of programs."

But, incredibly, Reagan continues to maintain in public that defense can be spared. "We must also never lose sight of the necessity to maintain a strong national defense. . . . I am confident that implementing our previous agreements with Congress for steady real growth in defense will keep our defenses secure." No one believes this. In his remarks, Aspin flatly stated that the Pentagon budget when it arrives at the end of the month, "will be dead on arrival." Senator Denton, in his passionate remarks during the Senate debate, warned his colleagues: "If I were Chairman Gorbachov I would be

very pleased by the course of events in the Congress of the United States." Even Sen. Patrick Moynihan (D.-N.Y.), no friend of the human race, said, "We are putting in place the decline of the United States." And it is precisely for this reason that the *Washington Post* supported the monster: "It is meant to force him [Reagan] finally either to cut defense spending . . . or raise taxes."

The constitutional question

The second reason why the enemies of the nation are gleeful is that Gramm-Rudman is a direct attack on the U.S. Constitution. Even in his remarks upon signing the bill, Reagan alluded to this: "In signing this bill, I am mindful of the serious constitutional questions raised by some of its provisions. The bill assigns a significant role to the Director of the Congressional Budget Office and the Comptroller General in calculating the budget estimates that trigger the operative provisions of the bill. Under the system of separated powers established by the Constitution, however, executive functions may only be performed by officers in the Executive branch. The Director of the Congressional Budget Office and the Comptroller General are agents of Congress, not officers in the Executive branch. . . . Similar constitutional concerns are raised by a provision in the bill authorizing the President to terminate or modify defense contracts for deficit reduction purposes, but only if the action is approved by the Comptroller General. Under our constitutional system, an agent of Congress may not exercise such supervisory authority over the President. As the Supreme Court made clear in its CHADA decision, Congress can 'veto' Presidential action only through the constitutionally established procedure of passing a bill through both Houses and presenting it to the President."

This is the heart of the matter. Under our Constitution, the budget is a matter for elected representatives, the Congress and the President. Further, the President is responsible as Commander-in-Chief for national defense. The unsubtle aim of the amendment is to introduce British conceptions of government, in which the President functions as prime minister, the powers of Congress are curtailed, and ultimately authority lies with a non-elected senior civil service. Although Congressman Cynar (D-Okla.) has moved to challenge the bill on constitutional grounds in the Federal District Court in Washington, D.C., his challenge is strictly limited, and would, if upheld, not fundamentally alter the bill.

More revealing is that Trilateralist Lloyd Cutler, head of the Committee on the Constitutional System, endorsed the bill in the accepted backhanded fashion of IMF supporters: "I don't think its a good bill, but it's become a political necessity." Cutler, in a famous article in *Foreign Affairs* in 1980, had demanded that the U.S. Constitution be changed in favor of the British model, because in its present form it permitted constituency pressure to enter the budget process. With Gramm-Rudman finally being put in place, Cutler is in effect acknowledging that one no longer needs a constitutional change to turn the budget process over to the IMF.

Kennan, Shultz, and the Gnostic cult of the American foreign service

The oracle of the American foreign policy Establishment has spoken, and Secretary of State George Shultz, the executor of the Establishment's policy, has jumped into the fray. George F. Kennan, in the just-published Winter 1985/86 issue of *Foreign Affairs*, the journal of New York's Council on Foreign Relations, declares that the world faces two great, even "apocalyptic" dangers: nuclear war and "the devastating effect of modern industrialization and overpopulation on the world's natural environment." This, he proclaims, defines more than just a moral principle which must underly the conduct of policy; it is a *religious* question.

What kind of strange religion is this, which rejects God's commandment to man to "be fruitful, and multiply, and replenish the earth, and subdue it"? Not Christianity certainly, but the ancient Gnostic cult of Abraxas, resurrected by Carl Gustaf Jung, who used to pray to a figurine of the hermaphroditic Egyptian god which he carried about in his briefcase. It was Jung who, in 1940, as the Nazis rolled into France, proclaimed that the world was entering the "Age of Aquarius"; this later became the rallying cry of the rock-drug counterculture whose anti-industry ideology Kennan spouts

in his current *Foreign Affairs* piece, and George Shultz trumpets before the Pilgrims' Society in London. Kennan is currently professor emeritus at Princeton University, the base of the Bollingen Foundation, publisher of the works of Jung.

Kennan's plunge into mysticism can be better understood by considering the career of William H. Sullivan, president of New York's American Assembly think tank and former ambassador to Iran and the Philippines. A protégé of Averell Harriman, Sullivan was the ambassador who oversaw the collapse of U.S. influence in Iran and the delivery of the country into the hands of Ayatollah Khomeini's Islamic fundamentalists. In his autobiography, Sullivan boasts that, throughout his career as a foreign service officer, he has been part of a tightly knit "cult," consisting of at most several thousand foreign service officers, military officers, government officials, and members of think tanks and the press, which has shaped foreign policy since World War II.

From the documents we present below, you can see just what insane policy this cult of traitors is pushing: deindustrialization of the West and a "new Yalta" deal of "crisis management" with the Soviet Union.

Documentation

Excerpts from "Morality and Foreign Policy," by George F. Kennan, Foreign Affairs, Winter 1985/86:

... Except perhaps in some sectors of American government and opinion, there are few thoughtful people who would not agree that our world is at present faced with two unprecedented and supreme dangers. One is the danger not just of nuclear war but of any major war at all among great industrial powers—an exercise which modern technology has now made suicidal, all around. The other is the devastating effect of modern industrialization and overpopulation on the world's natural environment. The one threatens the destruction of civilization through the recklessness and selfishness of its military rivalries, the other through the massive abuse of its natural habitat. . . .

The need for giving priority to the averting of these two

overriding dangers has a purely rational basis—a basis in national interest—quite aside from morality. For short of a nuclear war, the worst that our Soviet rivals could do to us, even in our wildest worst-case imaginings, would be a far smaller tragedy than that which would assuredly confront us (and if not us, then our children) if we failed to face up to these two apocalyptic dangers in good time. But is there not also a moral component to this necessity?

Of all the multitudinous celestial bodies of which we have knowledge, our own earth seems to be the only one even remotely so richly endowed with the resources that make possible human life—not only make it possible but surround it with so much natural beauty and healthfulness and magnificence. And to the degree that man has distanced himself from the other animals in such things as self-knowledge, historical awareness and the capacity for creating great beau-

ty (along, alas, with great ugliness), we have to recognize a further mystery, similar to that of the unique endowment of the planet—a mystery that seems to surpass the possibilities of the purely accidental. Is there not, whatever the nature of one's particular God, an element of sacrilege involved in the placing of all this at stake just for the sake of the comforts, the fears and the national rivalries of a single generation? Is there not a moral obligation to recognize in this very uniqueness of the habitat and nature of man the greatest of our moral responsibilities, and to make of ourselves, in our national personification, its guardians and protectors rather than its destroyers?

This, it may be objected, is a religious question, not a moral-political one. True enough, if one will. But the objection invites the further question as to whether there is any such thing as morality that does not rest, consciously or otherwise, on some foundation of religious faith, for the renunciation of self-interest, which is what all morality implies, can never be rationalized by purely secular and materialistic considerations.

Excerpts from speech by Secretary of State Shultz before the Pilgrims' Society, London, Dec. 10:

... Among the ideas that have been decisively altered in the postwar era is our conception of the balance of power. As a British audience knows, the classical conception served well as a functional description of international order. The idea of national sovereignty was born in Europe, and thus the problem of peace was to nurture some kind of equilibrium among sovereign states. Sometimes the balance was stable; sometimes not. When some continental power seemed bent on dominance, Britain would join others in restoring the balance.

Today, the classical conception still serves, to a degree. When faced with Soviet expansionism after World War II, for example, the West had no choice but to unite to deter and resist Soviet ambitions.

But the strategic realities of the postwar era demanded new modes of resistance and deterrence. In the classical or European model, the balance of power tended to be one-dimensional; its objective was the maintenance of equilibrium between the states in question. The balance of power in the contemporary world is by contrast multidimensional. . . .

In the 1980s and beyond, most likely we will never see a world in a total state of peace—or a state of total war. The West is relatively well prepared to deter an all-out war or a Soviet attack on Western Europe or Japan; that's why these are the least likely contingencies. But day in and day out, we will continue to see a wide range of conflicts in a gray area between major war and millennial peace. Some of them—not all—will affect Western interests. Terrorism, particularly state-sponsored terrorism, is already a weapon increasingly resorted to by those seeking to undermine Western nations and friends of the West in the developing world. We

must be equally well prepared and organized for this intermediate range of challenges. . . .

Finally, I want to speak of another kind of revolution that is altering the world balance of forces—a reawakening of economic thought and a new era in the technology of communication. . . .

Economic problems are not new in history. What is new in recent history is the intellectual shift taking place about how to remedy these problems. Lord Keynes's point about practical men being in thrall to some defunct economist may be less true now than in the past. Or perhaps the wise perceptions of Adam Smith two centuries ago are once again gaining practical prominence. At any rate, reality is intruding on some long-held notions about economic policy.

There is a new skepticism about statist solutions, central planning, and government control. Perhaps the extraordinary vigor of the American recovery has made the point: Ten million new jobs created in three years, with low inflation and declining interest rates. . . .

The industrial age is coming to an end. In some places it is over. The economy of the future will be based more and more on information technologies. And the flow of information requires freedom. . . . Ideology has nothing to do with this: It's just a fact of life. . . .

And this economic wisdom isn't culture-bound either. We see on every continent—Western Europe, East Asia, Latin America, and Africa—movement to decentralize, to deregulate, to denationalize, to reduce rigidities in labor markets, to enlarge the scope for individual producers and consumers to interact freely in open markets. At the Bonn Economic Summit last May, the leaders of the industrial democracies stressed the importance of moving in that direction. . . .

This reawakening in economic thinking itself coincides with a revolution in the technological base of the global economy. Microchip computers, advanced telecommunications, and an accelerating process of innovation are transforming the world we live in. . . .

The industrial age is coming to an end. In some places it is over. The economy of the future will be based more and more on information technologies. And the flow of information requires freedom—freedom of thought and communication. Ideology has nothing to do with this: it's just a fact of life. . . .

Senators let Bowen get away with murder

"If LaRouche opposes you, I'm for you." That was the essence of Sen. Daniel Patrick Moynihan's (D-N.Y.) contribution to the Senate Finance Committee's hearings around the controversial nomination of Dr. Otis Bowen, the former governor of Indiana, to be Secretary of Health and Human Services. Bowen is the euthanasia advocate who introduced "living will" legislation to Indiana, and cheered on the infamous, court-ordered murder of "Baby Doe" in 1982.

Shortly after Committee Chairman Bob Packwood (R-Ore.) opened the nomination hearings on Dec. 10, declaring that Bowen was an exemplary nominee, with "no enemies anywhere," Sen. Daniel Moynihan (D-N.Y.) noted, "I have to say that you do have one enemy. I have here a statement by the National Democratic Policy Committee which 'absolutely denounces' your nomination. May I say, sir, that the National Democratic Policy Committee is neither national, nor Democratic, nor is it a committee. It is a wholly owned operation of Lyndon LaRouche, and the less said about him the better. I had some tough questions for you, but now that I see that he has absolutely denounced this appointment, you have my total support." Sen. Richard Lugar (R-Ind.) then introduced Bowen. He was followed up by Sen. Daniel Quayle who stated: "Given Senator Moynihan's pronouncement, I think that perhaps we should thank Mr. LaRouche, too."

As that would indicate, members of the Committee, who forbid any public testimony, an unprecedented procedure, let Dr. Otis Bowen get away with murder in their questioning of him, with the exception of Sen. Charles Grassley (R-Iowa) who meekly tried to pin him on the issue of euthanasia. Grassley asked him about his endorsement of the concept of federal "living wills" as one way to cut costs, and about his concern about the cost of caring for patients in their final days.

Bowen replied, "The discussion of the living will was not truly put in as a means of reducing costs—that sounds inhuman. It was put simply because the individual should have a right to say, don't do all these heroic things [to save the individual's life]. Those who have stated that I have a view of euthanasia are just as far wrong as possible." Bowen then went on to explain, again, the high costs of caring for patients in the last days of their lives.

The NDPC testimony against Bowen

The following is the written statement submitted to the Senate Finance Committee by Warren J. Hamerman, chairman of the National Democratic Policy Committee, and director of EIR's Biological Holocaust Task Force, on the matter of the nomination of Otis Bowen to be Secretary of Health and Human Services.

The National Democratic Policy Committee absolutely denounces the appointment of Otis Bowen to be Secretary of Health and Human Services. I also absolutely denounce the KGB-style methods that are being used to railroad this nomination through the Senate, without allowing for public testimony. It is normal Senate procedure, and should be a guaranteed right in a republic, for opposition witnesses to be afforded time to present their case to the Senate, especially in the case of a controversial nominee. But, to the contrary, a colleague of mine was told, by a Finance Committee staff member, that verbal testimony was being refused on the Bowen nomination "because it's too controversial." These tactics are repugnant to the American system of government.

The record on Dr. Bowen is clear. He supports the doctrine that some lives are not worth living—this is the policy of euthanasia. His appointment will guarantee a further, rapid institutionalization of the kind of "useless eaters" policies, through which the Nazi regime murdered millions of innocent people, in part, because they were considered a drain on financial resources. This is not the first time that someone with a medical degree has abused that degree. Will Dr. Bowen become this decade's version of Dr. Joseph Mengele, the Angel of Death?

What we see with the Bowen appointment is the logical consequence of the decision, promoted by Donald Regan and publicly announced by Treasury Secretary James Baker III at the International Monetary Fund meeting last April, that the U.S. economy should be subjected to the same "surveillance" and austerity measures which have already decimated the developing sector. IMF policies are merely the modern version of Shakespeare's Shylock—the debt must be collected or the deficit reduced, no matter what the price paid in lives.

It is no accident that Donald Regan was the person who

sold the President on Bowen. Regan is an IMF mole, and he knows that Bowen will start slashing medical costs to meet the budget goals dictated by the IMF and the international financial establishment.

Bowen's pro-euthanasia stand is a matter of public record. As head of the President's Advisory Commission on Social Security, he told the Senate Finance Committee in 1984 that Congress should act to incorporate, into the Medicare system, "living wills [which] would prevent unnecessarily heroic measures being taken in the terminal days of life." Such heroic measures, he argued, cost too much. In his testimony, Bowen continued, "Eleven percent of Medicare

expenditures are spent in the last 40 days of life and some 25% of Medicare expenditures are incurred by patients in the last year of life. The Council fully recognizes that this may be a controversial recommendation; however, the Council unanimously endorsed it."

Bowen also endorsed the reappointment of Indiana Supreme Court Justice Givan, in the face of widespread criticism of Givan's role in the legal murder by starvation in 1982 of a Bloomington, Indiana infant, "Baby Doe," whose Down's Syndrome affliction identified him as another life not worth living.

It is an abomination to appoint someone who puts a dollar

LaRouche replies to Moynihan, Quayle

Lyndon H. LaRouche, Jr. issued the following statement in response to the Senate Finance Committee hearings.

Today, Tuesday, Dec. 10, Senator "Pat" Moynihan endorsed the nomination to be Secretary of Health and Human Services of Otis Bowen, a man who has advocated publicly some of the same practices, of killing of "useless eaters," for which we hung German doctors at Nuremberg. Moynihan, who has long held racist theories cousin to those of the Nazis, explained, that he was endorsing Bowen's nomination, without questioning, for the simple reason that I opposed that nomination.

I have issued no statement on the Bowen nomination to be the Reagan administration's Health Secretary. The denunciation of Bowen, to which Moynihan referred, was published by a registered political action committee based within Senator Moynihan's own Democratic Party, the National Democratic Policy Committee (NDPC). I was not involved in any way, in prompting, preparing, or issuing the NDPC's public information on Mr. Bowen.

It is true, that I was among those who founded the NDPC during the closing hours of the 1980 Democratic National Convention, and that I was formally chairman of the advisory committee for the NDPC, from September 1980 up to the time of my own campaign for the Democratic Party's 1984 presidential nomination. I am a supporter of the NDPC, still. I adopt the NDPC's opposition to the Nazi-like qualities of Mr. Bowen, but it happens that I was too much involved with certain other matters even to discuss the Bowen case with my friends in the

NDPC, until Mr. Moynihan's attack on me, today.

Senator Moynihan stated the following points at the opening of the Finance Committee session:

1) He opened the proceedings, by announcing that the NDPC opposed Mr. Bowen's nomination. This small part of the Senator's statement was true.

2) That the NDPC has no connection with the Democratic Party. This, from the Senator's mouth, happens to be a very big lie. Not only are the founders of the NDPC members of the Democratic Party, but members of the NDPC have been elected to offices within the Democratic Party. Mr. Moynihan is painfully aware of these facts.

3) That the NDPC is nothing but a "wholly owned operation of Lyndon LaRouche." As FEC records show accurately, I have never given a penny to the NDPC, since its founding in August 1980, to the present day. The Senator might have said, truthfully, that the NDPC tends to agree with my political philosophy; instead, he chose to make a statement he knew to be false.

Mr. Moynihan, as long as I have known him, frequently enough will go to strange lengths, to avoid telling the truth about even the simplest matters of fact. Honest men take pride in telling the truth; that compulsive perjurer, Mr. Moynihan, leans to the contrary, satanic compulsion.

To conclude the carnival's "geek-act" performance at the hearings, Mr. Moynihan then announced, that since LaRouche opposed Bowen's nomination, he, Moynihan, was going to support the nomination unquestioningly. Indiana's Senator Quayle followed, announcing that he adopted Moynihan's curious logic: that whatever LaRouche supports, the dismal likes of Quayle and Moynihan will axiomatically oppose.

Very well, I herewith announce publicly, that I categorically, and energetically, demand that senators Moynihan and Quayle shall not commit suicide. I await the results of this announcement with interest.

sign on human life. It is a danger to national security to appoint such a person at a time when the AIDS epidemic is raging out of control in the African AIDS belt, where between 10 and 60 million Africans are infected, and at a time when the epidemic threatens to break outside of the "risk populations" in the advanced sector. Emergency U.S. government policies are necessary. We must spend *whatever* is necessary to carry out a crash mobilization to halt the AIDS epidemic, not what the financial community tells us is affordable. Not only must an Apollo-style crash medical research program be launched, but the collapsed economies of Africa and the collapsing economy of the United States must be rebuilt. The debt-repayment and deficit-closing demands of the bankers must be put aside, so that Western civilization can save itself from biological holocaust.

As *EIR's* Biological Holocaust Task Force, of which I am chairman, has revealed, it is, in part, direct Soviet influence in the World Health Organization, which is responsible for spreading the disinformation line that AIDS is only a homosexuals' or drug users' disease. WHO's top official, responsible for AIDS, is Dr. Sergei Litvinov, simultaneously a top official in the Soviet Health Ministry. Dr. Litvinov willfully ignores the pandemic nature of the disease in Africa, in an effort to prevent the appropriate public health mobili-

zation in the nations of the West.

At a time when most Americans are convinced, correctly, that AIDS, and the necessary public health response, are a matter of national security, it is a danger to the nation that someone, whose philosophy stands directly opposite, has been appointed.

At the just concluded Bishop's Synod in Rome, Joseph Cardinal Ratzinger, prefect for the Vatican's Congregation for the Doctrine of the Faith, spoke for peoples of all faiths when he denounced the immorality of the "free market" policies of Adam Smith. He attacked the "astounding presupposition" that "the natural laws of the marketplace are by their nature good, and must necessarily work to the good, regardless of the moral dispositions of individual human beings." Ratzinger called for recognizing the "powers of the human soul" as a "factor in economics," and called for the establishment of an economics based in morality: "It has become an increasingly clear fact of economic history that the formation of economic systems and their grounding in the general welfare, depends upon a certain moral discipline."

The Senate can begin to recognize the moral force of that concept, by rejecting the nomination of Dr. Bowen, and any concept of a life to expensive to maintain.

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—Lyndon H. LaRouche

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U.S. tests the x-ray laser while scientists meet nearby

by Charles B. Stevens

On Dec. 5, as over 400 scientists were meeting in nearby Las Vegas at the Lasers '85 conference sponsored by the Society for Optical and Quantum Electronics, the U.S. Department of Energy (DOE) announced that an underground nuclear test was carried out at the Nevada nuclear weapons test range. According to informed sources and recent articles in *Science* magazine and the *Los Angeles Times*, this test may be part of a series begun in March to demonstrate nuclear-bomb-powered x-ray lasers and optics for defense against mass ballistic missile attacks.

The international Las Vegas conference, which constituted one of the largest gatherings of laser scientists held this year, had attendees from more than 20 countries, including the People's Republic of China, Japan, Iraq, West Germany, Italy, Great Britain, India, and the Soviet Union. While the meeting primarily dealt with the present status of laser technology and its applications, including a session organized by the Fusion Energy Foundation on "Lasing in Biophysics," several conference plenary sessions were devoted to discussing the policy implications of President Reagan's Strategic Defense Initiative (SDI) program for developing defenses against nuclear-armed ballistic missiles. These sessions heard presentations by leading scientists and government spokesmen, such as the President's science advisor, Dr. George "Jay" Keyworth, SDIO Chief Scientist Dr. Gerold Yonas, and Dr. Edward Teller.

Teller: 'Soviets have x-ray laser'

Two days before the DOE Nevada test, Dr. Edward Teller made the startling announcement that the U.S.S.R. has also probably developed the x-ray laser. Teller began his Dec. 3 plenary session presentation by reporting that despite the recent proliferation of "confused press reports. . . the Excaliber . . . x-ray laser does exist. . . ." Teller went on to report that this x-ray laser, designed by Lawrence Livermore National Laboratory, was based on scientific concepts first developed by Soviet scientists.

Furthermore, Teller reported, new evidence has recently appeared which strongly indicates that the Soviet Union has

successfully demonstrated an x-ray laser. Therefore, Teller concluded that Russia is seeking a monopoly in missile defense, while maintaining a vast lead in offensive nuclear forces.

In light of this, Teller emphasized, "The SDI is far more urgent than previously thought."

'Astounding progress'

A week before the Las Vegas conference, Lt.-Gen. James Abrahamson, the director of the SDI Office, announced at a special Pentagon news briefing that "astounding progress" had been made in the development of directed-energy weapons, and free-electron lasers in particular.

The hundreds of scientific papers presented to the Lasers '85 conference documented Abrahamson's claims:

- Dr. D. Mathews reported on continuing work with the Livermore Nova laser for demonstrating laboratory scale x-ray lasers.

- Dr. S. Suckewer presented the latest results from the Princeton University magnetic plasma, recombination x-ray laser.

- Prof. H. Kuroda of the University of Tokyo reviewed the current status of the Japanese x-ray laser program.

- Drs. H. M. Peng and S. Y. Luo detailed the results of the Chinese x-ray and gamma-ray laser research programs.

- Prof. Charles Rhodes of the University of Illinois detailed the experimental results on the non-linear absorption physics achieved with intense excimer laser beams. Rhodes showed how this will lead to x-ray lasers millions of times more efficient than existing models.

- Dr. Charles Brau of Los Alamos reviewed the "startling" progress made in the last year with free electron lasers (FEL). As Presidential Science Advisor Keyworth emphasized in his keynote address to the conference, in March 1983 when the President first proposed the SDI, the FEL was only a scientific concept. Today, the technology has approached the point where a full-scale prototype, ground-based system can be built. Based on existing experimental results, it is possible to conceive of a single FEL being capable of destroy-

ing the entire Soviet ballistic missile fleet.

- More than 20 papers reviewed progress in laser-beam propagation through the atmosphere, including presentations by Dr. Gerold Yonas, SDI chief scientist, and Dr. O. A. Vokovitsky of the U.S.S.R. Obninsk Institute of Experimental Meteorology.

- Major advances in remote sensing were reported in over a score of presentations. Dr. Yonas reported that a million element photo-diode infrared telescope had been demonstrated for detecting small objects in space or on the ground over distances of thousands of miles. Dr. Louis Marquet, SDI Directed Energy Weapons Division leader, reported that techniques for utilizing particle beams as warhead detectors had been demonstrated.

- Dr. James Ionson, SDI Innovative Science and Technology Division Director, detailed advances in gamma-ray laser research at Los Alamos and the University of Texas.

- Other sessions reviewed the applications of lasers to industry and medical research and treatment.

Revolution in biology

The session organized by the Fusion Energy Foundation (FEF), "Lasing in Biophysics: Implications for Beam Science and Technology," featured presentations by Dr. F. A. Popp of the University of Kaiserslautern, Dr. James Fraser of the University of Texas Medical Center, and Dr. Phillip Callaghan of the U.S. Department of Agriculture. They detailed ground-breaking experiments in optical biophysics. Popp reviewed experiments in which the emission of "coherent" radiation from living cells was measured. The results indicate that this light emission could be an essential characteristic and controlling mechanism for living matter. Dr. James Fraser detailed the general frontiers of biological spectroscopy. And Dr. Callaghan detailed how "coherent lasing" of molecules is the basis for the operation of insect sensors.

The session chairman, Dr. Jonathan Tennenbaum, FEF European director, noted that the work represented in these invited talks was laying the basis for a revolution in biology.

The session attracted leading representatives from both industry and the scientific community.

The x-ray laser test

In his conference presentation, Dr. Teller noted that recent, hostile news stories concerning the Livermore x-ray laser program were based on limited information, presented in a confused manner. Informed sources elaborated on this.

The *Los Angeles Times* and *Science* magazine had reported that Los Alamos National Laboratory scientists had discovered a major flaw in the Livermore x-ray laser experiments. In particular, these publications asserted that the instruments designed to measure the x-ray laser output had malfunctioned and, therefore, the claims of success for the Livermore x-ray laser were false.

But according to informed sources, what actually hap-

pened was exactly the opposite: "When designing an experiment, one must project a possible range of outputs and thereby calibrate one's instruments accordingly. The 'flaw' in the Cottage tests—if you want to call it that—was simply that the R Group had underestimated the upper limit on the x-ray laser brightness by many orders of magnitude. *Maybe, by as much as one million.* It's as though you were drilling a backyard water well and discovered instead the world's largest deposit of oil. Directed Energy Weapons' effectiveness against missiles is in general proportional to the brightness squared. I don't think demonstrating a laser which is a million times brighter than expected—and, therefore, potentially a trillion times more effective—could be considered a 'failure.' In any case, we are ready this time."

International cooperation

As it turns out, the Las Vegas conference not only reverberated with the underground explosions, but also with news of a political earthquake within the Reagan administration. Within the week it was announced that Presidential Science Advisor George Keyworth, National Security Advisor Robert MacFarlane, and NASA Director James Beggs will all be leaving their positions. In this context, the conference presentation by Dr. Teller may be of added significance.

The primary point made by Dr. Teller was the need for international cooperation on SDI. Teller reported that no one, including even himself, has previously fully grasped the profound significance of President Reagan's proposals in this regard. Teller related that the President had held a special conference just before the Geneva summit where the need for international cooperation on SDI was reviewed. According to Teller, the President's proposal for "open laboratories" was not limited to bilateral U.S.-U.S.S.R. actions. We have always opposed the proliferation of nuclear weapons of mass destruction, he said. But defensive beam weapons are of a totally different nature. Their proliferation would be a good thing, because the more countries that are able to destroy ballistic missiles, the less likely that anyone could launch a pre-emptive first strike. Therefore, all countries and scientists should participate in developing SDI technology. According to Teller, this should begin immediately, with or without participation by the Soviet Union.

In this context, Teller presented a specific proposal for initiating such cooperation—an updated "Open Skys Proposal." Sensors are essential to successful missile defense. Teller proposed that the United States begin an open, crash program for the further perfection of sensors, including space-based ones. The full information procured by these sensors would be made immediately accessible to every country and any person in the world. Besides providing immediate benefits to all peaceful forms of economic activity and disaster prevention, such a joint, worldwide effort would provide everyone with the truth "concerning man-made dangers," i.e., what the Soviet Union is really up to.

Death penalty for money-laundering?

Commenting on the number of bills before Congress to outlaw drug money laundering, Helga Zepp-LaRouche, head of the Schiller Institute, said that one main flaw with all of the bills is that they do not include punishment appropriate to the crime. In the case where banks' presidents and directors are found guilty of laundering billions of dollars of drug money, they have, in fact, been found guilty of mass murder. That is the real effect of their crimes on thousands of youths whose minds and lives are irreversibly destroyed by drugs, even from ages seven and eight."

The only real debate on such a bill should concern whether or not the convicted criminal receives life imprisonment with hard labor, or the death penalty," she said. The death penalty could be invoked under condition that a state of war were in effect—which is exactly what the fight against the drug plague requires.

Mrs. LaRouche made her remarks in response to a day of lobbying organized by the Schiller Institute on Capitol Hill Dec. 11. Among the lobbyists were former South Carolina Congressman Jim Mann, former Manhattan Borough President Hulan Jack, and current state legislators Jim Isaacson (Washington state) and Clarence Davis (Maryland). They met with key congressmen on the money-laundering issue, and held a press confer-

ence with AP, CBS, the *Washington Financial Daily*, and the official Venezuelan state news agency.

It was Davis who broke through the nonsense about devising a bill with "appropriate wording to satisfy all parties involved," when he confronted the press with a moving personal depiction of the dozens of eight-year-old children who are used by pushers to deliver drugs and money from street corners in his district in downtown Baltimore."

The police may show up and even arrest one or two, but a half hour later everyone is back. These kids are called 'mules' by the pushers, and they often are on drugs themselves. Their lives are destroyed and they are not even ten years old yet."

When one reporter started defending the American Bankers' Association opposition to a bill against money laundering that would hold bank officials responsible for accepting drug money, Davis shot back, "We are trying to stop the destruction of our nation's youth. If you don't stop those who profit from drugs the most, you won't stop drugs. This is an effort to do that. I don't want you reporters coming into my district to do a human-interest story on some 11-year-old junkie if you won't report on this press conference and this effort to stop the drug problem."

The Schiller Institute opposed the Justice Department's bill against money-laundering, which seems deliberately designed to make it impossible to prosecute a high bank official (see page 4), although Treasury, DEA, and law-enforcement officials already know, in the Bank of Boston case, for example, that senior bank officials are involved.

The Presidents' Commission on Organized Crime had properly sought wording that would hold a bank pres-

ident or director accountable on the basis of "reason to know" that money coming into the bank is from a criminal source. According to Rep. Dan Lungren (R-Calif.), grand juries are currently convened to look into the drug money laundering evidence in the cases of banks already fined, but there are no reports of how high up the ladder of the bank command structure they are going.

A Justice Department spokesman told me the reason they "watered down" the Commission's recommended bill was that it would make "innocent bank tellers" as liable as a senior bank official for laundering—therefore, the Justice Department demanded a "greater burden of proof." However, it is just that minor change that it going to allow the senior officials to slip out of the grasp of justice.

Water from Canada? Why not?

"We are very sensitive about any ideas of exporting our water, indeed. It is a very touchy issue up in Canada," Thomas P. d'Aquinio, president of Canada's Business Council on National Issues, told me before a speaking engagement in Washington recently. But when reminded of the great "North American Water and Power Alliance" (NAWAPA) plan of selling 85 million acre feet of water and 70 megawatts of hydroelectric power annually to the United States and Mexico, he mused, "Well, you would certainly think that the idea of selling a surplus resource, that is a renewable resource at that, would be an attractive idea."

Right now, 27% of the Earth's fresh water hits Canadian land and runs off, without being touched for any purpose.

China-U.S. nuclear trade placed in doubt

The House and Senate voted to approve the nuclear trade agreement which the Reagan administration concluded with the People's Republic of China, but each body put differently worded conditions on the agreement, which in its final version may essentially lock U.S. nuclear manufacturers out of the \$6 billion nuclear power construction program.

On Dec. 9 the Senate passed an amendment to the omnibus spending resolution, which prohibits nuclear technology sales unless the President certifies that China has agreed to allow verification by the United States that the technology is being used for peaceful purposes only. Sponsored by Sen. John Glenn (D-Ohio), a motion to kill the amendment was rejected by a vote of 59 to 28, and then was adopted by voice vote. The P.R.C. government denounced the Senate action as "completely unacceptable," while the administration said the language would "undermine" the agreement.

Then, on Dec. 11, the House approved by a 307 to 112 vote, an amendment which did not contain any prohibition of sales, but expressed concern about the lack of written assurance from the P.R.C. on what commitment they have to non-proliferation. The fight cut across partisan and liberal/conservative lines. Liberal Reps. Howard Wolpe (D-Mich.) and Ed Feighan (D-Ohio) circulated a letter urging their colleagues to back the Senate version in conference, because of their concerns about non-proliferation. Conservative Rep. Gerald Solomon (R-N.Y.) argued that the P.R.C. was not a firm ally of the United States, and indicated that the current government there was not necessarily stable.

He called the trade agreement "an open-ended formula for disaster."

But supporters of the agreement such as Rep. Marilyn Lloyd (D-Tenn.) pointed out that no nation has ever yet built a nuclear weapon based on a commercial nuclear energy production program.

Anti-Soviet fight in Angola 'not germane'

Senator Malcolm Wallop (R-Wyo.) led a losing battle Dec. 10 to convince the Senate to approve emergency aid to UNITA, the anti-Soviet force in Angola led by Jonas Savimbi. The effort, which came as an amendment to the continuing resolution H.J. Resolution 465, would have appropriated \$50 million for UNITA. It was defeated by a technical vote of 58 to 39, which determined that the amendment was not "germane" to the resolution.

The Senate leadership insisted that the resolution, which will continue to fund those government departments whose appropriations bills have not been passed by the Congress, be kept clean of "extraneous" amendments.

Wallop took this technicality head on, warning that the events in Angola are not determined by the legislative formalities of the U.S. Congress. "I do not bring up this amendment lightly. . . . This provides aid to UNITA, led by Jonas Savimbi, whose representatives . . . have been informed that a winter offensive, a wet-season offensive, under way since last Friday, is beginning to move in directions that are still unclear. But what is clear to them is that Soviet helicopters and MiGs are engaged in this battle today. Those forces do not have time for the niceties of congressional process.

Either we do stand or do not stand for aid to freedom fighters, particularly in Angola."

Wallop denounced a face-saving, but meaningless, resolution, which Senate Majority leader Bob Dole (R-Kan.) promised to introduce, "which will let everybody go home and feel comfortable for having done something, and not one bullet can be shot, not one life can be saved, not one Cuban foot advance can be halted. While Congress considers, the Soviets act."

Congressional sources report that the administration is preparing to introduce legislation for next year which will ask for \$15 million in "covert" aid to UNITA.

Solarz interferes in Philippines elections

The Asia and Pacific Subcommittee of the House Foreign Affairs Committee, chaired by Rep. Stephen Solarz (D-N.Y.), held hearings on Dec. 11, in an effort to elicit information which can be used in the Philippines election campaign against President Ferdinand Marcos. Solarz is using his congressional subpoena power to try to investigate the extent of President Marcos's allegedly extensive real estate holdings in the United States. The subcommittee has issued a number of subpoenas to people who allegedly act as fronts for Marcos family investments in the United States.

Holding American real estate is not illegal under Philippines law. But the opponents of Marcos have already made it a campaign issue, charging that it is evidence of Marcos's "corruption." The only purpose for the Solarz hearings can be to provide campaign material for the opposition.

Solarz denounced Marcos in an op-ed in the Dec. 13 *Christian Science Monitor*, saying that the acquittal of Gen. Fabian Ver "represents yet one more chapter of chicanery, in the inglorious record of the one-man rule that President Marcos has established. Despite the acquittals, the Marcos government stands convicted in the court of world opinion for covering up the murder of its principal opponent and orchestrating the acquittal of the assassins who carried it out."

European SDI role called too expensive

Opponents of the Strategic Defense Initiative launched new flanking attacks against the program Dec. 10, this time for the impact that awarding U.S. SDI contracts to our allies would allegedly have on the U.S. domestic economy. Rep. John LaFalce (D-N.Y.), chairman of the House Banking Subcommittee on Economic Stabilization, which held the hearing on the SDI and the U.S. Defense Industrial Base, Rep. Bruce Vento (D-Minn.), and Rep. Matthew Martinez (D-Calif.), all hostilely questioned the administration witness, Dr. Gerold Jonas, on why any SDI money would be spent abroad rather than in the United States.

Jonas told the panel that he assumed that the Congress would want the administration to proceed with the SDI in the quickest, most efficient, and most cost-effective manner possible. Contracts, therefore, would be given to firms of allied nations based on those criteria. To congressmen who do not want the SDI program to succeed, however, that argument did not seem reasonable. The impact "on our

high tech research capability, the competitive position of U.S. high technology industries, and U.S. employment and production could be substantial and warrants careful examination," LaFalce said.

In a written statement to the committee, SDI director Lt.-Gen. James Abrahamson made clear that "the fundamental basis for allied participation must be technical merit," and that "certain allied contributions could reduce both the schedule and the cost of the SDI research program." Abrahamson added that to derive the greatest benefit from allied expertise and to keep them as fully informed as possible for later consultations on deployment, the United States should develop "a meaningful allied role . . . consistent with our technical requirements, laws, regulations, and international obligations." He added that SDI had the potential not only to deter strategic nuclear attack on the United States, but "nuclear, chemical, and conventional attacks on our allies as well."

The aim of the SDI opponents was outlined by one witness before the committee, Alice Tepper Marlin, executive director of the Council on Economic Priorities. Claiming that if SDI "could ever become a reality, it would be worth virtually any price," Marlin then proposed a series of constraints on the program to ensure it would never become such a reality. She urged that Congress "significantly slow the SDI's funding growth rate," that it "be used as a bargaining chip" for Soviet offensive force cuts, that the Pentagon focus on basic research rather than on developing prototypes, and that the House "empower an independent review board to assess the economic implications of the pro-

gram, including cost, the possible drain on scientific and engineering talent; skewing of R&D spending, possible crowding out, potential spinoffs and effect on progress towards balancing the budget."

Another KGB attack on x-ray laser

Senator John Kerry (D-Mass.), the KGB's favorite spokesman on matters relating to the Strategic Defense Initiative, tried once again to kill the crucial x-ray laser component of the SDI. Kerry introduced an amendment to the continuing resolution which funds government agencies when their individual budgets have not yet been passed. The amendment would "prohibit the use of funds to conduct, in connection with the Strategic Defense Initiative program, development, test or evaluation involving any explosive device, which uses fissionable material."

In an explanation which would be laughable, were the matter not so serious, Kerry argues that President Reagan's description of the SDI as a "non-nuclear defense" against incoming missiles must preclude the x-ray laser, because it is driven by a tiny nuclear explosion.

In recent weeks, the x-ray laser has come under attack by the FBI, which forced the resignation of Dr. Roy Woodruff, director of Nuclear Weapons Programs at Lawrence Livermore, by the *New York Times*, and by Reps. Bill Green (R-N.Y.) and Ed Markey (D-Mass.). The *Times* and the two congressmen demanded that a crucial test of the x-ray laser be delayed because of alleged imperfections in the testing apparatus.

National News

Who's responsible for Gramm-Rudman?

"It was Don Regan's support for Gramm-Rudman that was critical in getting it through the White House support process," a City of London insider familiar with the U.S. situation told a caller on Dec. 13.

"Donald Regan has managed to reinforce his position in a very powerful way, and he's become the most powerful White House chief of staff we've seen in years."

On Gramm-Rudman itself, the source said: "We're not entirely sure of what the effects will be here, and I've picked up some apprehensions. It's good to attack the budget deficit, but it could be ruled unconstitutional, and will have a very curious effect on economic policy, because it leaves the administration and Congress very little discretion to do anything, and it's foolish to deny yourself discretion."

U.S. Attorney ordered to appear in court

On Dec. 9, Federal Judge Harold Ackerman ordered Assistant U.S. Attorney Daniel Small, a key individual in the Boston grand jury hearings against political supporters of Lyndon LaRouche, to appear for questioning in Ackerman's New Jersey court on Dec. 16.

The judge issued his order after hearing complaints from attorneys for LaRouche's 1984 campaign committees that Small had withheld information and lied in sworn statements submitted to federal authorities in Judge Ackerman's district, in an attempt to prejudice the Court against LaRouche's associates in a related case.

"I'm bringing Small down here for a hearing," Judge Ackerman said. "I want the truth. We're going to deal with him."

Judge Ackerman's decision to question Small grows out of a civil suit brought by the LaRouche campaign organizations to re-

cover almost \$200,000 in campaign funds seized by First Fidelity Bank of New Jersey in the closing days of the 1984 presidential campaign. Federal Prosecutor Small intervened in the suit on the side of First Fidelity. First, he told LaRouche lawyers that certain documents in federal custody needed for submission to the court in the New Jersey case, were unobtainable.

Then, Small lied about this fact, when he submitted an affidavit to the court in support of a motion by First Fidelity Bank to fine the LaRouche campaign committees because they did not make the documents available in New Jersey.

Finally, Small seemed to imply in his affidavit that, because he has repeatedly sought contempt citations against political supporters of LaRouche, Judge Ackerman should therefore rule in favor of the bank.

Judge Ackerman agreed that contempt proceedings and fines levied in the Boston grand jury investigation were not material to the evidence being sought in the New Jersey case, and ordered Small to turn over the documents he admits to having, and directed LaRouche attorneys to notify him if they have any problem getting the documents from Small.

ADL head criticized by Israeli leader

Crime-linked Anti-Defamation League head Kenneth Bialkin was strongly criticized in Israel the first week in December by parliamentarian Yossi Sarid, for having visited a West Bank settlement populated by extreme proponents of annexation.

In a Dec. 4 statement, Sarid charged that Bialkin's visit was "harmful," adding in a letter of protest to Bialkin, "Your demonstrative presence in the West Bank could only be interpreted as identification with the settlers and the settlements." He charged that Bialkin had, by visiting the Ariel settlement at the head of a delegation of the Conference of Presidents of Major American Jewish Organizations, supported "annexation" of the West Bank:

"The impression is that the advocates of Greater Israel dug a propaganda pitfall for you and you all tumbled in."

Bialkin arrogantly answered Sarid, "I'm not the slightest bit embarrassed by visiting Ariel," and said, "I don't give a damn," if it appeared that this move represented support for annexation.

SDI head warns against espionage

SDI Program Director James Abrahamson told a Senate hearing on Friday, Dec. 6, that the United States will have to impose certain conditions on joint research with the European countries, namely, to ensure that foreign firms will not pass on scientific data to the Soviet Union and her allies.

Since the sensitive information will be exchanged between governments, not between private firms, he said that companies in those countries, whose governments decided against SDI participation, will have problems in obtaining such information.

Harvard's Cox pushes Dostoevskian cult

Harvard Divinity School's Harvey Cox predicted that Dostoevsky's "Christianity" will cause a major religious revival in Russia.

Cox, who summered in Russia, told the *National Catholic Reporter* in early December that the "real animating passions of the Soviet people" stem from the "profoundly Christian" themes of Dostoevsky, "who saw the long-time consequences of the development in Europe of the Enlightenment, of rationalism, faith in science, progress and all of this."

Cox went on to hail Dostoevsky as a "prophet" for realizing that "the palace of science has not been our salvation. Technology has been put to demonic purposes, and the hope for progress is something that hardly anybody seriously affirms anymore."

And we're left with a kind of emptiness, a spiritual hunger that Dostoevskii himself felt and anticipated. . . .

"Wouldn't it be ironic," Cox concludes, "if in the next century a revival of Christianity occurred stemming from the Union of Soviet Socialist Republics?"

FBI admits there is terrorism in U.S.A.

FBI Director William Webster publicly admitted in early December that a Jewish terrorist underground is threatening to carry out a wave of terrorism against pro-Arab and "anti-Israeli" targets.

Speaking at a press briefing at the National Press Club in Washington, D.C. on Dec. 10, Webster acknowledged that a number of individuals and organizations may be in a "zone of danger." He insisted, however, that the FBI is unable to locate the terrorists.

While not mentioning the Jewish Defense League, the Jewish Defense Organization, or the Rafi Eytan Terror Against Terror assassination squads recently linked to Israeli-Soviet spy Jonathan Jay Pollard, Webster cited the recent assassinations of Alex Odeh, Tscherim Soobzokov, and the firebombing of the Washington office of the Arab-American Anti-Discrimination Committee as evidence of a mounting threat of terrorism.

Webster's about-face on the issue of terrorism on U.S. soil came a week after mounting pressure forced the FBI director to meet with former Sen. James Abourezk, director of the AADC, to discuss the anti-Arab violence and the FBI's inaction.

According to sources familiar with the meeting, the most powerful piece of evidence the senator delivered to Webster was a transcript of an October press conference in Washington by Mordechai Levi threatening Lyndon LaRouche by name.

The FBI has also issued formal security warnings to a number of people known to be targeted by the JDL/JDO.

To date, Lyndon LaRouche, the num-

ber-one target of pro-Moscow Israeli networks, has not been contacted by the FBI and advised of the security dangers.

According to the sources close to the Alcohol, Tobacco and Firearms Bureau, in the first two weeks of December, there have been seven letter-bombs sent out through the U.S. mail—mostly to Arab university professors and other Arab activists.

Dope, money-laundering ring broken in Texas

Forty-four people, two companies, and one Texas bank have been indicted as part of "Operation Cash Crop," a two-year investigation by the Houston-based Organized Crime Drug Enforcement Task Force into the drug-running and money-laundering activities of the Guadalajara-based Quintero gang.

"This is probably one of the biggest narcotics-trafficking rings uncovered in the country," said U.S. Attorney Henry Oncken of Houston. The Quintero cartel, linked to the killing of DEA agent Enrique Camarena Salazar, is believed to have brought at least \$75 million worth of marijuana into the country through Texas.

"A major marijuana-distribution ring has been disrupted," announced DEA agent Marion Hambrick at a Houston press conference. "Not only the ring, but the means by which they laundered the money."

Charles Lewis, assistant U.S. Attorney in charge of the task force, said that the cartel used at least 40 banks in the United States and Cayman Islands—including about 15 in Houston—in an extensive network "to launder literally millions and millions and millions of dollars." At least \$17 million in deposits were made in Texas and California, and another \$800,000 was laundered through 17 Texas banks via the purchase of 90 cashiers checks.

Of the 47 persons and entities indicted, 38 were charged with drug conspiracy and racketeering under the RICO statutes, and 46 were charged with conspiracy to import and distribute illegal drugs.

Briefly

● **KATHARINE GRAHAM'S** daughter, Lally Weymouth, has emerged as a key U.S. press operative in the cover-up of the Jonathan Jay Pollard spy case. According to informed sources, Weymouth, a *Los Angeles Times* stringer, maintains an exclusive press "salon" in New York City, where Ariel Sharon quietly holds briefings. During early December, Sharon traveled to the New York salon for a meeting with a select group on the cover-up.

● **VICE-PRESIDENT** George Bush predicted on Dec. 10 that the Republican Party could become the "new party of the American people by sweeping the 1986 congressional elections"—because of the economic upsurge in the United States. Bush said: "In 1986, we have an unusual opportunity [of] achieving a broad Republican realignment." He did concede that some sectors, including farmers, "have not yet felt the growing national prosperity."

● **CASPAR WEINBERGER** attempted to deflate the hysteria generated by the State Department over Cubans piloting the Nicaraguan military helicopter shot down by Contras on Dec. 1. Weinberger calmly noted on "Good Morning America" on Dec. 6: "This is something that's been going on, I think, for some time and what's been happening is that these advisers train various units, then stay with them as the units go into combat and participate with them . . . and I assume it's rather generally known."

● **THE POPE'S** visit to Texas in 1987 may thwart Rep. Jim Wright's (D-Tex.) plans to bring Gorbachov to Texas during the next summit, according to an op-ed in the Dec. 7 *San Antonio Express-News*. "A Soviet tour only months before the Pope's arrival could be too much for the recently media-conscious Kremlin to bear. A heavily guarded Gorbachov pales in comparison to the Pope leading an open-air Mass before thousands under a brilliant Texas sky."

Editorial

Terrorism: no time to lose

As we go to press, Islamic Jihad, generic for Shi'ite terrorist sects, has claimed responsibility for the apparent bombing of the DC-8 carrying 248 American servicemen and women of the Sinai peacekeeping force home for the holidays. All are dead. We, like you, are deeply saddened and angered, but not surprised. We are only surprised that the State Department has not yet formally requested the aid of Syria to "investigate" the atrocity.

First, some facts; then, to the deeper questions.

The terrorists are known. They operate from Lebanon's Bekaa Valley, or Iran, or Libya. Bekaa is occupied by Syrian troops. Syrian intelligence otherwise coordinates international terrorism, including that claimed by Iran, Libya, etc. In this, Syrian intelligence is controlled by the KGB through East German services in Berlin—the old Nazi-Syrian arrangement coopted by the Soviets after the war.

We have repeatedly prescribed the necessary course of action, taking into account both aspects of such terrorism: the Soviet strategic intentions reflected, and the surrogates actually deployed. As we said after the September 1983 mass murder of GIs in Lebanon, when the United States turned tail and ran on State Department advice; as we said after the July 14, 1985 hijacking of a TWA airliner and brutal murder of a Navy Seal, when the U.S. President, on State Department advice, went on national television to *thank Syria* for helping free the remaining passengers: These are Soviet acts of war against the United States.

For the Soviets, terrorism is a *pre-war deployment*, and the proper response is a declaration of national defense emergency by the President, placing the Strategic Defense Initiative on a crash footing, and moving rapidly to production of MX missiles in droves. The President may then use powers not needing delimitation here to overcome any treasonable obstructionism from Congress.

The terrorists themselves are to be dealt with as a snake's nest in one's field. It is to be made additionally clear to the government in Damascus that that city, for

example, is a suitable U.S. Air Force target in time of war.

So, the present DC-8 tragedy is the fruit of previous failure to act, of the State Department's blinding of our President to these realities.

However, there is every indication that the present atrocity is also a prelude to a massive introduction of terrorism to U.S. soil.

In this regard, we have some questions to ask: of the FBI, the State Department, and of Israel. Our evaluation is based on three recent developments, as well as the strategic commitment of the Soviet Union.

First, the FBI has refused to take action against members of terrorist groups run by the Israeli Mossad, who have assassinated two men on U.S. soil over the past several months and bombed one headquarters. Mordechai Levi, who threatened to kill both men and praised their murder afterward, walks the streets. But FBI Director Webster has proclaimed the bureau unable to find the killers (National Press Club, Dec. 10), yet warned that anyone perceived as "anti-Israel" is at risk.

Second, a large increase in terrorist threats, particularly around Washington, D.C., has occurred.

Third, Israel, say sources, has directedly threatened the U.S. government in a way that implies an outbreak of anti-U.S. terrorism. If the Pollard spy case is pursued, say these reports, Israel has threatened to retaliate by halting cooperation and "blindsiding" U.S. intelligence on radical Palestinian terrorism in retaliation.

Ariel Sharon, for one, has his "understandings" with Damascus and Moscow. The Mossad has considerable control over many Palestinian groups. Is there any connection between the DC-8 atrocity and Israeli threats?

Action must be taken: First, fire William Webster and clean out the FBI, which employs as well as protects terrorists, for example, Levi. Cut off this link, and much terrorist capability can be mopped up. Second, move against Mossad penetration in the United States. Israel may threaten all it wants.

In our evaluation, there is no time to lose.

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