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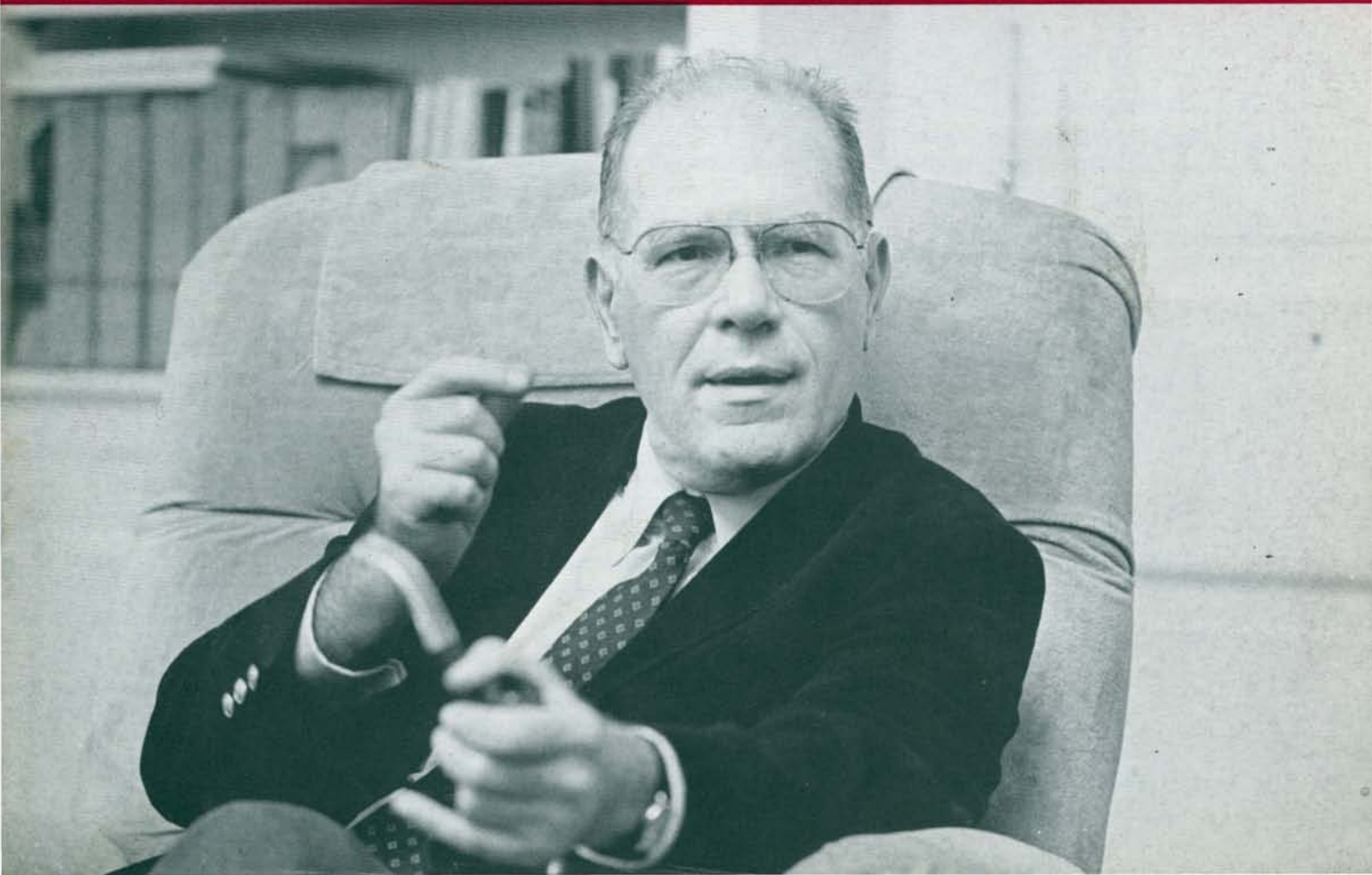
Executive Intelligence Review

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The end of the coverup about AIDS
Japanese move on gold—scare Paul Volcker
Packard defense 'reforms' worse than the problem

LaRouche: Countering the Syrian war threat to Israel



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"EIR has commissioned this *White Paper* to bring the truth on the developing Panama crisis to American citizens and lawmakers, so that decisive action can be taken to stop this campaign, before the United States faces a new strategic crisis on its southern flank."

White Paper on the Panama crisis Who's out to destabilize the U.S. ally, and why

While the *New York Times* and other major media pump out "news" on Panama to fit these plans, North Carolina's Sen. Jesse Helms, the U.S. State Department, and sections of the Reagan administration have joined in a campaign to overthrow Panama's government and Defense Forces, allegedly because they have been taken over by the narcotics trade. Therefore, the United States must bring to power Panama's "democratic opposition" movement.

As this report shows, the principal figures in the "democratic opposition" movement are drug-money launderers, lawyers for cocaine and marijuana traffickers, terrorists, and gun-runners. Their presidential candidate, Arnulfo Arias Madrid, is a life-long Nazi.

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The report includes:

- A "Who's Who" in the drug mob's campaign to overthrow Panama's government;
- The facts on how "conservative" Jesse Helms has joined with State Department one-worlders to implement a destabilization campaign designed by the U.S. Liberal Eastern Establishment;
- How David Rockefeller's Trilateral Commission and the New York Council on Foreign Relations created the "off-shore" banking center in Panama, to handle their debt-and-drug looting of South America;
- Proposals on how the United States can help secure Panama, through a series of Canal-centered development projects, which break Panama's economic dependence on the "off-shore" economy run by the international banking cartel.

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EIR

From the Managing Editor

Two issues ago, we published a table which showed on which questions *EIR*'s founder, Lyndon LaRouche, and President Ronald Reagan agree and disagree. Although the areas of policy disagreement are numerous, the Soviet Union greatly fears the influence that LaRouche has and could have on the Reagan-Weinberger combination. Our cover story this week presents part one of LaRouche's proposal for a radical shift in U.S. policy in the Middle East—an area in which he disagrees strongly with the Reagan administration. LaRouche notes that useful policy changes toward Israel and the Middle East generally are in progress, but that positive action is occurring much too slowly, in the face of the bid by Moscow and its client states to blow the region apart.

We are pleased to report that the mobilization by governments to deal with the locust plague in Africa, which we urged last week, has begun to occur. Four U.S. DC-7 aircraft began spraying in Senegal to kill grasshoppers on Sept. 4, with collaboration from France, Canada, and the Netherlands (see article, page 9).

A fascinating report in this issue comes from Panama (pages 48-53), where the government has gone on the offensive to refute charges that it is soft on drug traffickers. The government's new report, "Panama: 16 Years of Struggle Against Drug Traffic," presents new evidence on how the drug trade operates internationally. Of particular interest is the analysis of Great Britain's conduct of the Opium Wars in the last century, and the continuation of that neocolonialist policy today. The Panamanian report provides the kind of intelligence required to create a unified anti-drug command for the Western Hemisphere.

The lead articles of our *Economics*, *International*, and *National* sections all address the fast-developing collapse of the world economy. The Japanese have led the move into gold, to protect themselves from the crash of Paul Volcker's monetary system. Peruvian President Alan García has made a forceful intervention into the Non-Aligned meeting in Zimbabwe, outflanking Fidel Castro on the issue of the debt crisis. And in the United States, the collapse in domestic economic policymaking is seen most starkly in the decision of California Governor Deukmejian to slash funding for AIDS research and reject "Proposition 64," the anti-AIDS referendum.

Susan Welsh

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NSIPS/Philip S. Ulanowsky

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The policy of step-by-step appeasement of the demands of Moscow and Moscow's chief Middle East puppet, Syria's President Hafez Assad, must change. The United States must either create conditions which would deter Assad from provoking a new Middle East war—or ensure a decisive victory for Israel over Syria, should that war occur. Lyndon H. LaRouche's paper on the urgent need for a new U.S. policy for the Middle East.

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Gold: weapon for Japanese economic self-defense?

by Chris White

The price of gold has soared back above the \$400 an ounce level, the rise accelerating as the bouncy U.S. stock market once more retreated dramatically from the near 1900 level. The gold price increase has been accompanied by an even faster rise in the price of platinum.

Some attribute the price rise to the escalating campaign for the imposition of sanctions against the Republic of South Africa, the Free World's largest producer of the precious metal, and much else besides, including a comprehensive selection of the strategic raw materials on which the economies of the industrialized world depend. Others, in London, and Swiss banking circles, fearing a resurgence of what they call "inflation" inside the United States, have begun to recommend that their clients increase the proportion of their portfolios devoted to the precious metal.

Behind such credible accounts and explanations, aimed at encouraging the speculative creeps and parasites to begin to move out of the dollar, there may well be something much more significant brewing. The rise in the price of gold has been accompanied by the spouting of unusual complaints against Japan in the cartoons and columns of especially the *New York Times* and the *Washington Post*. Most significant in this respect was the *New York Times* expressed fear that the Japanese, finding yields on U.S. government securities declining, were beginning to shift, out of such investment patterns, and into gold.

Unstated in the expression of such fears is the extent to which U.S. capital markets have become dependent on the continuing increase of Japanese investment into U.S. government and corporate securities markets. After the capital inflow which can be attributed to the activities of the leading financial institutions, like *Crédit Suisse* and *Merrill Lynch*,

which organize the flow of funds associated with the \$500 billion per year narcotics business, accounting for \$80-100 billion into the United States, it is the \$60-70 billion annual investment inflow from Japan on which the insolvent United States and its banking institutions, depend. These levels of financial dependency, greater by far than the recycled OPEC petro-dollars of the 1970s, are what keep the United States afloat.

Why would the Japanese begin to opt for gold, to send a forceful signal to the United States that such is indeed the case? Because anybody in his right mind can figure out that Federal Reserve chairman Paul Volcker's current campaign, conducted with full backing from the dupes in the White House, and the stooges in the Treasury Department, to force Germany and Japan to lower their interest rates, threatens to push the world financial system over the cliff.

Lessons of the July trade deficit

There are two aspects to this, which would perhaps have encouraged such a shift into gold. One is the staggering \$18 billion trade deficit the United States racked up for the month of July. Administration pundits, like Special Trade Representative Clayton Yuetter, reckon the U.S. deficit for the year will be in the order of \$200 billion. July's figures showed a staggering collapse of U.S. exports, and an equally staggering increase of imports. The other, is the staggering, continued increase in overall levels of U.S. indebtedness.

The July deficit should finally nail the delusion of assuming that a lower dollar will increase U.S. exports and reduce imports. *EIR* said more than a year ago that the reverse would occur, because the U.S. can no longer produce what it imports. And over the year, as the dollar has fallen by more

than 30% against the deutschmark and yen, the trade deficit widened. Economically Volcker's demand that Japan and West Germany cut their domestic interest rates translates into the ultimatum that they eliminate a certain portion of that part of their domestic production capacity which is devoted to exporting to the United States, so that the United States will not be able to import it, and so that payment demands against the United States will not continue to increase. They either accept internal economic contraction, and inflation, or face a further decline in the dollar from its present lows against the deutschmark and yen.

This is tantamount to demanding that Japan and Germany commit suicide on behalf of what Volcker considers the higher purpose of attempting to keep the bankrupt U.S. banking system afloat, perhaps until early next year, after the elections in United States. But by that time such policies may well have helped secure the defeat of the Kohl government in the Federal Republic of Germany.

It also constitutes an admission of a certain sort, that Volcker and his accomplices at the Federal Reserve, and in the Treasury Department, do not believe their own eyewash that the fall in the dollar will increase U.S. exports. Their primary concern is not reducing the U.S. trade deficit as U.S. exports increase, but cutting especially Japanese and German exports, to force those economies into more internal depressionary contraction along with the United States.

There are conclusions that ought to be drawn from such a policy on its own, which would include, in a sane world, a reassertion of gold-reserve backing for currencies. When such a policy, which demands the collapse of economic capabilities, is accompanied by ultimatum-like threats, that if it is not implemented, then the dollar will be collapsed, and bring everything down, there is all the more reason to draw such conclusions.

The system Volcker claims he is protecting is doomed. *EIR* now conservatively estimates U.S. total indebtedness, including household debt, corporate debt, government debt, and debt owned by foreigners, at about \$12 trillion. The government's on- and off-budget deficit of about \$400 billion, and the trade deficit of near \$600 billion, pale into insignificance beside the indebtedness of the corporate sector, running between \$4.6 and \$5 trillion, almost an order of magnitude greater. This overall indebtedness has almost tripled since 1980-81. The fastest growing portion is the corporate sector's debt, fueled by the growth since 1983, of that utmost expression of financial insanity, the off-balance-sheet liability chain letter swindle, conservatively estimated at \$3-4 trillion for the corporate sector as a whole. This portion of U.S. indebtedness has grown from non-existence to the same magnitude as the growth of the rest of the total indebtedness in the period since 1980-81. It is now, on its own, approximately the same magnitude as the total U.S. Gross National Product.

A more revealing ratio is obtained by simply dividing the

total indebtedness by that part of the GNP which is accounted for by productive industries investment, inventories and supplies, and productive wage bill. The result is about \$17 of debt chasing every dollar productively invested in the U.S. economy. In a bankruptcy fire-sale organized relative to these ratios, the best assets in the economy would only command a dime on the dollar, everything else would be in the range of a nickel on the dollar, or even less.

With the financial institutional basis of the dollar monetary system rotten to the degree the U.S. trade deficit and total indebtedness pictures imply, the wonder is not so much that there is now a move back to gold underway, but that such a move was not organized before. Such a move would in any case be in the fundamental interests of the United States, and would help create the conditions in which the nation's debt-sodden insolvent financial institutions were cleaned up.

Gold only one option

Whether or not Volcker and his friends realize it, Japan, and West Germany do have options available to change the terms under which he is attempting to dictate policy. The move into gold is merely one of them. Through such means, perhaps in cooperation with South Africa, the yen and the deutschmark could be partially stabilized against the dollar, at present levels for example, which is where both the Japanese and the Bundesbank have drawn a line. Shifts of investment margins, from U.S. securities into gold, would then result in a devaluation of the dollar against gold even as the respective currencies remained relatively stable. Then, to continue to raise foreign funds for government and current account deficits, the United States would have to face the question of either returning its currency and credit to gold, or seeing the financial bubble, represented by the \$12 trillion of total indebtedness, reduced to a value of approximately nothing.

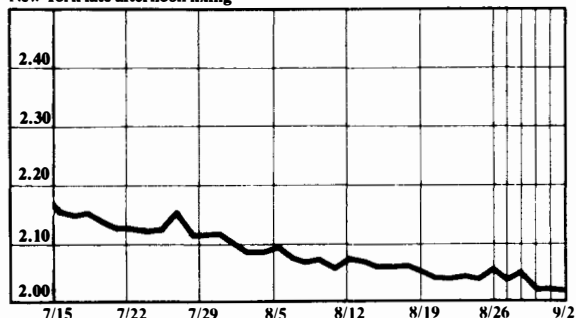
The gold-based weapon of self defense, is not based so much on the strength of him who threatens to deploy it, but on the bloated weakness of the force against which it would be applied. The threat to employ that force, manifest in the rise of the price of gold above the \$400 an ounce range, implicitly raises the question that the continued existence of the dollar debt bubble is above all a political question, and it is a political question, because that bubble is more than ready to collapse.

It's probable that what the *New York Times* and *Washington Post* chose to interpret as a warning shot by the Japanese, will not, in and of itself, be sufficient to encourage any fundamental shift in the insane way the United States chooses to think about and act on these questions. It does however signal that the collapse of the Bretton Woods system is politically entering a new phase in which the characteristic will no longer be how to continue to support that which is intrinsically unsupportable, but how to get out from under its collapse, and survive.

Currency Rates

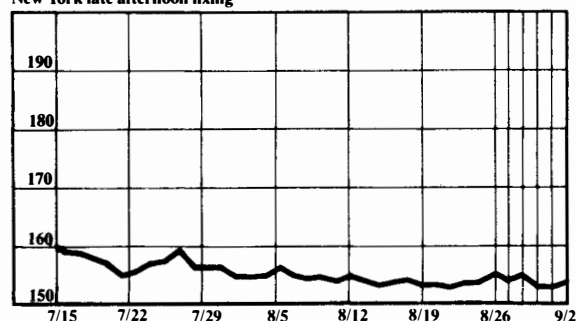
The dollar in deutschemarks

New York late afternoon fixing



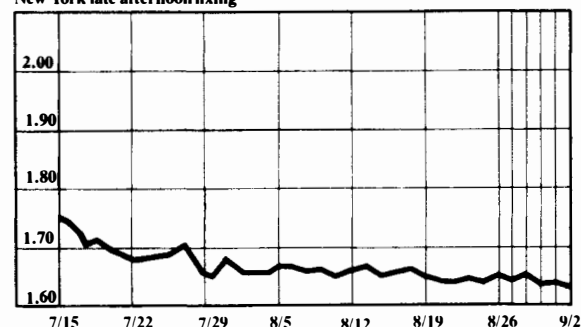
The dollar in yen

New York late afternoon fixing



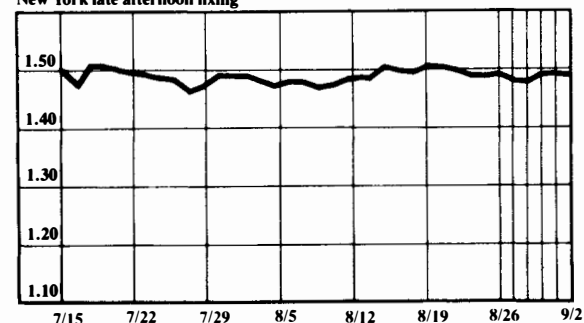
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The debt-for-equity

by Valerie Rush

The Sept. 4 announcement of a new foreign-investment policy in Mexico speaks volumes about the degree of capitulation to International Monetary Fund (IMF) dictates hidden behind the recent \$12 billion debt-bailout pact. That policy, issued by presidential decree, may in fact prove the death blow to the country's tradition of nationalist resistance to foreign capital takeover of the Mexican economy. Unfortunately, it is also just one of a series of similar policy decisions made in the recent period across the continent, which threaten to usher in a new imperialist era under the Kissingerian "debt-for-equity" rubric.

The Mexican government's foreign investment announcement also came on the heels of President Miguel de la Madrid's annual report to the nation of Sept. 1. In his report, any hopes that the Mexican head of state would heed the call of his Peruvian colleague for unity in defense of political and economic sovereignty were dashed. Instead, de la Madrid told Mexico's population to expect "permanent austerity," while promising its creditors "responsible dialogue and non-confrontation" on the debt (see *Documentation* below).

Opening the floodgates

Mexico's changes in foreign-investment policy are more than a foot-in-the-door for international finance capital. Rather, they are likely to throw open the floodgates to Mexico's international creditors desperate to convert \$100 billion in unpayable debt paper into hard equity gouged from the Mexican economy.

According to the Sept. 4 *Official Bulletin*, Mexico's National Commission on Foreign Investment is now authorizing international finance companies to either purchase outright or convert debt-holdings to equity in Mexican companies, without being considered "foreign investors" subject to Mexico's traditional restrictions on foreign investors. The only condition? The foreign capital involved is expected to be "primarily" channeled into the economic and social development of Mexico.

The decree also authorizes small- and medium-sized foreign companies to establish themselves as majority holders inside Mexico without previous authorization, a decision which explicitly overturns standing legislation which sets a

scam takes hold

49% ceiling on foreign participation in a Mexican company.

The delight with which U.S. banks and investment houses have greeted the decree is reported in *La Jornada* of Sept. 4, which notes that Citicorp, Chase Manhattan, Morgan Guaranty, Bankers Trust, Salomon Brothers, Shearson Lehman, Drexel Burnham Lambert, and Bear Sterns are already lining up for a piece of the action. One Chase Manhattan executive based in Mexico commented to *La Jornada* that the new government decree "strengthens the initiative of the creditor banks and U.S. investors" to capitalize the debts of Mexican companies, an initiative first launched in August 1985 around the Mexican debt restructuring. *La Jornada* comments that this group of U.S. lenders and investors have been peddling the "miracle drug" of debt-for-equity for more than a year. *EIR* actually dates it from August of 1983, when Henry Kissinger joined with other mouthpieces of international finance capital in a secret Aspen Institute meeting in Vail, Colorado. It was there the debt-for-equity scheme was first launched.

On top of its "modifications" in standing foreign investment legislation, the government has also announced a "liberalization" of exchange controls allegedly intended to "promote non-oil exports." Previous restrictions which limited exporters to using a maximum of 50% of their foreign-exchange profits for down-payments on imports have been lifted. Exporters are no longer obliged to convert their foreign-exchange earnings into Mexican pesos, but may use up to 100% of them for imports. The already widespread practice of over-valuing imports—a classic form of capital flight—can be expected to soar.

Venezuela joins lemmings

Venezuela has just announced a nearly identical foreign-investment package to that of Mexico. In a Sept. 3 press conference, Finance Minister Manuel Azpúrua declared that Venezuela's goal is to become "the investment center of Latin America," and was thereby eliminating the requirement that foreign investors convert their Venezuela-based companies into 51% Venezuelan-owned companies within a 15-year period. In addition, a regulation limiting profit remittances abroad to 20% of capital was also eliminated. The decree

also explicitly permits "capitalization" of foreign private debt—debt for equity.

Several sectors of the Venezuelan economy will be exempted outright from the rules governing foreign investment, including: agriculture, agroindustry, tourism, construction, electronics, computers, and biotechnology. Exemptions will also be granted to companies which export more than 60% of their production or have joint ventures with the government.

Minister Azpúrua explained that the Venezuelan economy has been sorely battered by the collapse in oil prices internationally, and noted, "The deficit for 1987 will be very significant if we don't take a series of measures" like this. He added that the new foreign-investment regulations are designed "to replace credit and financing with investment capital."

The new Venezuelan rules, which will undoubtedly delight foreign bankers as much as the Mexican decree has, have been announced just as the Venezuelan congress succeeded in burying the Fococam law they "inadvertently" voted up last July. A bi-partisan commission of congress had formulated a "debt conversion" package which, in effect, unilaterally converted \$7 billion worth of private-sector debt to foreign banks into government bonds bearing a mere 5% interest—and maturing in 15 years! The Venezuelan congress, in a rare patriotic mood, passed it.

When bankers heard of the measure, they moved to snuff it out. Trade credits to Venezuela were cut, threats to sue Venezuelan companies were made, and untold behind-the-scenes pressures and blackmail were applied. The result? Venezuela backed down. The order went out from the top to bury Fococam, and the two houses of Congress have done just that. The vote to repeal Fococam was held in the Venezuelan Senate in a special late-night session on August 27.

Argentina under pressure

Argentine officials have been insistent that they would withhold any and all decisions on policy until after viewing the outcome of Mexico's negotiations with the IMF and creditor banks. Miguel de la Madrid's Sept. 1 address to the nation, and measures that followed, have unfortunately provided an unwholesome example. With its negotiating mission currently meeting with the IMF in Washington, the Argentine government appears determined to follow Mexico's lead, and has just announced the submission of legislation to the Argentine Congress which will formalize a full-scale debt-for-equity program.

Citibank had been pressuring Argentina for several months to go with such a program, and left less than subtle warnings with Argentine officials that renegotiation of the country's debt was dependent on such. Finance Secretary Mario Brodersohn has reportedly been a leading proponent of debt-for-equity, and with the recent ousting of central banker Alfredo Concepción, the way is apparently cleared.

It remains to be seen how Bolivia chooses to resolve its rapidly escalating financial crisis, but there can be little doubt that the dozens of state-owned mines that the Paz Estenssoro

government has just shut down would be snapped up by the country's waiting creditors for a dime on the dollar.

The story is similar across the continent, where the accelerating bankruptcies of state and private-sector companies alike are providing ripe targets for the debt-for-equity scam. It is undoubtedly to coordinate the mapping of precisely such targets that the Inter-American Council on Trade and Production, controlled by Rockefeller's Americas Society, just met in Panama. Among the Council's directors is the Dominican Republic's vice-president, Carlos Morales Troncoso, formerly the head of Gulf and Western's sugar holdings on the island and just named director of the state-owned sugar company. On Aug. 26, Troncoso declared the state company bankrupt, and announced its imminent sale to the private sector.

Documentation

Excerpts from Mexican President Miguel de la Madrid's state of the nation address on Sept. 2:

In the internal arena, we adopted viable measures, establishing priorities, and seeking to broaden the margin for action. We made it clear that, as difficult as the state of affairs abroad was, the fundamental effort to overcome the crisis belonged to no one but ourselves. While we do not fundamentally resolve the structural problems of our economy, we cannot overcome our economic vulnerability. The debt is not our principal economic problem, but the result of more profound questions. Both our productive apparatus and our distribution system must be more efficient and equitable. In that regard, we redouble our efforts of reordering and structural change, in the great task of renewal. . . .

We are currently in a period of negotiating with the creditor banks the concessions on contracted and new debt that we need. It is a difficult phase, but we are confident in the justice of our arguments, the ability of our negotiators and the support derived from the seriousness and responsibility with which Mexico has always conducted itself in complying with its obligations. . . .

We have followed and will continue to follow the path of non-confrontation, which recognizes co-responsibility for the problem of the debt and its payment in accordance with capacity that permits growth. . . . My government will maintain its policy of obtaining resources from abroad, via new credits and concessions on existing debt, to increase production and employment. . . . The definitive solution to the debt problem lies in the growth of our economy, making it more productive and exporting more, thereby reducing the weight of indebtedness with respect to internal production and the export capacity of the country. This is the way to responsibly handle the process of indebtedness.

EIR

Special Report

An Emergency War Plan to Fight AIDS

EIR's Biological Holocaust Task Force has prepared the world's only science-intensive "Emergency War Plan to Fight AIDS." The newest discoveries of optical biophysics and advanced laser technology can improve diagnosis and lead to research breakthroughs—if governments move now.

The War Plan begins with the President of the United States, in his capacity as civilian leader and commander-in-chief, declaring a War on AIDS and invoking National Emergency powers to avert disaster. In parallel, heads of state of other nations of the Western alliance shall declare war on this scourge to mankind.

A 150-page *Special Report* for governments, scientists, public health officials, and all citizens concerned with a policy to fight AIDS, before a pandemic wipes out millions.

Contents

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- II. The real story of AIDS in Belle Glade, Florida
- III. AIDS in Africa: the unfolding of a biological holocaust
- IV. The biology of AIDS
- V. Flow cytometer and other laser technology potential for combatting AIDS
- VI. The relevance of optical biophysics for fighting AIDS: designing a Biological Strategic Defense Initiative (BSDI)
- VII. How Kissinger and Pugwash destroyed America's biodefense against AIDS and other deadly diseases
- VIII. The Soviet command and control of WHO's AIDS Policy
- IX. Why the Reagan administration has tolerated the CDC cover-up of the AIDS pandemic
- X. The necessary public health program to fight AIDS

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U.S. locust effort off to a good start

by Marjorie Mazel Hecht

The United States has entered its first major battle in the war against the locust in Africa on a scale that promises success. After weeks of discussion, the U.S. Office of Foreign Disaster Assistance (OFDA) announced Sept. 4 that four DC-7 aircraft arrived in Senegal Aug. 31 and began spraying to kill grasshoppers in the northern region Sept. 4. The effort is of a large enough scale to get the job done in Senegal, where grasshoppers have reached a density of 330 per square yard from the previous disaster level of 200. The grasshoppers have been destroying vegetation and swarming out of Senegal into neighboring countries at plague levels.

This initial U.S. effort, carried out in cooperation with the French, Canadians, and Dutch, is along the lines of the military-style operation needed to stop the locust and grasshopper breeding from exploding out of control continent-wide. Will the campaign be continued on the necessary scale? The next three weeks are critical for spraying across the Sahel area, and the October-November period is critical across southern Africa in order to kill the young locusts before they can reproduce.

So far, the big-plane effort stops in Senegal, and the rest of the African campaign (which totals 1.1 million hectares) is a patchwork of small-plane spraying coordinated by the slow-moving Locust Control Center of the U.N. Food and Agriculture Organization. A further problem is that several areas of infestation—in Chad, Sudan, and Ethiopia—are off-limits for U.S. or U.N. aerial spraying because of ongoing armed conflicts.

An OFDA press release announced that 570,000 pounds of malathion, purchased from American Cyanamid by the Senegal government, would be sprayed over 900,000 acres. The DC-7s are provided under a \$1.2 million contract by the Arizona-based T & G Aviation. At this point, U.S. financial assistance for the locust/grasshopper effort, in the form of equipment, technical assistance, etc., amounts to \$6.4 million.

The DC-7s can do as much, if not more, as the big U.S. Air Force C-130s. They can cover 1,000 miles per sortie, carrying up to 300,000 gallons of pesticide, which is sprayed out of their 660-foot wingspan. They fly at 200 miles per hour at an altitude of 200 feet, going in 60-mile runs over the infested area. "The little planes are like using a fly swatter" compared to the DC-7s, the aviation company said.

OFDA will follow up the DC-7 spraying with on-ground and small-plane efforts to determine the kill rate and to get

Where's peace-loving Moscow now?

Among the long list of donor nations—which includes the Europeans, the OPEC nations, Algeria and Morocco, China, and Japan—"there is one country most apparent by its absence," as one State Department source put it. The Soviet Union as yet hasn't said a word to the FAO about helping with the locust problem. And the FAO dropped its usual circumlocution in such matters to note that the situation with the Soviets [in respect to Ethiopia] was "not too good."

The most urgent areas for useful Soviet intervention are those areas of conflict where locusts are breeding but where Soviet-supported forces will shoot down any U.N. or U.S. planes doing aerial spraying. In Chad, for example, Libya's Qaddafi controls the territory above the 16th latitude; there is fighting in the southern Sudan, which is considered a "no man's land"; and there is fighting in northern Ethiopia and the Ogaden desert area. These are all areas of heavy locust infestation that will quickly spill over into the neighboring areas—locusts don't obey political boundaries. If there is no spraying in Ethiopia, Somalia and Kenya will soon be hit by swarms of locusts.

The Soviets reportedly are trying to figure out a "face-saving" solution to the problem. But while the Soviets ponder their empire's image, the choices seem unavoidably straightforward: Either they do the aerial spraying themselves, or collaborate with the U.N. effort.

rid of residual infestation. The DC-7s could stay in Africa to finish the job—if other African nations request the big planes, and if other donor nations agree to help with the bill. In fact, the big planes are both more effective and less costly than hundreds of small planes. The problem, however, is political. According to OFDA sources, the United States "doesn't want to be perceived to be doing it all. Then others can set us up for failure." OFDA is hoping that the success and speed of the Senegal effort will convince both the Africans and Europeans that the big-plane approach is the only one that makes sense, and that the "big bucks," as OFDA put it, will then be forthcoming.

Can the spread of the locusts and grasshoppers still be stopped before it decimates the continent? Yes—if there is a commitment to keep these four DC-7s flying so that they can cover the vast infested territory in the Sahel, East Africa, and later southern Africa, and the small planes are used for back-up efforts, as in Senegal.

The end of the AIDS coverup: scientific aspects of the threat

by John Grauerholz, M.D., F.C.A.P.

Dr. Grauerholz is medical director of EIR's Biological Holocaust Task Force. This speech was delivered Aug. 31 to a conference of the International Caucus of Labor Committees in Crystal City, Virginia.

Since the first reported cases of unusual cancers and infections among previously healthy homosexual men in 1981, evidence has accumulated that the human race is now facing a worldwide pandemic with the potential to kill off the majority of the world population over the next two to three decades. One manifestation of that pandemic, the Acquired Immunodeficiency Syndrome (AIDS), has already afflicted over 24,000 Americans since 1981 and over 13,000 of these have already died, for a cumulative mortality of 55%. The individual case fatality rate for this condition, now recognized as one potential consequence of infection with a new virus, known as the Human Immunodeficiency Virus (HIV), or HTLV-III/LAV, is 100%, with no evidence that any person manifesting the full-blown syndrome has ever recovered and survived.

In the state of California, where Proposition 64 to add AIDS and the condition of being an AIDS virus carrier to the list of diseases covered by provisions of the state health code, over 5,500 cases of full-blown AIDS have been reported since 1981, and senior health officials have estimated that a half-million persons in the state are carriers of the virus. At a conference in Martinique, in January 1986, it was estimated that at least 1.75 million Americans were infected carriers of the virus, based on seroepidemiologic studies (tests for the presence of antibodies to the virus). With a doubling time of eight months for the number of infected individuals, the present situation is that at least 4 million individuals in the United States are infected virus carriers. Since there is growing evidence that 25 to 30% of infected individuals may carry the virus without developing antibodies, and are capable of transmitting the virus and infecting other people, these seroepidemiologic studies grossly understate the extent of the problem.

In southern Florida, and the adjacent Caribbean, there is

an explosion of AIDS cases. This involves all the Caribbean islands, and not just Haiti, which is the most highly publicized case.

In Belle Glade, and a number of other rural and urban slum areas in southern Florida, AIDS cases and virus infection are spreading under conditions of tropical sanitary collapse. Belle Glade, with a population of 20,000 inhabitants, has over 100 cases of AIDS and 70 cases of tuberculosis clustered in two depressed neighborhoods covering a total area of 10 blocks. 10% of the general population attending the public health clinic has antibodies to the AIDS virus, indicating that they are infected carriers, and 40% of this population has antibodies to one or more viruses which are primarily transmitted by insects (arboviruses or arthropod-borne viruses). This is one of the highest levels of exposure to arboviruses anywhere in the world, and some of these viruses, such as Maguari virus, have never previously been reported in the United States, but are endemic to the depressed areas of the Caribbean.

In northern South America, Brazil has reported over 1,000 cases of AIDS, primarily from urban centers, such as Sao Paulo and Rio de Janeiro. Seroepidemiologic studies indicate levels of infection in the population comparable to those in the United States. In Venezuela, one-third of malaria cases in a remote mining district, with no so-called "risk factors," tested positive for exposure to the AIDS virus by three different tests, all considered to be more accurate than the standard screening test.

In Europe, the disease, and the presence of serologically detectable infection, is widespread in Italy, Germany, Spain, Switzerland, France, Denmark, and Britain. Senior health officials estimate that at least 20,000 Britons are infected with the virus and that AIDS will kill 5,000 persons a year in Britain by 1990, exceeding the toll from road-traffic accidents. In West Germany there are an estimated 400,000 infected individuals.

As far back as mid-1985, it was estimated that between 10 million and 30 million Africans in nine Central African nations were infected by the AIDS virus. In spite of initial

skepticism, and systematic attempts by the World Health Organization to suppress this data, it is now evident that a biological holocaust, spearheaded by widespread infection with the AIDS virus, is now unfolding in Central Africa, and spreading to the rest of the continent.

The most conservative estimate, based on serological studies, is that 10% of the general population of Central Africa is infected with the virus, and that hundreds of thousands are dying of the consequences of that infection. In contrast to the United States, where less than 1% of AIDS cases occur among children, in Central Africa 15-22% of cases occur among children. In addition, other studies from Africa show high rates of antibody positivity among children in remote areas of Zaire and clustering of cases among adults and children in a single household. In a study reported at the Brussels symposium on African AIDS, 27% of the spouses of AIDS victims were antibody negative virus carriers.

AIDS cases, and evidence of HIV infection, have been reported from Australia, Japan, Thailand, India, the Philippines, and Poland and other East bloc countries, and from Israel and other Middle East countries. The situation in the Soviet Union is less clear, but there is evidence suggesting that it is not as AIDS-free as the government claims. Thus what appeared as an isolated phenomenon in a few American homosexuals in 1981, has in five years spread around the world.

Transmissibility of the AIDS virus

The human immunodeficiency virus (HIV), also known as HTLV-III/LAV (Human T-cell Lymphotropic Virus-III/Lymphadenopathy Associated Virus) is a member of the group of viruses known as retroviruses. I will discuss a number of the interesting biological peculiarities of these viruses later in this talk. At this point, I wish to stress that these viruses have been well known to cause diseases in a number of animal species, ranging from the common house cat to sheep, goats, cattle, horses, and monkeys. In all these animals, transmission from infected animals to uninfected animals is by three primary means:

1) vertical transmission from an infected mother to her offspring during pregnancy, or horizontal transmission to the offspring through infected milk during breast feeding;

2) horizontal transmission from one animal to another by salivary contact (licking or the equivalent of kissing), or aerosol transmission of infected respiratory secretions;

3) mechanical transmission of infected blood or serum from one animal to another by bloodsucking insects.

In this light it is difficult to understand any scientific basis for the recent howls of dismay from supposed scientists, such as Dr. Robert Gallo, at the announcement by Dr. Jean-Claude Chermann, of the Pasteur Institute, that evidence for the presence of the AIDS virus had been found in tse-tse flies, lion ants, cockroaches, and mosquitoes, in Zaire and the

Central African Republic. These findings, and the earlier findings by researchers in South Africa that HIV could be recovered from the common bedbug one hour after feeding on infected blood, are what anyone familiar with animal retroviruses would expect.

Many scientists have commented on the parallels between the epidemiology of hepatitis-B virus infection and the epidemiology of AIDS virus infection. Numerous studies have documented that biting insects, such as bedbugs, are capable of carrying hepatitis-B virus from, and transmitting it to, persons they bite. The South African scientists, on the basis of the large number of infected children in Africa, where hepatitis-B infection is also common, hypothesized that the common bedbug, which had been documented to transmit hepatitis-B virus, might also transmit the Human Immunodeficiency Virus. They fed bedbugs on infected blood and then recovered the virus from the bugs one hour after the bugs had finished feeding. Since bedbugs are intermittent feeders, that is, they do not fill up on one bite, they would tend to bite people sharing the same bed within a short enough time interval to mechanically transmit virus from one person to the other.

The Pasteur Institute findings are even more disturbing, because the virus was actually cultured from the insect cells themselves. Thus insects are carriers and possible transmitters of the AIDS virus. Prof. Chermann stated, "The fact that the AIDS virus has been found in insects, means that the 'reservoir' for the virus is no longer the T4 lymphocytes alone, as insects have no T4 cells. . . . The fact that only the insects living in endemic areas are contaminated, coheres well with the AIDS epidemiology, which is different in the West than in Africa. The insects could therefore be, in Africa, natural "reservoirs for the AIDS virus and a possible means of contamination of the disease [emphasis added]."

Indeed, even Dr. Robert Gallo, who finds the French findings so disturbing, recently published an article in *Science* magazine reporting that the AIDS virus grows even more readily in cells known as monocyte-macrophages, than in the so-called T4 cells. The implications of this finding for the question of transmissibility are as follows:

The monocyte-macrophage is a phagocyte, that is to say a cell which ingests foreign materials such as viruses and bacteria, either destroying them by enzyme digestion, or processing them for presentation to other cells of the immune system, which then react to the antigen which the macrophages have presented to them. The monocyte is the form in which these cells circulate in the bloodstream. When they migrate out of the bloodstream, they are called macrophages. They are especially abundant in the lungs, where they play a major role in eliminating inhaled particles which reach the air sacs of the lungs. Thus if the AIDS virus were aerosolized in small droplets and inhaled into the lungs, the virus would be ingested by the macrophages.

The problem, as Gallo documented in his paper, is that the macrophages do not destroy the virus, but, in fact, the virus reproduces freely inside them, shielded from the rest of the immune system. This is precisely what occurs in the closely related Visna virus of sheep, which spreads by respiratory aerosol transmission under conditions of close crowding.

Salivary transmission of the AIDS virus has in fact been documented in the medical literature, as has maternal-fetal transmission in the uterus, and transmission in breast milk from an infected mother.

I have deliberately avoided mentioning homosexual sex, blood transfusions and intravenous drug abuse, as well as heterosexual sex, in order to stress that these are *highly atypical* modes of transmission. Retroviruses produce a lifelong infection and carrier state, characterized by the presence of virus in blood, saliva, and respiratory secretions, breast milk, and various other secretions. Outbreaks of infection and disease occur when environmental conditions favor spread by biting insects, salivary transfer, traumatic contact with exchange of blood, respiratory aerosol, and transfer from mother to child. In the typical case of retrovirus infection, transmission is a function of number of carriers in a population, both as an absolute number and a percentage of the population, and the presence of suitable vectors for blood transfer or prolonged crowding in the presence of infected individuals.

Homosexual anal sex and intravenous drug use with sharing of contaminated needles represent atypical, but highly efficient, methods of transferring contaminated blood and/or other secretions from one infected individual to another. Homosexuals and drug-users, the fast-track transmission routes through bodily contact and direct serum-transfer, affect the potential for transmission to non-homosexual, non-drug-user populations, by means of increasing the number and concentration of AIDS-carriers in a locality. The transmission from existing concentrations of AIDS-carriers to non-infected persons, is, relatively speaking, the slow-track transmission. The question then becomes, what is the rate of transmission through each of the possible types of vectors corresponding to the slow track?

The rate of slow-track transmission must tend to vary most significantly according to environmental factors in the locality. Areas of concentration of insect bites, and of poor sanitation generally, must be suspected to have relatively the highest rates of transmission. To the degree the conditions in the locality converge upon tropical-disease conditions, the environmental factors must be relatively greater. A serious public health research program must address the question of biologically more typical routes of transmission of the AIDS virus now that the atypical, highly efficient routes have provided us with high numbers and concentrations of carriers.

1) Opportunities and mechanisms of aerosol trans-

mission. At a certain stage, AIDS infection presents itself in the form of a primary respiratory infection by the AIDS virus. Researchers at the Pasteur Institute demonstrated, over a year ago, that the virus was present in the respiratory secretions of a patient with this infection. For obvious reasons, in this form, AIDS has a potential aerosol transmission in approximately the order of active tuberculosis infection. Activation of tuberculosis is, in fact, one of the best markers for AIDS-related immunosuppression, especially in areas where environmental factors are strongly implicated in AIDS transmission. The question is, is AIDS transmissible in aerosols emitted by victims of pulmonary tuberculosis who have concurrent AIDS lung infection?

2) **Insect-bite transmission.** The first question, is whether an insect which bites an infected person, and then promptly bites a non-infected person, is transmitting infectious virus to the non-infected person. This question has already been answered affirmatively for equine infectious anemia virus (EIAV) and bovine leukemia virus (BLV), two animal retroviruses which share significant genetic relation to the AIDS virus (HIV), as well as a number of other retroviruses. The data from Belle Glade and Venezuela indicate that insect exposure, documented by evidence of exposure to other insect-transmitted diseases, is present in persons with AIDS virus infection who have none of the "fast track" factors for exposure to the virus. The bedbug study casts serious doubt on at least some of the "heterosexual transmission" cases, since people sharing the same bed would share the same bedbugs, as Dr. Caroline MacLeod observed some time ago.

The second question is, whether a biting insect can be a systemic carrier of the AIDS virus and, if so, whether the bite of that insect conveys the AIDS virus efficiently into the system of the person bitten. The implications of this are enormous, since while mechanical transmission would be limited by the ability of the virus to survive the digestive processes of the insect and the rigors of environmental exposure outside the body, systemic infection could persist for the life of the insect. The Pasteur Institute data appear to answer the first part of this question in the affirmative, and, to anyone seriously interested in dealing with the AIDS problem, provide a strong stimulus to seriously address the environmental questions raised above.

The reactions of Drs. Gallo, Jaffee, Francis, et al. are the reactions of bureaucrats and not scientists, the sort of people who shape facts to fit policy, rather than shaping a policy coherent with scientific evidence. Evidence which appears to support the policy will be adduced, evidence which can be twisted to cohere with the policy will be so twisted, evidence which contradicts the policy will be ignored, or suppressed, and those who provide such evidence will be harassed or defamed.

The bottom line is that "casual transmission" by blood-sucking insects, infected saliva, and respiratory aerosols is

Dr. Chermann's report on AIDS-carrying insects

The Pasteur Institute paper, entitled "Infection of Insect Cell Cultures by the HIV Virus, the Agent of AIDS, and Detection of This Virus's Presence in Insects," is actually a scientific "Note" co-authored by Jean-Louis Becker, Uriel Hazan, Marie-Therese Nugeyre, Françoise Rey, Bruno Spire, Françoise Barre-Sinoussi, Alain Georges, Louis Teulières, and Jean-Claude Chermann, presented by Raymond Latarjet. Prof. Jean-Claude Chermann is one of nine scientists listed as co-authors on the Pasteur Institute paper, read to the Paris Academy of Sciences on Aug. 30, 1986, and published in the Comptes-Rendus de l'Academie des Sciences at the end of the first week of September 1986. It was issued under C.R. Acad. Sc. Paris, t. 303, Serie III, no. 8, 1986.

The abstract prepared by the authors reads as follows:

The etiological agent of AIDS known as HIV has been shown to bind on different insect cell lines including *Drosophila*, Mosquito, *Ceratitis* and its DNA to be integrated

in the cellular genome, but no expression of the viral genome was detected in those cells. None of the human lymphocytes markers is expressed at the surface of the insects' cells. HIV proviral DNA has been also found in various insects from Central Africa (Zaire and Central Africa Republic) but not similar insects from the Paris area. These data suggest that insects could be a reservoir or a sector for the AIDS virus.

The conclusion of the paper reads in full:

The demonstration that insect cells, which are deprived of any lymphocyte-type superficial marker, can fix the HIV virus, allows us to state that the CD4 molecule is not the only one which is able to absorb this virus. Furthermore, the fact that insect cells, which have integrated the HIV provirus in their genotype, express no viral activity suggest the presence of intracellular factor(s) which is (are) able to regulate the replication of the virus. Finally, the presence of sequences homologous to the HIV virus in the genotype of insects captured in Zaire or in the Central African Republic, countries which are an endemic zone for the virus, reinforces the idea of the possibility of AIDS transmission through this route and of the constitution of a natural reservoir for the virus, although the epidemiological data do not confirm this thesis.

—Received on Aug. 21, 1986

the normal way by which most animal retroviruses are transmitted. Studies which purport to show lack of casual transmission on the basis of absence of seroconversion in household contacts are doubly flawed. First, the numbers of individuals is small, and second, the absence of antibodies in individuals carrying the virus is characteristic of household contacts in many cases. A number of studies, including a recent report in the *Journal of the American Medical Association*, document the ability to repeatedly culture HIV over time in persons with no antibodies to the virus.

Consequences of infection with HIV

1) **The development of the full-blown Acquired Immune Deficiency Syndrome (AIDS)** is, of course, one possible consequence of infection with the HIV. This characterized by unusual tumors, such as Kaposi's sarcoma, central nervous system lymphoma and infections by unusual parasites, such as *pneumocystis carinii*, and various fungi, such as *candida albicans* and *cryptococcus*. The most common fatal infection in the United States is a pneumonia caused by the parasite *pneumocystis carinii*. Kaposi's sarcoma in the United States occurs predominantly among homosexual men

and causes death by extensive bleeding from the tumors, which are composed of abnormal blood vessels.

In Africa, the Caribbean, and a number of rural and urban slums in the southern United States, regular and atypical tuberculosis are common in AIDS patients and are a major cause of death in these areas. Another manifestation which is especially prominent in Africa is enteropathic AIDS, or "slim disease," a severe wasting illness characterized by intermittent diarrhea, and which is presently epidemic in Uganda and adjacent areas of Tanzania. Eighty percent of AIDS patients will die within two years of onset of clinical symptoms, and few if any have survived five years.

Since the development of a test for antibodies to the AIDS virus in late 1984, testing of the so-called high risk groups has indicated that, at the present time, upwards of 70-80% of such groups as New York City drug addicts and San Francisco homosexuals have been exposed to the virus, as well as 10% or more of the indigent populations of Belle Glade, Florida, Haiti, and Central Africa. Over this period, the prediction of the number of seropositive individuals who will develop frank AIDS has risen from 1% to 5% to 10% to 25% to anywhere between 35% and 75%. In addition, patients who develop lesser AIDS or ARC (AIDS-related complex)

can die from ARC-associated diseases, such as tuberculosis, or progress to frank AIDS. Since the average incubation period may be seven years, or longer, we have not even seen a full cycle of the disease for those infected in the early 1980s. There is no reason why, given the nature of the virus, all infected individuals might ultimately develop AIDS, except that before that time, they might succumb to:

2) **Primary brain disease.** It has now been established that HIV is responsible for a primary degenerative disease of the central nervous system which may, or may not be, associated with AIDS. In these cases, there is progressive dementia (literally loss of one's mind) characterized by initial loss of memory and ability to concentrate, and leading to ultimate mental and physical incapacity and death. Over half of AIDS patients manifest symptoms of this brain degeneration, and there are a growing number of cases of the brain disease being the only manifestation of HIV infection, leading to death without ever developing AIDS or significant immune deficiency. At autopsy the brain is found to be shrunken to from one-third to one-half its normal size. This is again similar to the progressive brain disease of sheep infected with the Visna virus, which is closely related to HIV. Again the nature of the virus is such that, over a long enough period, this brain degeneration would occur in all infected individuals. The infected cell in the brain appears to be related to the monocyte-macrophage we previously discussed, and the characteristic finding in the brain tissue is syncytial giant cells, whose significance I will discuss below.

3) **Primary lung disease.** Another manifestation of HIV infection is the development of a primary infection of the lung by the virus. The lethality of this particular process, by itself, has yet to be established, but it is of significance to the question of transmissibility on two counts. First, the fact that a primary lung infection exists indicates that the lung is capable of being infected by the virus i.e., it is capable of receiving infection. Second, the virus has been demonstrated in respiratory secretions of patients with this disease and hence the capability to transmit infection exists, as noted above.

4) **Cancers other than Kaposi's sarcoma and lymphoma.** Infection with HIV is associated with an increase of other cancers, such as squamous cell carcinoma, a cancer of skin and other epithelial surfaces. These cancers do not appear to be associated with significant immunodeficiency, but may represent either a failure of immune surveillance or a transforming effect of the HIV virus itself.

5) **The unique nature of the lenti-retrovirus HIV.** The last time I discussed the nature of retroviruses in general, I said that these viruses were divided into three classes: oncoviruses (cancer-causing viruses), lentiviruses (slow viruses), and spumiviruses (foamy viruses). I stated that HIV, the AIDS virus, was a member of the lentiviruses, which cause slowly progressive diseases, characterized by destruction of infected cells. I described the retrovirus genetic material as

being composed of three genes, gag, pol, and env. The gag gene codes for the protein capsule surrounding the genetic material. The pol gene codes for the enzyme which transcribes the virus RNA into provirus DNA, which can then enter the genetic material of the host cell and establish lifetime infection. This enzyme is the "reverse transcriptase" which characterizes retroviruses as retroviruses. The third gene, the env gene, codes for the outer membrane envelope of the virus.

These distinctions between oncoviruses, lentiviruses and spumiviruses are not absolute. The feline leukemia virus (FeLV) can cause either leukemia, or an immunodeficiency syndrome, Feline AIDS or FAIDS, or asymptomatic infection with a carrier state. The AIDS virus, HIV, contains at least seven genes, including a highly efficient promoter of virus reproduction called TAT, and can function as a lentivirus, a foamy virus, and probably an oncovirus. It has been demonstrated that one mechanism by which HIV can destroy cells is by causing fusion of uninfected cells with infected cells, thus causing the formation of multinucleated giant cells just like the foamy viruses.

There is little question that HIV is an ideal biowarfare agent. It can be disseminated widely before a given carrier becomes ill, unlike the more rapidly fatal diseases like Ebola fever, Marburg fever and Lassa fever, which kill so quickly that widespread transmission is halted by the incapacitation and death of the victim. It evades immune destruction by replicating within protected cells, by changing its immunologic profile, and by destroying the immune system itself. Once infection is established, it persists for life and can cause death in a number of different ways, all of which place substantial drain on the health care system of an affected nation. It is incurable and there are significant technological hurdles in the way of producing a vaccine, although there are promising leads in this direction.

In this regard, infection of human cells with various retroviruses, such as the bovine visna virus, and the demonstration of the alteration of host range of various viruses by culturing in different cells has been reported in the scientific literature since the early 1970s. In addition, other studies from the '70s document the ability to produce new viruses by recombination with either cellular genetic material or the genetic material of another virus infecting the same cell at the same time. Interestingly very little of this work is referenced in the current papers on retroviruses, even by authors who did some of the original research.

Whatever the origins of the Human Immunodeficiency Virus, there can be little doubt of its potential effect. Upwards of 50 million people are probably infected worldwide, and every one of them is under a death sentence. In addition each infected individual is a potential source of infection to others. Any response to this situation, short of a full-scale crash mobilization of our total biomedical research and public health capabilities, will be worse than futile.

U.S. food imports top exports

But Congress is moving to impose food production controls, which will only make things worse.

At the end of August, the U.S. Department of Commerce released the trade balance figures for July, showing it to be the third month in a row in which U.S. food exports exceeded food imports. Soon after Congress resumes Sept. 8, there will be maneuvers by a farm state faction to reopen farm policy debate, blame the administration for the fall in exports, and demand unprecedented food production controls as an alternative policy—supposedly to raise farm commodity prices for farmers.

This summer's food trade deficit for three months running was the first such extended imbalance since trade figures of this type were first kept beginning in 1957. This kind of American food dependency hasn't existed since the earliest colonial days. Even the periodic imports of tropical commodities—cocoa, oils, coffee, and other specialty products—were never enough to tilt the U.S. farm trade balance into the red for long.

In May, the farm trade balance was \$339 million; in June, it was \$71 million; and in July, it was \$248 million. This represents the imports of huge amounts of meat, fruits and vegetables, and other products that can all be produced in the United States. Cargill is even importing corn into the United States from Canada, claiming it is a mere matter of "market sense."

Canned seafood and pineapple are flowing into the U.S. from Thailand. Beef is imported from Brazil, Australia, New Zealand, Argentina, Mexico, and Canada. Pork is imported from

Denmark, Canada, and Holland, and from other East bloc countries. Canned peas, carrots, cabbage, and other vegetables are imported here from Belgium. Cargill is importing orange juice concentrate from Brazil to the United States. A similar list can be given for all other standard foods on the American dinner plate.

The reason for these imports is the policy action by the International Monetary Fund, and related banks and food cartel companies, who are directing trade flows for their own gain, and debt-servicing purposes. Farmers in both the food exporting nations and in the United States, are being impoverished and bankrupted at rates endangering the entire food supply system of the West.

The current trade patterns will not last for long, and food shortages will show up dramatically in the United States, just as they have already in Mexico City and elsewhere.

It is even expected that 1986 will be the first year in which the United States becomes a net importer of farm machinery, as well as food. The United States—home of the McCormick reaper and the Ford tractor—will buy more farm equipment from abroad than it ships overseas.

Instead of bringing to light the causes of this dangerous deterioration in food production capacity and trade, and organizing emergency measures in Congress, a group of farm state legislators plans to make things even worse by demanding drastic food reduction programs. Their "theory" is

that producing less food will "automatically" cause a rise in prices for the farmer, who can then stay in operation, despite the overall decline in world food trade volumes and composition. These congressmen leave out the role of the IMF and the cartel companies (Cargill, Continental, Bunge, Garnac/André, Louis Dreyfus, Armand Hammer's and Orville Freeman's companies) in setting prices and terms of trade. The congressmen pushing mandatory food production controls believe in the mythical laws of "supply and demand" in a world minus the cartels.

One of the leaders of the pack favoring production curbs is Rep. Tom Daschle (D-S.D.), who uses the trade deficit for his rhetoric supporting strict output controls. When the farm trade deficit was announced, he said, "When the mightiest farming nation in history runs a farm trade deficit for three straight months, the policy that has caused that failure should be thrown out too."

Daschle is referring generally to the Reagan administration's farm policy based on voluntary output reduction programs. The farm-state Democratic opposition is using the results of a voluntary vote by wheatgrowers, taken this summer, that favors a 50% reduction in wheat acreage in 1987, in exchange for the promise of higher wheat prices to farmers. The U.S. Department of Agriculture coordinated the poll by mail, and only a small percentage of the national number of wheatgrowers participated. Nevertheless, the production-controls faction of Congress will use this to insist that production controls must be introduced.

The overall farm trade balance this year may fall to below \$6 billion, compared to a level of \$20 to \$30 billion trade surplus during the 1978 to 1984 period.

Business Briefs

Drugs

Argentina legalizes 'personal' possession

Argentina's Senate voted on Aug. 29 to legalize possession of a "personal dose" of drugs for individual citizens.

The proposal, introduced at a time when illegal drug consumption is skyrocketing in Argentina, was supported by both Peronists and Radical party members, who reportedly feared that a negative vote would have cost them their re-election.

Psychologists and doctors, meanwhile, are expressing alarm at the practices of the Pareger-Bild Foundation in Argentina, a group that aids the families of terminal cancer patients, and reportedly provides heavy doses of morphine for the patients housed in hospices. Specialists who have done work associated with the Foundation report unlimited amounts of morphine available for patients.

This foundation is reportedly tied to circles set up by Anna Freud, the daughter of Sigmund Freud, and is bringing personnel to Buenos Aires from the Royal Marden Medical Hospital of London and the Churchill Hospital of Oxford to give seminars on their methodology.

Industry

Decline in robotics predicted

The robotics industry, once considered a "sunrise" industry, is expected to decline by at least 20% in 1987 from 1986 levels, according to the *Detroit News* on Aug. 18.

Laura Conigliaro, a robotics analyst with Prudential Bache Securities, Inc., told the *News* that robotics sales in the United States during 1987 will be "considerably down."

"The unfortunate thing is that everything revolves around the automotive industry," said Mike Mead, executive vice-president of Kuka Wilding Systems and Robot Corp. in Sterling Heights, Michigan, who estimates 80-85% of Kuka's business is automotive-related.

"Another related and very important reason is that capital spending, in general, has been weak," Conigliaro told the newspaper. "When it is weak, you don't get companies stepping up to the plate and trying out new technology."

In mid-August, GMF Robotics Corp. announced it would reduce its workforce from 700 to 200 by the end of the year.

Germany

Anti-nuke plan will kill jobs, hike taxes

The plan of the West German Social Democratic Party (SPD) for a non-nuclear economy would eliminate 200,000 jobs in West Germany, according to a study released by the RWI (Rheinisch-Westfälisches Institut für Wirtschaftsforschung) in early September.

The dismantling of the nuclear technology sector, part of the SPD program in its campaign for the chancellorship in January 1987, would destroy 100,000 jobs during each of the first two years of implementation.

The plan would also reduce the growth rate of the German economy from 2.5% per year to 1.5%. Such a reduction would cause a drastic drop in the government's annual tax revenue of 7.5 billion deutschmarks. Drastic increases in energy prices and taxes would be necessary to compensate for the losses.

International Aid

State Department cuts off Zimbabwe

The State Department announced on Sept. 2 an end to economic aid to Zimbabwe because of repeated statements from Zimbabwe's government offensive to the United States.

About \$7 million already committed to specific projects will be permitted to go forward, as well as several regional programs;

\$13.5 million already appropriated but not spent this year, however, will not be forthcoming, and plans for any future aid programs will be dropped from the annual foreign-aid request to Congress.

"We deeply regret that Zimbabwe's insensitivity forced us to take this decision," said State Department spokesman Charles Redman on Sept. 2. "The problem is not political differences, but Zimbabwe's unwillingness to conduct its relations with us according to accepted norms of diplomatic civility and practice."

Genocide

World Bank: Reduce Africa's population!

Population control in Africa is becoming the top priority of the World Bank in its approach to the African continent, the *Financial Times* of London reported on Sept. 4, under the headline, "Africa Threatened by Population Growth."

The World Bank has thereby admitted officially that it has no interest in developing the agriculture, industry and infrastructure of the continent, so that the relatively empty land mass could sustain more people at rising standards of living.

The World Bank's report released on Sept. 3 in Washington, D.C. asserts that "strict population control" is the only thing that may prevent Africa's population from reaching 2 billion by the middle of the 21st century.

The report states that an unchecked birth rate in Africa could mean the "loss of long-run potential for higher economic growth and raising living standards, higher maternal and child mortality . . . further degradation of the national environment . . . tighter constraints on extending education and basic health care . . . and falling wages as the labor force grows more rapidly than complementary investments."

The report calls for a five- to six-fold increase in the amounts of international aid currently spent on birth control in the region, and recommends, says the London *Guardian*, that population control become the Bank's priority in the region.

Briefly

The report has been circulated among finance ministers in the West and Africa, ahead of the annual meetings of the International Monetary Fund and World Bank in Washington during September.

The report praises President Robert Mugabe's Zimbabwe as the one African country that has taken "family planning" seriously.

War on Drugs

U.S. companies adopt drug testing

Two large U.S. companies have adopted drug testing policies for all employees. Both companies give safety considerations as their primary motivation.

General Electric Co. will screen U.S. job applicants for drug use beginning Oct. 1, and those who fail the urine tests will be rejected, the company announced Sept. 3. "A failure on this test is an automatic rejection of the applicant," said Sam Egbert, spokesman for the corporation. "We're very confident of the procedures we're going to use."

A person who fails the test can discuss the test with the physician responsible for medical evaluation, and may re-apply in six months. Current employees in jobs "where safety is a critical thing," have been subjected to testing for several months, Egbert said. "Our main concern is that we want to make sure we have a work environment that is free of drug abuse," he said.

Eastman Kodak Co. will begin testing workers for drug abuse in October. Kodak's urine testing program will affect all Kodak workers, spokesman Henry Kaska announced on Sept. 3. Employees refusing the tests can be fired.

Those who voluntarily seek assistance for drug use would be eligible for the same kind of benefits as workers with other kinds of illnesses. Kodak will test employees if poor performance prompts supervisors to suspect illegal drug use. "The employee whose performance is impaired by drug abuse can present a very serious hazard to his own safety and to the safety of co-workers and the public as well."

Dope, Inc.

Chicago bank caught in drug deal

A British branch of the First Bank of Chicago was involved in loaning money to members of a \$100-million drug smuggling ring to finance a scheme to channel hashish and marijuana from Pakistan and Thailand to the Newport, Rhode Island area, charged Assistant U.S. Attorney Kenneth Madden in late August.

The federal prosecutor said the loan was used to buy three small freighters, two fishing boats, floating piers, vans, and conveyor belts, as well as a Portsmouth restaurant. The government contends that hashish from Pakistan and marijuana from Thailand was transported by freighter through Canadian waters to a fishing boat in the Melville section of Portsmouth, then to the former Mount Hope Marina and Restaurant, finally to storage in Middletown, prior to distribution to other points.

Health

Malaria cases in California

A mother and daughter caught malaria, apparently transmitted by mosquitoes, near their rural home on Merritt Island in central California, the first such cases in the Sacramento Valley in more than 30 years, according to local health officials.

Dr. Ronald Roberto, chief of the disease-control section of the California State Department of Health Services, said on Sept. 3 that death rarely results from the type of malaria carried by the anopheles mosquitoes common in the area. He said there have been 223 reported malaria cases in California this year, but added:

"They're virtually all imported. People are exposed overseas and they come here and develop symptoms." The 40-year-old mother and her 18-year-old daughter, however, did not travel abroad during the past year.

● **BRITISH AEROSPACE** Corp. has developed a mobile drug- and explosives-detector called the Condor, capable of rapid examination of cargo containers. The government, however, is hesitant to spend the \$14 million to build enough machines for Britain's airports. Britain is targeted for an increase in cocaine smuggling, according to the *Sunday Express* on Aug. 31.

● **ASEAN** economic ministers failed to reach agreement on a common market proposal following extensive discussions, as the 18th ASEAN meeting ended in Manila on Aug. 31. Philippines Economics Minister Solita Monsod blamed the failure to agree on "the tremendous disparity in growth rates and levels of income," making some countries "more cautious than others."

● **THE ASPEN INSTITUTE** sponsored a conference on "Europe, America, and the World Economy," at Venice's Cini Foundation during the first week in September.

● **THE ATOMMASH** nuclear construction plant at Volgodonsk, U.S.S.R., according to the newspaper *Sovietskaya Rossiya*, has begun producing the first "fast neutron" reactor with a capacity of 800 megawatts. Western scientific attachés said this would be a more advanced model of the BN series of fast-breeder reactors already in experimental use in the Soviet Union.

● **MITI**, the Japanese Ministry of International Trade and Industry, will launch a \$39 million, seven-year development program for computerized translation machines designed to overcome the gap between Japanese and the languages of the developing Asian nations. NEC Corp., Fujitsu Ltd., Hitachi Ltd., and Japan's Electrotechnical Laboratory will participate in the project.

The conceptual basis for a healthy economy

by Lyndon H. LaRouche, Jr.

We continue here Lyndon LaRouche's Introduction to the book, Ibero-American Integration: 100 Million New Jobs by the Year 2000, which was released this month in Spanish by the New Benjamin Franklin House Publishing Company, Inc. The first part of the Introduction, titled, "Principles of Ibero-American Integration," appeared in the last issue of EIR. In the coming weeks, EIR will serialize the chapters of the book dealing with the history of the struggle for integration, the problem of the debt, the great infrastructure projects to be undertaken, and the monetary policy of the proposed "Common Market."

The most direct means by which the student of economic science may understand the common outlook of Cusa, Leonardo, Kepler, Leibniz, Riemann, and my own discoveries, is to consider the central feature of the mathematical physics of Leonardo and Kepler.

Leonardo, in collaboration with Luca Pacioli, showed that all living processes are distinguished from ordinary forms of non-living processes, by the fact that living processes' morphology of growth and function is always harmonically congruent with the Golden Section. Today, we qualify that slightly, excepting the extremes of astrophysics and microphysics, any process which is harmonically congruent with the Golden Section, is either itself a living process, or is a special class of artifact of a living process.

Kepler explicitly based all of his contributions to physics on this discovery of Leonardo's, as Kepler understood this discovery from the standpoint of Cusa's Maximum-Minimum Principle. Kepler constructed a series of hypotheses, to prove that, since God is a living God, that the laws of astrophysics must be derivable, by means of nothing but constructive geometry, as an harmonic ordering coherent with the

Golden Section. With one important, secondary qualification, Kepler's is the only accurate astrophysics, still today. Kepler's astrophysics works, relatively speaking, as the astrophysics based on the tradition of Galileo, Descartes, and Newton does not.

After the work of Gauss, this role of the Golden Section can not be used competently in support of any form of mysticism. The Golden Section is nothing but the characteristic projection of conic self-similar-spiral action. Wherever the Golden Section appears as the metrical characteristic of an experimental subject-matter, that is adequate proof that the process examined is dominated by multiply-connected, conic self-similar-spiral action. Such processes dominate three areas of scientific inquiry: astrophysics, fundamental features of microphysics, and the actions of living processes.

A healthy economy, one whose potential population-density is being increased through technological progress in an energy-intensive, capital-intensive mode, is a special sort of artifact of a living process. An economy which is not progressing in this way, is a dying economy, one doomed to extinction unless it changes its policies fundamentally.

The source of technological progress is, in the final analysis, creative discoveries produced by individual minds. In other words, through the individual human mind's divine potential for reason, the mind is able to assimilate the laws of the universe, and to create the idea of new states of matter in the same manner the universe itself creates new states of matter. The simplest example of this, is valid new fundamental discoveries in physics, or related creations of new technologies. When society uses these valid discoveries, as a guide to changing the way man produces wealth, the result is an increase in the average individual's power over nature, an increase of power which we experience as economic growth.

We should not leave this point, without remarking on some of the other ways the individual human mind produces creative changes.

The ancient Greeks already emphasized, that beauty in form is obtained by harmonic orderings congruent with the proportionings of the human form. In other words, harmonic orderings congruent with the Golden Section. The design of the Athens Acropolis was based upon this principle. Leonardo da Vinci made this conception of beauty rigorously precise. The same principle governs beauty in polyphonic musical creations. This role of the Golden Section in beauty, is plainly a reflection of the Least Action principle, the same principle governing the laws of the physical universe. Hence, scientific creativity, and beauty of creative artistic productions are equally reflections of the same universal laws, and of the same developed capacities of the individual human mind.

Hence, truth and beauty are shown to be one and the same, from this standpoint. Artistic beauty celebrates and strengthens those faculties of the mind which are otherwise the seat of creative scientific accomplishment.

The embrace of this attitude toward science and beauty in art, is an act of love toward the Creator, a love of the Creator's laws, a love of acting to mankind's benefit in the manner prescribed by those laws. Thus, truth, beauty, and love, are one and the same quality of the mind and of human practice.

A society, in which the reciprocal relationship between the individual and the society as a whole, is based on this view of the unity of truth, beauty, and love, is a form of society which has dedicated itself to be efficiently an embodiment of the principle of life in the most general way. Such a society has the characteristics of a healthy living species.

The technology of the next 40 years

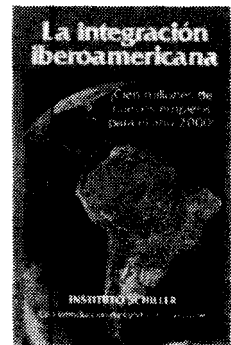
By close study of the internal history of scientific progress during the recent 500 years, and by correlated study of the principles governing rates of economic development, we may report with confidence, that technological progress in four areas of present-day scientific breakthrough, will be the outer limits of technological progress during the coming 40 to 50 years. On the basis of this knowledge, every government, every region of the world, and every circle of private entrepreneurs, ought to plan its investment and social policies for the decades ahead. That is, every investment decision and social policy, which contributes to advancing nations in the direction indicated by these technologies, will succeed; whereas, if investment and social policies have a different direction, the result will be painful failures.

The technologies now emerging to dominate the future, are, in fact, each and all but branches of the same unified scientific conception. Yet, although more or less closely interconnected, the branches are distinguished from one another in practice by specialization. The principal branches are

Ibero-American integration

By the year 2000 there will be 100 million jobless in Ibero-America, unless the countries of the continent repudiate the policy of "adjustments" and "conditions" of the International Monetary Fund and World Bank.

In this book the reader will encounter a scientific program to meet the crisis. Prepared by an international group of specialists of the Schiller Institute at the request of the institute's Ibero-American Trade Union Commission, it is a study of the urgent means that will free Ibero-America of its economic dependency. The formation of a "debtors club," the physical



integration of the continent by great infrastructure projects, and the creation of a Common Market are the first steps toward shaping an virtually self-sufficient economic superpower.

Released in September 1986 in Spanish by the New Benjamin Franklin House of New York, the book is being made available exclusively in English through *EIR*'s serialization.

four in total, of which three branches are properly described as "primary," and the fourth, "auxiliary."

The three primary branches are the following:

- 1) Man-controlled plasmas of very high energy-density cross-section, typified by, but not limited to, controlled thermonuclear fusion as man's future primary energy-source.
- 2) Man-controlled forms of very-coherent electrohydrodynamic radiation, especially applications in which the self-focusing properties of coherent beams generate very high energy-density cross-sections at the point of targeting.
- 3) Optical biophysics, whose experiments are sometimes listed under the title of "non-linear spectroscopy." This examines the characteristic features of living processes, in terms of electrohydrodynamics, a far more profound and fundamental approach to principles of biology than those forms of microbiology currently associated with "bioengineering."

The auxiliary branch, is represented today by revolutions in computer technology. Two revolutions in the nature of characteristic computer operations are currently under way.

The lesser revolution, is the development of modes fairly described as "true parallel processing," which have the objective of producing dedicated and general-application modules in the megaflop and gigaflop range. The more profound change, is the development of a special class of analog-digital hybrid computer, whose optical-analog element is developed to perform, directly, non-linear functions in differential geometry. Accompanying these two directions of development, is a radical transformation in the principles of architecture of data-processing systems, abandoning the architecture established by Professor John von Neumann.

The computer revolutions are indispensable for providing us the automatic and manned instrumentation of very high energy-density cross-section processes, and for increasing, by an order of magnitude or more, our ability to deal with instrumentation of complex processes in optical biophysics.

All four branches' development are being accelerated now, by work toward deployment of advanced physics principles for weapons of strategic defense. The same array of new technologies is required for a now-projected colonization of Moon and Mars; an A.D. 2027 date for beginning the permanent colonization of Mars has been proposed by a U.S. commission. Using the results of 1960s U.S. aerospace development as a point of reference, it is easily shown that new directions in technology of production and product-design which emerge as a by-product of development of the indicated four branches of technology for purposes of strategic defense and space-colonization.

For example, flight between Earth and Mars will not occur as flights of individual spacecraft. Each flight will occur as the flight of a flotilla of spacecraft, most probably about five at a time. During the flight from Earth to Mars, and back, there will be physical movements from ship to ship, through small space vehicles, analogous to the captain's launch of an ocean liner. A ballistic trajectory between the Earth and Mars is a long flight; a long period in zero-gravity is not recommended for health. Space-ships flying between the planets will be under either continuous acceleration, or continuous deceleration, each probably at a rate acting with a force of one gravity on the occupants of the craft. The source of power for such flights will be fusion power.

Fusion power (controlled thermonuclear fusion) will also be the prime source of power for the colonies on Mars. The basic tool used on Mars, will be high-powered lasers and similar instruments. The technology of optical biophysics will perform a central role in sustaining the organic environment and food-supplies during space-flights and on Mars.

About two generations of technologically advanced retooling of production on Earth, will bring Earth's economy up to the level that we will have perfected the broad spectrum of technologies needed to begin Mars-colonization. In the meantime, during the late 1990s, or shortly after that, the permanent colonization of the Moon will have begun; the industrialized Moon will produce many of the heavier components of the spacecraft used for Earth-Mars flight, as well

as some key components to be shipped through space for starting the initial colonization of Mars.

It should be obvious enough, that at the point we have the technology to sustain colonization of Mars, we will be able to transform large tracts of the world's deserts into rich agro-industrial complexes. Over the coming generation, or perhaps slightly longer, the level of productivity of operatives will be about ten times the productivity of skilled operatives in Europe, Japan, and North America today. That means, that a house which is as good or better than one which costs \$250,000 to build in the United States today, would cost only about a half a years' pay for a skilled worker by 2010 or 2020. This means that, by that time, we can afford to build cities whose construction-cost would be several millions of dollars per household today. The yields per hectare then, will be between five to ten times the best average yields in the northern hemisphere today. All this assumes that we direct the policies of investment and social policies, including education, along the pathways which assure effective use of the new technologies now emerging.

The technological policy of the states of Central and South America, must be, to direct investments and promotion of trade in such a way, that by 2020 (about two generations from now), the level of productivity throughout the continent will be approximately that then prevailing in the most advanced portions of the northern hemisphere. The technologies we have indicated, must be the dominant technologies of the continent by that time.

To analyze this process of technological transformation, the methods for solution of non-linear problems associated with the LaRouche-Riemann method, are indispensable.

The general program of development

The present levels of development vary greatly, from nation to nation, throughout Central and South America as a whole. In some nations, a greater or smaller part of the population lives and works at a level of technology and income approximately that typical of Europe. In most of these same countries, a greater or less portion of the rural area and urban poor, live in extremely depressed states of productivity and income. The crucial problems through the continent as a whole, are chiefly two: provide productive employment for the great mass of unemployed, and establish a rational, mutually advantageous relationship between the urban centers and rural production.

The colonial system, including the cases of semi-colonial states of nominal political independence, has two pathological characteristics: foreign looting of mining and rural production, and the development of oversized, slum-infested cities which have chiefly a parasitical relationship to the countryside. The looting of mining and of the countryside generally, means that the rural population is a very poor market for urban goods. Farmers in general, are unable to purchase technologies essential for significant improvement of the per capita and per hectare yields of agriculture. There-

fore, urban centers develop very poorly as centers of industrial production for the domestic market as a whole. The cities become predominantly administrative centers, centers of tourism, and dumping places for displaced, unskilled, rural poor.

Under such or similar conditions, the basis for development of the economy is primarily massive development of basic economic infrastructure plus providing protected fair prices for agricultural products, the latter at levels at which the farmers are able to be a market for the kinds of urban-produced technologies which raise the levels of per capita and per hectare agricultural development. Within this con-

text, the emphasis must be, the fostering and protection of urban industries based on expanded markets for industrial goods consumed in infrastructure-building and development of agricultural productivity.

Within this context, each nation must develop advanced capabilities in production of capital goods. The domestic market for such capital goods, will be the industries supplying infrastructure-building and agricultural development. Through "common market" agreements, the few capital goods industries in each nation will become part of a broad spectrum of capital-goods production throughout the common market as a whole. So, each nation will export some capital goods

Why use the term 'Ibero-America'

"The use of the term 'Ibero-America,' in place of 'Latin America,' is the only correct one," comments Lyndon H. LaRouche. "In the first place, the official languages of the region to the south of the Rio Bravo are dialects of Spanish and Portuguese. In the second place, Spanish and Portuguese derive from Italian, not from Latin. The myth that Italian, French, Spanish, and Portuguese were dialects of Latin roots, is an invention of the early nineteenth century, political propaganda against the Italian nationalist movement. The fraud that Italian derives from Latin was invented in the first decade of the 1900s, to attack the work of the philologists Wilhelm and Alexander von Humboldt and their Italian collaborators.

"In the third place, Italian is as ancient, at least, as Latin, and much more ancient than the Latin of ancient Latin literature. The Romans, while conquering the other peoples of Latin speech, conquered one by one the other peoples of Italy, the majority of which did not speak Latin but the Italian language, which was as perfected as the former and more broadly diffused. Moreover, the majority of the Roman soldiers, for example, spoke Italian as their native language. As a result of this, approximately 90% of the French population of the fourteenth century spoke Italian and not courtly French, which was introduced as an artificial dialect to the French royal court at the beginning of the seventeenth century.

"To use the term 'Ibero-America' is obligatory not only for reasons of philological rigor; the distinction between the terms 'Latin America' and 'Ibero-America' has a profound practical importance in politics and culture. Present-day Ibero-American culture is a product, fundamentally, of three political-cultural elements: a) the Au-

gustinian influence in the peninsula which culminated in the period of Alfonso the Wise; b) the influence of the Italian Golden Renaissance, of the fifteenth to the seventeenth centuries; and c) the participation of outstanding forces of Spain, Portugal, and Ibero-America in the Transatlantic movement led by Benjamin Franklin between 1766 and 1789, and later by the Marquis Gilbert de Lafayette. Except for the influence of the American System of political economy and the model of the United States Constitution of 1787-89 in Ibero-American politics, the dominant cultural traits of the Spanish-speakers and Portuguese-speakers of America are Iberic, Italian, and German influences—let us say, that of Humboldt—opposed to that of the House of Austria.

"Finally, if the Augustinian Church of Western Europe did much to transform the Latin of the Roman Empire into an illustrious language, such that the medieval Latin of theology and philosophy was much more capable of expressing profound ideas than ancient Latin, the political movements to create sovereign and republican nation-states, starting from the work of Dante Alighieri (for example: *De Monarchia*; or the *Concordantia Catholica* of Cardinal Nicolaus of Cusa) were dedicated to completing the plan of Dante to elevate the quality and the political category of the national vernacular tongues, as is exemplified in the role played by the *Commedia* of Dante in the elevation of Literary Italian to the profound capacity of conception of Plato's classical Greek.

"This was the historical basis of the great movements for the founding of republics, which were unleashed in the majority of the Spanish speaking and Portuguese speaking portions of the hemisphere in the era of the Napoleonic war. It is to these historical foundations which all the great political movements of the hemisphere must today return, as well as to the notions of the American Revolution of 1776-89 and the Ibero-American revolutions, to encounter a common political-cultural basis for their mutual relations and their common actions."

to other nations of the common market, and use that revenue to purchase other types of capital goods from other members of the common market. The point to be stressed, is that the projected common market presently represents a population in the order of 350 millions persons, in which no nation (excepting Brazil to some limited degree) has a sufficient labor-force base to sustain a broad spectrum of capital-goods industries. Since the average income and productivity of most of the population is very low, this kind of constriction is presently an acute one. However, the market as a whole, is a rich market for capital-goods production, on condition that relatively high portions of aggregate national income are properly invested in economic development.

The major market for employment of the present masses of unemployment, is building new basic economic infrastructure: water-management, production and distribution of energy, general transportation, communications, and such basic urban infrastructure as schools, hospitals, public sanitation, and so forth. A very large portion of the total labor-force is required for this purpose: without building infrastructure, agricultural and industrial development on an extended scale is impossible. The commodities and services which represent the wage-equivalents for employment of the unemployed, can be supplied chiefly by domestic production, without requiring foreign credit for anything except some essential capital goods. Therefore, the mode for employment of unemployed for infrastructure-building is issue of lendable currency by the national banking institutions.

This is not inflationary, since we are, essentially, converting waste, unemployed labor, into production of useful things. The wealth created, will greatly exceed the costs involved. This labor will significantly increase the domestic market for consumer goods, stimulating growth of investment and tax-revenues.

Transportation will have an immediately beneficial effect upon the productivity of agriculture. It will permit orientation toward market-production, and facilitate reduction of spoilage, both increasing national income. One of the greatest real costs to developing nations, is the low life-expectancies of large portions of the population. Every person who dies prematurely, is an economic loss of the investment in that person, and in the production which that person might have contributed. Better nutrition, clean water, and improved sanitation and health-care, are not only morally imperative, but are also a direct economic benefit of infrastructure-building.

Energy-production is the precondition for increasing the productivity of agriculture and mining, and for making possible investments in modern modes of urban production. The upper limit for employing improved technology, and for increases in per capita and per hectare productivities, is, in first approximation, the quantity of usable energy consumed per unit of population-density. Without adequate increases of energy-throughput, per capita and per hectare combined, there can be no appreciable improvements in productivity or output.

As a consequence of lack of infrastructure development throughout the nations generally, the urban populations of developing nations tend to be concentrated in the vicinity of the limited number of urban centers which have some basic elements of urban infrastructure. The cities tend toward becoming slum-ridden megacities, which are both inherently inefficient, and into which large sums can be sunk without perceptible improvement in the conditions of the city overall.

The major market for employment of the present masses of unemployed, is building new basic economic infrastructure: water-management, production and distribution of energy, general transportation, communications, and basic urban infrastructure.

The remedy is to reduce the size of population of these cities, and to tear out entire sections which are beyond economical repair. This is best accomplished by founding of new urban centers at some distance from present ones, and planning and developing the new centers as "model cities," designing for efficiency, and for ease and relatively low cost of maintenance. By populating the new urban centers with households associated with new employment in those centers, the excess population of existing, burgeoning, old urban centers can be drawn down in a rational and equitable manner.

An associated feature of the problems of oversized, older urban centers, is a tendency toward excessive reliance on automobile and bus transport. Modern forms of intraurban mass-transit are indispensable remedies. A closely related problem, is the fact that inadequate development of modern railway systems is a leading obstacle to development of new urban centers.

Paralleling the primary urgencies for agricultural and infrastructural development, is the lack of adequate development of the labor force as a whole. The principal deficiencies to be remedied include, education, public culture, nutrition, sanitation, and health-care delivery.

The model policy for primary and secondary general education, is the Schiller-Humboldt program for educational reform, as just recently proposed by the relevant agency of Japan. If the next two generations are not to fail to meet the qualifications new technologies will dictate, public primary and secondary education must emphasize classical culture and prescientific qualifications. Obviously, a shift in emphasis within mathematical and science curricula must occur, building the pre-science programs for all pupils around the

conceptions of synthetic geometry. In classical culture, the emphasis must be on principles of truth and beauty. The influence of positivism and pragmatism must be removed from educational policies.

In higher education, the emphasis must be on increasing the ratio of matriculants in science and related specialties, deemphasizing the positivistic "new sciences" which have emerged since the middle of the nineteenth century: ethnology, sociology, behavioral psychology, and so forth. In a well-ordered society, most of the present ratios of graduates in the "new sciences" specialties would be unemployable in such professions, and ill-equipped to make a useful contribution to the advancement of society's goals.

In the advanced economies, the tendency has been toward employing about 5% of the labor force in science. The trend must be increased toward the vicinity of 10% or higher. Apart from functions of education, research, and engineering, the modern work-place will become increasingly "scientific-knowledge-intensive," requiring the skilled operator to employ some significant grounding in the rudiments of the new physics. In agriculture, a similar trend will appear. In general, the ability of the citizen to adapt to the practical experience of everyday life, will require increasing familiarity with the qualities of new technologies being generated.

Over recent decades, especially, there has been a growing tendency to equate "culture" with hedonistic forms of recre-

ation, and to deemphasize that joy of experiencing beauty, which latter is the characteristic feature of classical culture. The emphasis on hedonism, an endemic tendency among sex-sensitive adolescents, tends to lower the level of moral intelligence of the population; hedonism bestializes, draws the individual away from the pleasure of creative mental life, and thus produces a less moral, less patriotic quality of citizenry.

This issue intrudes into economic policy directly, in architectural policies, and in the issue of allotting scarce resources either to classical cultural facilities and programs, or to facilities and subsidies for so-called "popular," hedonistic entertainments. In the course of history, nations and cultures which have, like ancient Rome, preferred hedonistic entertainments, have facilitated their own destruction, by fostering a lowering of the moral sensibilities of their own populations. The Colosseum of Rome is an example of how public expenditure may be misdirected to foster the self-destruction of a nation and its people.

True, beauty and love, set in a context of the fostering of technological progress, is the distinction of a good and durable form of society.

As to the monetary measures of reorganization needed, to facilitate the implementation of such economic programs, I have outlined these adequately in my 1982 Operation Juárez.

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SR-1

Packard defense reforms: worse than the problem

Robert Gallagher reports on the economic impact of the Packard Commission recommendations, in Part II of a series on the attacks on the U.S. defense industry.

Whatever anyone may say about Trilateral Commission founder David Packard's intent, the impact of the recommendations of the President's Commission on Defense Management which he chairs, will be disastrous for both the nation's economy and defense. The Commission recommendations will, if implemented, result in lower productivity growth in defense and nondefense industries. They would seriously curtail 1) the conduct of defense research and development, and 2) the manner in which defense research and development serves as a "science driver" for the whole economy and produces technology that benefits civilian industry. The immediate purpose of the recommendations is to strangle the Strategic Defense Initiative, which Packard's Trilateral Commission has always opposed.

The recommendations, officially presented to President Reagan in final form June 30, call for budgetary constraints ultimately set by the International Monetary Fund, to guide the formulation of military strategy.

National security can not be funded by the equivalent of what's available at a bargain basement sale. "Cost-effectiveness" is irrelevant to defense programming. Aside from that major consideration, by placing the emphasis on accounting practices rather than meeting the military mission to defend the nation, the effect of the Packard recommendations will be to increase the number and magnitude of cost overruns.

By its organizational proposals, the Packard recommendations will introduce chaos into defense weapons programs by pitting program managers against one another. The now stagnant aerospace/defense industry will be further collapsed, further weakening the civilian economy, etc.

The Packard recommendations undermine the missions assigned to our military services by subordinating them to balancing the budget. This *EIR* review is thus partially concerned with evaluating the economic impact of mission-oriented defense programs versus the budget-oriented programming called for by Packard.

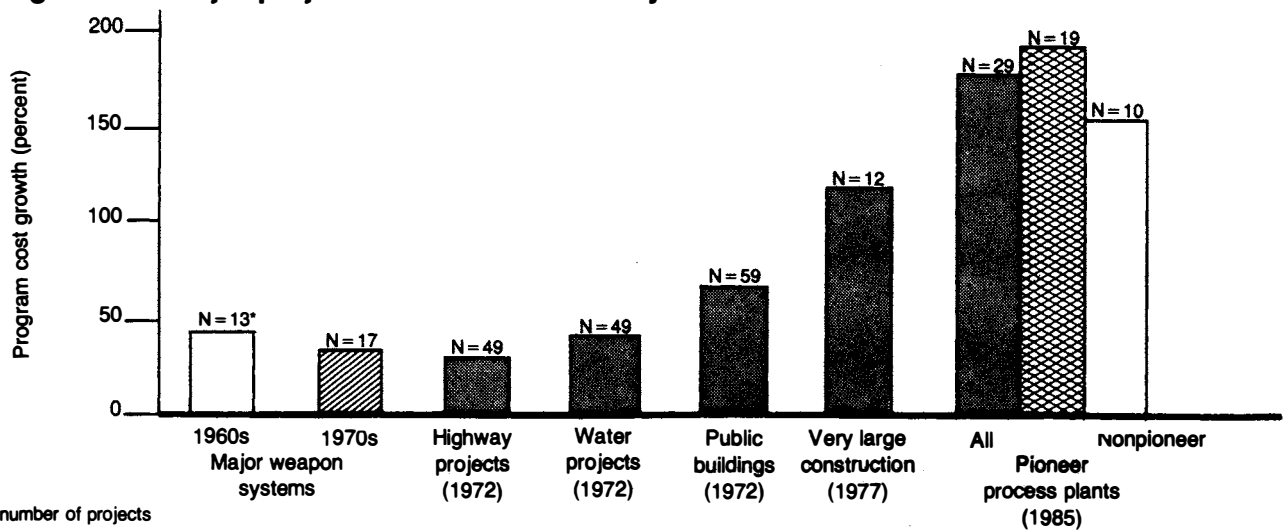
Nonetheless, a degree of mission orientation persisted in the military into the 1980s, and has begun to grow and dominate U.S. defense policy under President Reagan's rejection of MAD and establishment of the Strategic Defense Initiative (SDI) in 1983. The purpose of the Packard Commission is to destroy the SDI and mission-oriented defense budgeting by subordinating the defense needs of the nation to budgetary restrictions determined by the IMF.

Packard's incompetent standards

Despite the media hype, much of the hue and cry over defense cost overruns is baseless. The inflation in the cost of major Defense Department weapons systems is lower, frequently much lower, than the vast majority of large civilian projects, whether commercial or governmental (see **Figure 1**), according to tabulations of the Rand Corporation and the Analytic Sciences Corporation (ASC). Instead, we would expect the inflation in cost for major defense programs to be greater than all civilian projects since civilian programs are based on proven technology, while military programs usually involve new technology and first-time application.

This data calls into question the purpose of the rash of criticisms of defense weapons programs, including the recommendations of Packard. Although the Commission's re-

FIGURE 1
Cost growth in major projects—civilian vs. military



*N = number of projects

Source: "Improving the Military Acquisition Process—Lessons from Rand Research," (R-3373-AF/RC) The Rand Corporation, 1986.

port acknowledges the Rand and Analytic Services reports, it strangely insists on applying inferior commercial standards to defense weapons programs to lower defense program costs. Packard himself told President Reagan Feb. 28, "we must run the Defense department more like a business."

The failure of "business" to keep basic nondefense industries like iron and steel, machine tools, and power production, on a continuous trajectory of growth and technological advancement, indicates that Packard is either an idiot, or a liar out to wreck our defense industries. The tremendous rise in cost of military systems is largely the result of a series of destructive federal government policies implemented since Robert McNamara was secretary of defense.

To motivate "reform" in areas where defense is already outperforming other segments of the economy, the Commission reports make use of the news media perception game. We have already mentioned the case of cost overruns. In addition, there is the so-called "spare parts scandal."

Much has been made of the \$475 hammers or the \$600 toilet seats, uncovered by the media over the past years. Less known is the fact that these prices were determined by accounting practices dictated by the Office of Management and Budget (OMB), to assign a calculated amount of overhead to any item however small; they are not set by the actual cost of the item. As the Packard Final Report states "the use of unsuitable cost allocation procedures that grossly distort the price tags of inexpensive parts," is responsible for these prices. In addition, much of the spare parts "overpricing" scandal is a fraud. *Aviation Week* magazine reported Feb. 11, 1985:

When two [senators] brandished what they claimed were \$600 Navy toilet seats on the Lockheed P-3C

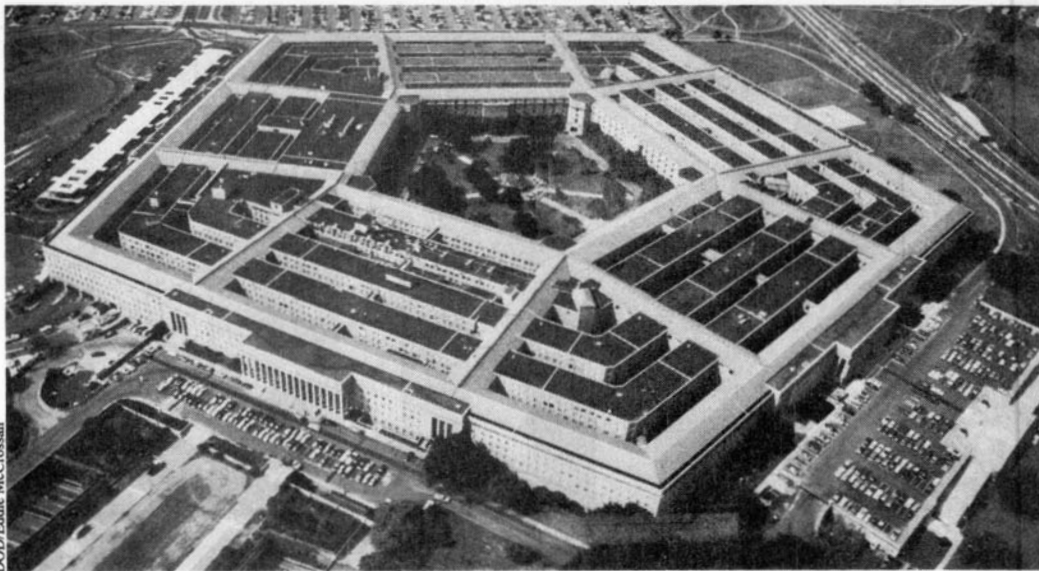
Orion [ASW aircraft] . . . a reporter called Lockheed and the Navy and found that the toilet seat cost \$10, not \$600. A shaped composite shroud that contains the tank and plumbing—certified for operational strengths and fuselage fit—cost, on a onetime contract for 54 units, \$584 each.

Despite these facts, Packard turns around and uses the fake "spare parts scandal" to promote policies that would destroy the science driver role of defense programs.

The Packard Commission Report states that industry fraud is not behind defense program problems, and in its final report, goes so far as to state that the news media has created the false public perception that defense contractors are dishonest. But it then uses this "perception" to call for massive, expensive, self-policing programs by the industry and DOD!

By no means do we argue that defense weapons program managers and contractors are pure-hearted Christians, whom pagans in the media and Eastern Establishment are throwing to the lions. In the 23 years since Defense Secretary Robert McNamara proclaimed the policy of Mutually Assured Destruction (MAD), our defense programs have been destroyed, and careerist bureaucrats and accountants have come to dominate even our military services. Anyone who argues that our nation's defense be run more like a business is calling for movement in the wrong direction, at the wrong time.

Between McNamara's 1963 announcement of MAD and March 23, 1983, the liberal establishment was generally satisfied with the destructive process initiated by McNamara, and continued by Defense Secretaries Cyrus Vance, James



DOD/Edie McCrossan

DOD/Edie McCrossan

Much has been made in the media about the Pentagon's alleged cost overruns, including \$475 hammers and \$600 toilet seats. Many of these charges are outright lies; but where overpricing does exist, it can generally be traced to the accounting practices originating with Robert S. McNamara, and imposed by the Office of Management and Budget.

Schlesinger, and Harold Brown, to effectively strip the military services of the ability to carry out their assigned mission to defend the nation. But on March 23, 1983, President Reagan gave back to our military their mission to defend the nation against Soviet military buildup, in the form of the Strategic Defense Initiative (SDI). It is this mission orientation that is the actual target of the Packard recommendations. The Packard Commission and the series of indictments against defense contractors, such as the General Dynamics case over the Sergeant York gun, seek to wreck defense research and development, as will be documented below.

The Commission report suggests that the Commission is cooperating with those who seek to bring about a "New Yalta" compromise with Russia. In one of its most offensive statements, the Commission calls for a de-emphasis on the use of technology to produce weapon systems that outperform Russia's, focusing on using it "differently" to reduce unit weapon systems cost to the OMB:

Fully exploiting our technological leadership is critical to national security. The Soviet Union has twice as many personnel in its armed forces, and produces military equipment in far greater quantities than the United States. We depend on our technological advantage to offset this quantitative disadvantage. But our technology can be exploited in two quite different ways: to reduce cost (so that we can better compete in quantity), or to increase performance (so that we can compensate for our smaller quantity).

We believe that DOD should place a much greater emphasis on using technology to reduce cost—both directly by reducing unit acquisition cost and indirectly by improving the reliability, operability, and maintainability of military equipment.

President Reagan established the Commission on Defense Management on July 15, 1985 "to study the issues surrounding defense management and organization, and report its findings and recommendations." This occurred in response to congressional hearings on defense procurement and the introduction of new legislation. The President made a big mistake in choosing Packard, chairman of the board of the Hewlett-Packard Corporation, to head the Commission.

The Commission was given responsibility for reviewing everything from defense acquisition and the defense industrial base to the responsibilities of the Joint Chiefs of Staff.

At this writing, the Packard recommendations are becoming law. The Commission Final Report summarizes action taken up to its June 1986 release.

On April 1, 1986, the President issued National Security Decision Directive (NSDD) Number 219, directing DOD and other responsible Executive agencies to implement virtually all of those recommendations contained in our Interim Report that do not require legislative action. On the same day, the Secretary of Defense issued detailed instructions to DOD for this purpose.

On April 24, 1986, the President sent to Congress a Special Message requesting the early enactment of legislation in order to implement the balance of the recommendations in the Commission's Interim Report. . . .

Both the House and Senate have passed legislation, now awaiting conference, which substantially achieves the objectives of our Interim Report. . . .

A substantial number of leading defense contractors recently have pledged to adopt and implement principles of business ethics and conduct that acknowledge corporate responsibilities under federal

procurement laws. This important initiative . . . is in keeping with the Commission's recommendations on improvements in contractors' self-governance.

In McNamara's footsteps

Packard recommends to subordinate the formulation of defense policy to "the larger questions of the nation's overall foreign policy and domestic economic and fiscal objectives" to produce "a fiscally constrained national military strategy." The loyalty of an official who proposes such a policy lies ultimately with the International Monetary Fund, a fact that under current circumstances of shared common interest between the Trilateral Commission crowd and the Soviet leadership, would make him a Soviet agent of influence. Like the Gramm-Rudman-Hollings bill, Packard's recommendation is unconstitutional, since it compromises the mandate to the President and the Congress to provide for the defense of the nation.

The traditional formulation of the military budget, in the period prior to the tenure of Defense Secretary Robert McNamara (1961-68), flowed from the specific missions assigned to the armed forces as a whole, and to the specific military services. It remains the mission of the United States Army to provide a defense for the continental United States against ballistic missile attack. A mission of the United States Air Force and the Air National Guard, is to provide defense against long-range bombers with fleets of interceptor aircraft. Another assigned mission of the Air Force is to deploy a force of intercontinental ballistic missiles capable of defeating the Soviet Union in a conflict.

Such missions require programs to develop anti-ballistic missiles, anti-aircraft missiles, interceptor aircraft, and other weapons systems by the defense industry. The proposed level of funding for such programs was originally determined by the magnitude of the military threat to the nation. When, two years before Sputnik, U.S. intelligence discovered that the Soviet Union had nearly completed development of an intercontinental ballistic missile, President Eisenhower assigned "the highest national priority" to the Air Force ballistic missile program. The program was given an unlimited budget.

The adoption of the policy of mutually assured destruction, began to remove the mission orientation that had guided the formulation of national defense policy and budgets. Although the Army retained its mission of ballistic missile defense, all programs to provide that defense were downgraded, cut back, and ultimately killed under the 1972 ABM treaty. MAD made the defense policy of the United States fundamentally insane: It became official policy not to provide a defense for the nation against missile or bomber attack, since an effective defense would overturn MAD.

We have had over this entire period, an Army, a Navy, and an Air Force all incapable of carrying out their missions of defense because the foreign policy establishment forbade it. It is hardly surprising that defense programs became disoriented under those circumstances.

At the same time, McNamara's advisers from the Rand Corporation, such as Henry Rowen, turned defense weapons development policy on its head. Rather than evaluate proposed weapon systems on the basis of the missions they would accomplish, McNamara's people evaluated them based on whether they were "cost-effective" under MAD. McNamara rejected development of a strategic ABM defense with the presumption that the enemy could more cheaply field sufficient ICBMs to overwhelm the defense. The traditional view would evaluate such a situation as a reason for a high priority research and development program. This is a good example of how the accountant's mentality can succeed in modifying the constitutionally mandated mission of national defense programs.

McNamara's MAD cost-accounting policies echoed the proposals of James Schlesinger in his 1958 *Political Economy of National Security*, a factional diatribe against the programs of Admiral H. Rickover and Gen. Bernard Schriever, and Gen. John Medaris. Schlesinger stated that the development of the ballistic missile introduced new policy options in national economy. Since, he argued, there is no defense against the nuclear armed ballistic missile, it is only necessary to keep in operation a sufficiently large fleet of ICBMs. Heavy industry, he asserted, was no longer necessary to provide for the national defense.

On the basis of such reasoning, many challenging research and development programs were killed in the 1960s: the nuclear-powered surveillance aircraft, the supersonic transport, the Air-Force manned orbiting laboratory, the original 1960s proposal for an aerospace plane, Project Defender, and NASA's post-Apollo program for rapid development of a shuttle and space station, and many others (see **Table 1**).

These programs would have continued the economy in a state of mobilization, and kept industry and military attuned to their mission of defense. Instead, industry and military began to "march in place," in accordance with the accountant's assertions that these advances were not really necessary.

TABLE 1
**Some R&D programs killed by
'cost-effectiveness'**

	Cancelled
Supersonic Transport	1960s
Nuclear Merchant Marine	1960s
Project Defender	1963
ABM Nike-Zeus	1963
Dynasoar X-20 Reusable Space Glider	1963
ABM Sentry	1967
USAF Manned Orbiting Laboratory	1969
Mars Mission	1970s
NERVA Nuclear Rocket Propulsion	1972
ABM Safeguard	1973

The very notion that these two benefits of technology are contradictory, is refuted by the successful "crash programs" that established the defense-aerospace industry in the first place. Only McNamara's policies resulted in pitting the two against each other, and we can be certain that Packard's accountants will not permit the increase in procurement to enable us to "better compete in quantity" with the Russians.

In addition, Packard's argument is refuted in detail by history. When the U.S. entered war against Korea, our Navy and Air Force were punished for not speeding development of the jet fighter. Russian MiG-15s outmaneuvered our planes with ease, reports Charles Bright in *The Jet Makers*.

America's aerospace and defense industry was created in the World War II mobilization, and underwent significant further development only as a result of carrying out a handful of missions assigned by the President in his capacity as commander in chief.

- 1) development of supersonic aircraft;
- 2) development of the nuclear-powered submarine;
- 3) development of the long-range jet bomber;
- 4) development of America's first nuclear armed ballistic missiles; and
- 5) the Apollo Moon-landing program.

These programs were executed efficiently, quickly and in most cases, without budgetary constraints. The amount of funding was determined by how fast the program could possibly be pursued and the nature of the threat to the nation, not by what Washington today calls "cost-effectiveness."

The first four projects were completed by the early 1960s. The Apollo program reached its peak for industry in 1967. Since then the industry has stagnated under the tightening grip of the cost-accounting methods introduced by McNamara, first at the Pentagon, and then at the Bureau of the Budget (now the Office of Management and Budget), for all federal programs.

Now the Packard Commission has proposed to further tighten the control that the cost-accountants representing Wall Street and the International Monetary Fund, have over defense and aerospace programs. A senior administration official summed up the national significance of the Commission's recommendations as follows: "There are only two industries left standing in the country today, defense-aerospace and agriculture, and they are both under siege."

Unfortunately, many in the industry have been so desensitized to reality by 25 years of McNamara cost accounting under MAD, that they have been seduced by the Packard Commission's rhetoric, its criticism of Congress, its pledge to "cut the red tape," and its conclusion that alleged industry fraud or dishonesty are not to blame for the present state of affairs. In July, the Aerospace Industries Association endorsed the Commission recommendations. The impact of the Commission's recommendations will be exactly what the industry does not want.

National military strategy

The Commission calls for the President to pre-set defense "provisional four-year budget levels . . . reflecting competing demands on the federal budget." It continues: "The Secretary of Defense in turn would develop a detailed Defense Guidance [which] would contain the Secretary's detailed guidance on defense objectives, policy, strategy, force levels, and fiscal guidance. . . . The detailed fiscal guidance would be the basis for a new Five-Year defense program. . . ." The Commission calls upon "our senior military leaders . . . to apply financial limits to military force planning in a way not previously attempted." It recommends that the Joint Chiefs occupy themselves with a) how to cut "current force levels" so as to stay within "provisional budget levels," and b) identifying targets for budget cuts, programs whose force levels can only be met via "mobilizations" that break through budget ceilings.

In sum, the JCS is to be more concerned with threats to budget levels than threats from the enemy.

Compromising the military's mission

The Commission has proposed reforms to the acquisition process, and the establishment of what amounts to a police force, to enforce IMF "conditionalities" against defense spending. In policy, it calls for an emphasis in compromising weapons performance to save funds, "in order to protect cost and schedule" and proposes that ingenuity in proposing such compromises or "trade-offs" be the basis of competition between defense contractors:

a conscious trade-off between performance and cost—does not take place to an adequate degree. Implicitly, it is assumed that military requirements should be "pure," . . . trade-offs between performance and cost—[are a factor] on which the competition should be based.

Trading off performance in a weapons system, means trading off the mission the weapon was intended to enable our military forces to fulfill. Imagine the value of an ICBM that could not reach the Soviet Union from the United States as a result of performance trade-offs!

Such a trade-off never reduces cost in important weapon systems. Cost overruns soon follow the discovery that the backward technology can't do the job, as engineers scramble to fix a lemon. Lt.-Gen. (ret.) Daniel Graham's "High Frontier" proposal is a good example of a system engineered with "off-the-shelf technology," guaranteed not to work, and that would require spending all the gold in Fort Knox to work out the bugs.

Instead of Packard's suggestion, competition should be based on the development of new technologies that enable our weapon systems to achieve required performance levels with less complexity. For example, it is possible to build a supersonic fighter plane with straight wings perpendicular to the fuselage, by building on special controls, but its

stability and maneuverability are inferior to a craft with swept wings.

Predictably, Packard attributes the cost of military systems to the needed technology itself.

Requirements [for weapons] are often established by technology push. A government or industry team conceives of a new or advanced technology. It then tries to persuade users to state requirements that will exploit the new technology. Most of the really significant improvements in military technology—radar, jet engines, and the atomic bomb, for example—have occurred by technology push rather than by an abstract statement of requirements.

This is an explicit rejection of the application of technology developed in one area, elsewhere to our defense and economy.

With regards to the details of his argument, Packard is lying. Neither radar, nor the jet engine, nor the A-bomb, were developed as a result of “technology push.” Radar was developed out of the stated requirement to detect enemy craft, jet engines to improve the maneuverability and speed of aircraft, and the bomb in order to win the war. Packard is mouthing traitor’s talk.

Packard seeks to eliminate the long-standing practice by which defense R&D has acted as a “science driver” for the civilian economy, raising the level of technology in industries it touches.

By contrast, a Defense Department report “DOD Acquisition Improvement—The Challenges Ahead” (Nov. 5, 1985) states:

With an annual procurement budget in excess of \$100 billion, the DOD has the opportunity and leverage to continue playing a leading role in promoting manufacturing and productivity improvement important to the commercial industrial base on which the DOD heavily relies and to the economic revitalization of our Nation.

To promote productivity improvement, the report recommends that DOD:

Contractually require that a minimum percentage of contract price (say 10%) be devoted to new productivity-enhancing capital investment. This provides clear direction and forces modernization.

By contrast, in an effort to destroy the “science driver” role of defense R&D, Packard makes use of the fake “spare parts scandal,” to argue for an across-the-board policy of purchasing goods commercially, making production in accordance with military specifications the exception rather than the rule. Although this might sound like a good idea in some instances, the example that Packard chooses for a part that can be purchased commercially, gives away what he’s driving at.

A case in point is the integrated circuit or microchip—an electronic device used pervasively in military equipment today. This year DOD will buy almost \$2 billion worth of microchips, most of them manufactured to military specifications. The unit cost of a military microchip typically is three to ten times that of its commercial counterpart. This is a result of the extensive testing and documentation DOD requires and of smaller production runs. (DOD buys less than ten percent of the microchips made in the U.S.). . .

When military specification for microchips were first established, they assured a high standard of quality and reliability that was worth a premium price. The need for quality and reliability in military equipment is as great as ever. In the last few years, however, industrial consumers of microchips have come to demand equivalent standards, and manufacturing processes and statistical methods of quality control have been greatly improved. It is now possible for DOD program managers to buy the bulk of their microchips from commercial lines with adequate quality and reliability, and thus to get the latest technology at a substantially lower cost.

Packard deliberately distorts history here. The cause for the tremendous improvement in microchip production commercially was the military specifications imposed on the industry years ago. Packard’s example proves the opposite of what he says: Although by now commercial standards for some products are high enough, in general military specifications improve the quality of commercial production and the quality of the product purchased by the consumer, because they insure that military equipment is reliable. Nonetheless, Packard concludes:

More generally, military specifications could be based on industry standards. . . . Procurement officers must be allowed and encouraged to . . . recognize value (quality and price) based on products’ commercial acceptance in the marketplace.

More accountants per capita

To police their horrendous policy, the Commission calls for the complete reorganization of all defense research and development programs management. The Commission seeks the reevaluation of each program when it has reached a “milestone” in its development, perhaps a reasonable idea if the milestones chosen are research and development goals such as attainment of first successful launch of a rocket. Following the successful attainment of such a milestone, funding for an urgent program might be accelerated.

However, the milestones at which the Commission wants reevaluation to take place are accounting milestones. The key acquisition decisions for a program are, according to the Commission:

- 1) "the affordability decision," that is, whether we can afford to build a weapon system we need;
- 2) the decision to develop a new weapon system;
- 3) the decision to enter "low-rate production";
- 4) the decision to enter "high-rate production."

The Commission writes in its Report:

The affordability decision requires that a subjective judgment be made on how much a new military capability is worth. If a new weapon system can be developed and produced at that target cost, it may be authorized for development; otherwise, ways should be found to extend the life of the existing system. . . . We could, for example, extend the effective life of most of our existing aircraft ten to twenty years by replacing their electromechanical subsystems with modern microelectronics.

This policy has a name: extended depreciation, and it's typified by the fact U.S. long-range bombers are older than the pilots who fly them, and don't have a chance of penetrating Soviet airspace in a conflict. Russian bomber pilots have no such problem: "cost-effectiveness" has left the U.S. without any air defense to oppose them. Note furthermore, that Packard defines the decision to make on building weapons "subjective," that is, not determined by an objective military threat.

The Commission reorganization program further proposes that once a decision is made to develop a weapon, the assigned program manager sign a "baseline agreement or contract on the specifications, and program cost and schedule," with his Program Executive Officer, the service Under Secretary for Acquisition, the Defense Under Secretary for Acquisition, and the Armed Services Committees of Congress. As long as he meets the agreed-upon schedule, at the agreed-upon cost, his program (whether or not it has military value) will continue. But if he runs into a problem and fails to meet a cost and schedule milestone, the Commission recommends that performance be compromised, or the program automatically reconsidered.

Fundamental to the ultimate success of a new program is an informed trade-off between user requirements, on the one hand, and schedule and cost, on the other.

The march of the bean-counters

Such a policy will strangle R&D. The cost and schedule for solving research and development problems, are by nature not predictable. If everything were certain from the outset, then there would be no need for the development phase at all. Industry could go straight to production. In other words, by putting the development portion of programs into a straitjacket, the quality of the resulting weapon is necessarily compromised, and R&D capabilities are damaged.

The "baselining" policy will turn program managers into

bean-counters. They will quibble with contractors over pennies. Even worse, the policy will pit program managers against each other in the following way.

With any particular defense contractor, work is performed by the same personnel on several programs at the same time. Who decides when the work of an engineering team on antenna technology is billed to one of several projects it might be construed as applicable to? Until now, the companies have made that decision. The indictments issued Dec. 2, 1986 against General Dynamics over development of the Sergeant York anti-aircraft gun, dispute just that. The Grand Jury indictments allege that General Dynamics charged the time of some personnel against one project rather than another to maximize their billings. The import of the General Dynamics case should the Justice Department win a "conviction," would be enormous. Once a company received a contract in an area such as aircraft, it would be forbidden from engaging in any R&D in that area (see *EIR*, Sept. 5, 1986).

In the context of the Packard recommendations, the indictment has a damaging impact: program managers will begin to squabble with contractors and with each other over which program should pay for work that overlaps two or more programs. Contractors will pull in the reins on all R&D programs.

According to industry sources, the bean-counters have already begun to fence projects off from one another, and prevent technology transfer, by using differences in security classification levels, to prevent transfer of personnel or knowledge from one project to another.

One practice of the military services is to assert exclusive rights to the technology and information ("data rights") developed under a wholly service-financed program. This way the bean-counters in the Army keep the Air Force from using their beans, without payment. The practice strangles the free flow of information, and prevents application of the technology in other areas of our defense or economy.

Although the Commission states that the government can't monopolize the data rights to technology developed wholly or in part by an aerospace company, it permits such a practice otherwise, and in fact could be said to endorse it by laying down guidelines.

To enforce this assured destruction of research and development, the Commission has proposed, and Congress and the administration have consented, to a reorganization of the bureaucracy managing defense programs. The post of Under Secretary of Defense for Acquisition is created, "to supervise the performance of the entire acquisition system and set overall policy for R&D, procurement, logistics, and testing."

The Commission would demote the Under Secretary of Defense for Research and Engineering to a mere Director. This is indicative of the character of the reform. Research and engineering has a mission orientation, reaching back to the founding of the U.S. Army Corps of Engineers in 1775, based on the leading example of the French military academy at Mezieres that produced Gaspard Monge, Lazare Carnot

and several American military leaders. To put the Research and Engineering head under a purchasing agent-chief clerk, amounts to castrating our defense. Arguments from R&E will be prepared to justify the chief accountant's decisions, rather than to advance our level of technology.

Packard calls for the same sort of reorganization to be carried out in each military service, with each to appoint an Under Secretary for Acquisition. This will complete the transformation of our military from an institution guided by the mission of defending the nation, to a group of accountants shopping for bargains.

In addition, Packard calls for the reorganization of the Joint Resources Management Board (JRMB), adding to it the new Under Secretary for Defense Acquisition and a new Vice-Chairman of the Joint Chiefs of Staff as JRMB co-chairmen. The JCS Vice-Chairman is mandated to represent the narrow interest of regional military field commanders. The JRMB will have yea/nay power within DOD over all joint programs and many service programs when they reach their milestones.

Last, but not least, the Commission encourages the House and Senate Appropriations Committees to slash the President's defense budget once they've got it in their hands. Packard endorses:

Review by the Appropriations Committees . . . to adjust the President's defense budget to congressional budget resolution levels through refinements based on information not available when the President's budget was formulated months earlier.

The Commission recommends getting Congress contractually involved in the formulation of the President's budget. Packard calls for a binding "linkage" between congressional budget projections and the President's formulation of the defense budget.

But the most irrational proposal is that for a biennial budget. Here we see Commission-think at its best:

Primarily, however, a two-year appropriation for defense would stop the yearlong chaos of budget-making that we now have, or at minimum, allow it to happen only every two years rather than annually.

Bizarre? Even with biennial budgeting, it is guaranteed that the Proxmires and Nunns of this world, fired up by the news media, will find some way to wreak havoc. The real problem in Washington is the absence of leadership setting a firm mission orientation to our defense program. Without that, no progress will occur.

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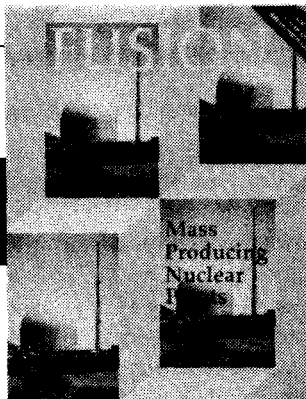
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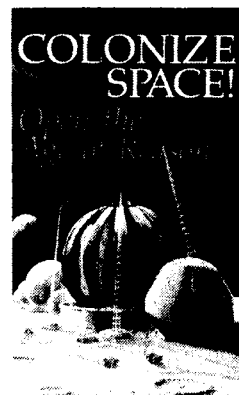
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by Lyndon H. LaRouche, Jr.

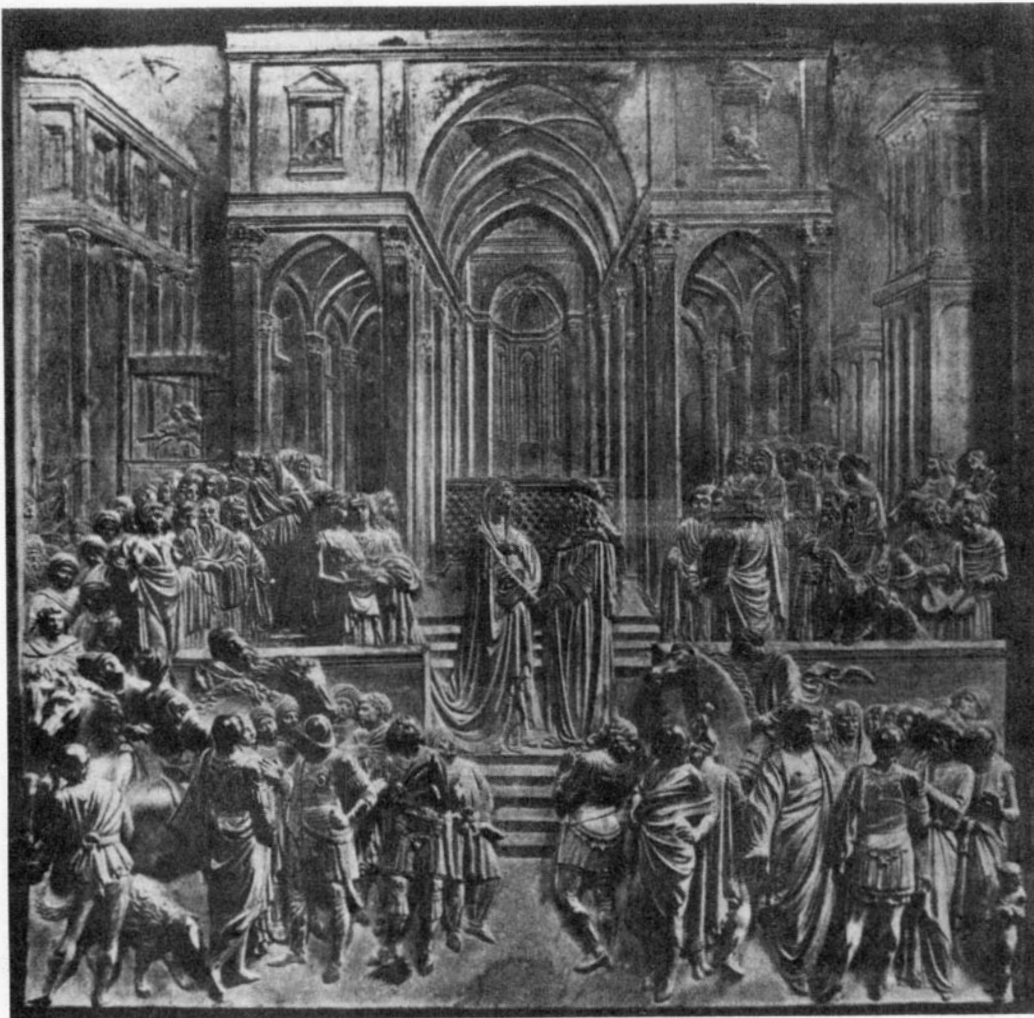
Since the accession of General Secretary Mikhail Gorbachov, the Soviet government has been operating under the terms of the pre-war mobilization specified in known features of the "Andropov-Ogarkov war-plan" for victory over the United States and Western Europe.

Since the 27th Soviet Party Congress, earlier this year, there has been a general increase in the intensity of Soviet-directed low-intensity-warfare operations. This includes: the low-intensity warfare at the Wackersdorf site, the killing of Soviet military targets such as Germany's Professor Beckurts, the escalation of Basque terrorism in Spain, the campaign on behalf of Soviet-directed African National Congress (ANC) terrorists in South Africa. The escalation of warfare by the Soviet-directed forces, such as the Shining Path (*Sendero Luminoso*), in the Americas, and build-up of Soviet-directed terrorist capabilities inside the United States, typify the ongoing escalation of Soviet-directed low-intensity, shooting war against the United States' allies and other friends, most emphatically so since the 27th Congress.

Since the "legal coup d'état" by Soviet asset Andreas Papandreou in Greece, Moscow has been exploiting its thus greatly enhanced position in the Middle East, to the purpose of establishing early Soviet hegemony over the entire region. Unfortunately, through various influences, including that of Richard Burt-controller R. Mark Palmer in the State Department, the notorious "208 Committee," and Assistant Secretary of State Richard Murphy, U.S. policy has been one of step-by-step appeasement of the demands of Moscow and Moscow's chief Middle East puppet, Syria's President Hafez Assad.

Moscow and Damascus have exploited this error in U.S. diplomacy, to such effect as Syria's present preparations for a holocaust against the Lebanese Christians, and build-up for an early "limited war" between Syria and Israel.

Under present U.S. diplomatic policy, Moscow would be in a most advantageous position, for dictating the terms of Israeli-Syrian disengagement from such an ongoing "limited war." The terms of peace which Israel would then be obliged to accept, would ensure the transformation of the eastern Mediterranean into a



The thinkers behind the 1439 Council of Florence established a policy for ecumenical fraternity among Christian, Jew, and Muslim. This ideal was portrayed by sculptor Lorenzo Ghiberti in the "Meeting between Solomon and Sheba," c. 1435, Bronze Doors, Florence Baptistery; the scene was a metaphor for the Eastern Church's acceptance of the basic tenets of Western Christianity.

"Soviet lake," and the transformation of the Middle East oil-producing region, into virtually a set of the greater Soviet empire's petty satrapies.

Soviet domination of the world's principal petroleum-exporting region, combined with an unleashing of race war in South Africa, would provide Moscow not only with monopoly over a critical margin of fossil fuels, but, more devastating, a world monopoly of many key strategic minerals.

The time has come to end that condition in U.S. Middle East policy, most charitably described as an epidemic of "Murphy's Law." A new U.S. policy, appropriate to the realities of the strategic situation, must replace Shultz's diplomacy. That change must occur immediately.

The United States is obliged, without hesitation or quibbling, either to create conditions which would deter President Assad from provoking a new Middle East war, or to ensure a decisive victory for Israel over Syria should that war occur. The first should be our primary objective, but the first is possible only if Mr. Assad is convinced that the threatened alternative is a very real one.

In short, we can not prevent a Soviet takeover of the

region, unless we are prepared and able to ensure there will be no "limited war" between Syria and Israel.

A good time and place to have stopped the Soviet-directed aggression of Syria's Assad, was in 1982, in Lebanon, before Secretary Haig helped Ariel Sharon unleash the bloody dismembering of Lebanon. It were still possible to salvage the situation even following Sharon's engaging Israel in its own Lebanese version of a "Vietnam War." Unfortunately, Haig's engineering of a strategic calamity for Lebanon, Israel, and the United States, was aggravated by Secretary Shultz's insistence on sacrificing token U.S. military forces for his own folly of eighteenth-century "cabinet warfare" diplomacy.

Now, Mr. Assad is deploying forces in the mode of preparation for a holocaust of genocide against the Lebanese Christians.

Mr. Assad, meanwhile, uses U.S. and French hostages, taken as "bargaining chips," to blackmail the governments of the United States and France into meeting Assad's terms. For each released today, there will be a greater number of hostages taken as replacements tomorrow: U.S. and French hostage-negotiations with Damascus, are an endless, and

ultimately worse than fruitless process, encouraging Moscow's chief coordinator of international narco-terrorism, President Assad, to take as many hostages as he considers diplomatically convenient, and to permit his murderous tools to kill hostages often enough, to add zest to the State Department's habit of appeasing him.

Assad's unleashing of the now-threatened, Syria-directed holocaust against Lebanese Christians, might be a signal that a new Syria-Israel war is being unleashed. In that choice of scenario, the killing would be done by gangs which Mr. Assad would solemnly profess to be out of his control. Probably such a Syria-directed action would be accompanied by an increase of the number of European and U.S. hostages. However, Moscow and Assad might prefer an alternate scenario, leading to the same general result.

If the U.S. State Department acted according to recent past performance, in such or a similar case, we would read in the *Washington Post* that our government was begging Syria to occupy Lebanon. The release of a handful of hostages, would be portrayed as proof of Mr. Assad's humane intentions. This expanded Syrian occupation of Lebanon, would place Israel in an intolerable military position. In such circumstances, a nudge by Assad in the direction of the Israeli-occupied Golan Heights, or analogous provocation, would be sufficient to set the "limited war" scenario into operation.

Other sequences are also probable: each to the same general effect.

Worse than the war itself, is that, under present U.S. policy, the Arab nations generally, even those which abhor Mr. Assad's bloody games, would be maneuvered into treating this as another in a series of "Israel's wars with our Arab brothers." That would be the decisive factor in political chain-reaction effects, trapping both Israel and Atlantic Alliance diplomacy into accepting the Soviets' desired "limited war" scenario, and thus Soviet control over the mediations.

We have no choice, but to ensure that an outbreak of war must be fought to a quick Israeli military victory. We must act with the lesson of the war in Indo-China in mind: Never enter war unless a rapid and decisive military victory is intended: no protracted wars, no "limited" warfare. In war, the place for military generosity is in the terms of peace dictated to the vanquished.

However, a "purely military" commitment would be a failure, not sufficient. Without a profound change in the political-economic geometry of relations within the Middle East, even a quick Israeli victory in a new war with Syria, merely begins a new escalation of instabilities. The conflict must be isolated, and the endemic state of Arab-Israeli conflict brought to an end.

An end to the grisly past state of Middle East conflict has been made a realistic option by the simultaneity of "New Marshall Plan" proposals issued from Israel and Egypt. Although Prime Minister Shimon Peres appears to be the initi-

ator of the proposal from Israel's side, the support for such a new strategic approach is much broader than Mr. Peres's own group within the Labor Party. If the United States were to act now to aid in building political momentum for Mr. Peres's efforts, a favorable outcome would be virtually assured for this strategic approach, war or, hopefully, no war. The action of "third parties," to combine the Israeli and Egyptian proposals into a version acceptable to both these two states, would set a pattern, founding the basis for durable peace among the majority of the region's nations.

One of the leading Soviet motives, in steering Hafez Assad in the direction of a new Syria-Israel war, is precisely that of attempting to sabotage the "New Marshall Plan." The Soviets fear and hate the "New Marshall Plan" for exactly the same reason they sought to wreck the original Marshall Plan. They are determined to do so in this case, and would sacrifice Syria even to total destruction, if that gambit were required to stop what Mr. Peres has proposed.

Therefore, we have the following paradoxical situation. Without the "New Marshall Plan," the Soviets take strategic control over the eastern Mediterranean and the Middle East, in one way or another. A "New Marshall Plan" is the only basis in policy, by aid of which, Soviet advances in this region can be defeated. The Soviets are as determined to prevent a New Marshall Plan, as Stalin opposed the original. So far, the United States has not supported Mr. Peres's proposal; Shultz's State Department is bitterly opposed to this or any kindred sorts of policy-actions.

Without energetic U.S. support for a "New Marshall Plan" policy, even a military commitment to Israel would be so inadequate as to fail.

In the following elaboration, we review some highlights of the problems standing in the way of implementing the urgently needed strategic doctrine for the Middle East. We emphasize that this is a strategic doctrine covering U.S. policy toward the Middle East as a whole. The proposed policy toward Israel is merely an integral part of the policy toward the region as a whole. With that point emphasized, we concentrate our attention on the matter of U.S. policy toward Israel.

1. The cultural basis for strategy

Since the fifteenth-century "Golden Renaissance," until the developments of the recent twenty years, Western European civilization has represented the greatest concentration of power in the world. The source of this advantage, has been a peculiar contribution to humanity, by Western European, Judeo-Christian culture: a specific kind of emphasis upon the point, that mankind's peculiar resemblance to the Creator lies in that "divine spark" of potential for creative reasoning embedded in the human individuality. For the nations of

Western Europe, and for Israel, the proper understanding and use of this great, beneficent power, is the chief premise of a winning strategic doctrine.

The peculiar contribution of the "Golden Renaissance," is centered in the 1439 Council of Florence. Nicolaus of Cusa and his friends, not only reaffirmed the principles of statecraft which St. Augustine had counterposed to those evil conceptions of man and law characteristic of the Roman Empire. They adopted and elaborated the design for a system of sovereign nation-state republics, presented earlier in the work of Dante Alighieri. They established a form of sovereign nation-state, committed to the fostering of technological progress, and the fostering of the development of the "divine spark" of the individual member of society. This was also seen as the premise for the generation and efficient assimilation of scientific and technological progress. They also established a policy for ecumenical fraternity among Christian, Jew, and Muslim, as typified by the writing of Cardinal Nicolaus of Cusa's socratic dialogue, *De Pace Fidei*.

This peculiar form of commitment to technological progress, was the source of the material power of Western European culture: until the past twenty years' rampage of so-called "neo-Malthusian" lunacies began to destroy the strength of Western European civilization from within. Insofar as the nations of Western Europe, the Americas, and Israel, have acted in agreement with the Golden Renaissance's contributions, this group of nations has represented an overwhelming advantage in concentration of power, and also a great force working for the good of all humanity.

Our calamities, have been chiefly the consequence of our violation of these principles.

Within European civilization, there has been a persisting effort, to crush the principles of statecraft of St. Augustine and the Golden Renaissance, to return to the perverse conceptions of man and law typified by the Roman empire. The triumph of feudalistic reaction, at the 1815 Congress of Vienna, is typical of such dispositions for evil. Wicked concoctions, such as Venetian interests' Habsburg empire of the sixteenth and early seventeenth centuries, are also typical. The British empire became such a wicked concoction, consciously modeled upon the Roman. Most evil of all, has been that "New Age" cult-dogma, out of which twentieth-century fascism and bolshevism were produced.

Whenever we, of Western Europe, the Americas, or Israel, abandon the principles of Western European Judeo-Christian civilization, and misuse the power afforded to us by those principles, not only do we do evil, but we begin to destroy the source of our power to develop and defend our nations.

For approximately a thousand years, the center of evil within Western Europe has been Venice and that so-called "Lombard" interest centered historically upon Venice and the traditions of the Mithra-cult center at the Isle of Capri. Through the mediation of "Lombard" control of the econom-

ic policies and governments of nations, European civilization has been periodically dominated by imperial concoctions modeled upon the Roman precedent. Venice's role in bringing the Ottoman dynasty to rule over a revived Byzantine empire, is a paradigm of this. Venice's control over the Habsburg empire of the sixteenth and seventeenth centuries, is an example of this.

The scheme for making an Anglo-American partnership a kind of imperial power, during this century, is another reflection of the same policy. Those, such as the interests represented at Venice's San Giorgio Maggiore today, who seek to make the Russian empire temporarily a dominant force in the world, are representative of the same current which made the old Russian empire temporarily the "policeman of Europe" at the 1815 Congress of Vienna.

The pivotal strategic issue today, for the Middle East as well as Europe and the Americas, is the internal collapse of Anglo-American power, relative to the rapid growth of power and insolence of the Soviet empire. There is no part of the world, in which regional issues are of even approximately the same degree of local importance for the fate of nations, as the shifting of power, away from the Anglo-American hegemony of the recent decades, toward the emerging Russian imperial supremacy of today.

The U.S.-Soviet conflict is real and deadly. Soviet imperial domination threatens to cause general thermonuclear war. Current Soviet war-plans are built around the benchmark of mobilization for the prospect of an early thermonuclear first strike against the United States and Western Europe simultaneously. A "peace-loving Bolshevik" is a contradiction in terms, a purely mythical creature, who exists only in Soviet propaganda, or the wishful delusions of liberals in the U.S. Congress. At best, there is only the prudent Bolshevik war-monger, who will not make war, except as, either, "Holy Mother Russia" is attacked, or as that Bolshevik believes he can venture upon world-conquest with relative assurance of victory at acceptable levels of losses incurred by the Russian empire. There is no peace with the Russian empire, under Bolshevik dynasty, or any other dynasty, except war-avoidance maintained through superior strength of combined means and political will of those whom the Russian empire would subjugate. Perhaps, at some future time, the Russian state will acquire a different impulse; but, for the present, this is the state of affairs.

Yet, without subtracting in the slightest degree from the practical side of the Russian imperial threat, Soviet power and intentions are not the fundamental problem in strategy today. The fundamental problem, continues to be what Venice has represented since the corrupted weakness of Otto III enabled it to avoid conquest, and build up the evil power it came to represent thereafter. The Russian imperial threat of today, is essentially an outgrowth of Venice's alliance with Moscow since the Council of Florence. The Russian menace of today, is essentially an outgrowth of the Venetian faction's

relative success, in destroying the West from within.

The kernel of the strategic problem is the internal decay of the Anglo-American partnership. Since Venetian and related games so rigged the events of the twentieth century, that, following World War II, the world was divided between the Anglo-American and Soviet powers, it is the internal weakening of the former, to the advantage of the latter, which is today's principal practical problem in all strategic analysis and planning.

The typification of the internal decay of the Anglo-American partnership, is the visible degeneracy of the professedly left-leaning British House of Hanover/Saxe-Coburg-Gotha/Windsor. Prince Charles's hand-in-hand association with Soviet Trust representative Armand Hammer, Prince Philip's spokesmanship for the neo-Malthusian World Wildlife Fund, and the connection of Prince Philip's Gnostic enterprises to the Cini Foundation of Venice's San Giorgio Maggiore, typify the "New Age" rot within the Anglo-American partnership. This is not the entirety of the problem; but, it typifies the kernel of the problem.

The toleration of this British monarchy, is the sovereign prerogative of that English Parliament which put the House of Hanover on the British throne, and which, therefore, has the sovereign power to remove it, perhaps to replace it with a new monarchy. Although this matter is, in such details, a sovereign affair of Britain, we must all be aware of the strategic implications of the present House's incumbency. It is our right and duty, to observe, and to respond to, the threat to the existence of our own nations, our Western civilization as a whole, which that House embodies to a significant degree.

From that standpoint, it is our right, and our duty, to understand the deep, strategic implications, of Prince Philip's repudiation of the specific terms of the 1701 Act of Settlement, the which is the condition for the continued enthronement of the House of Windsor-Battenberg.

If the Prince's current effort, to expunge the first three chapters of the Book of Genesis from both the Jewish and Christian religions, were to prevail in Britain, such an abomination would cause Britain to cease to be a Christian nation; that nation would be put thus under the rule of the same Gnostic, theosophical cultism which spawned Adolf Hitler. The World Wildlife Fund is a self-avowed "New Age" cult, generically pure Gnostic dogma. It is rightfully an outcast from the ecumenical community of Christian, Jew, and Muslim: an anathema to all civilized nations and persons. It is also a direct and sweeping violation of the conditions of the Act of Settlement: the charge to the English monarchy, to defend those principles of Christianity associated with the Book of Common Prayer.

Americans and Israelis have many grievances against the past policies and practices of Britain under the rule of that House. Yet, cruel as some of those practices have been, we have regarded Britain as a member of the ecumenical com-

munity, and have hoped for the benefits of appeal to the principles of that community. We of the United States, have hoped that the abuses by our own government would be viewed with kindred kind of charity, even by the victims. Among nations, as among persons, we rightly distinguish between the individual's wicked deed, and the commitment to do evil for its own sake. For the House of Hanover-Windsor to be associated with wicked deeds, is one matter; for that House to embrace the commitment to evil, as Prince Philip's actions exemplify this, is a matter of more profound, strategic implications. We can but hope that this point is received and understood in the sovereign deliberations of Britain herself.

More broadly, the Gnostics' alliance on these matters, as between the House of Windsor and San Giorgio Maggiore, is typical of the rot which has been destroying both the Anglo-American partnership, and Western civilization, from within, especially so over the course of the recent twenty years. This point must be a central point of conceptual reference, in the effort to define U.S. strategic doctrine for the Middle East, and respecting Israel itself. It must also become the standpoint from which Israel's policy-shapers understand the matter.

The crisis of European culture

The decline of Western civilization has been in progress, not merely during the recent twenty years, but over approximately a hundred years to date. The source of this decay, was the satanic impulses triumphant in Lord Castlereagh's complicity with the Russian plenipotentiary, Venice's John Count Capodistria, at the 1815 Congress of Vienna. However, it was not until approximately the 1870s' U.S. Specie Resumption Act and 1878 Treaty of Berlin, that the overall-downward trend was consolidated, to lead into two world wars, Bolshevism, and Nazism.

Out of the confluence of Gnostic currents, typified by such followers of Oxford's John Ruskin as Aleister Crowley, Russia's Fyodor Dostoevsky, Venice's Friedrich Nietzsche, and Capri's Alex Münthe, came the cult-dogma of the "New Age." This was given its most detailed form by Nietzsche and Crowley, who proposed to bring to an end "The Age of Pisces," the age of Socrates and Christ, and to make the twentieth century the dawning of a new age, "The Age of Aquarius." They proposed to eradicate Judeo-Christian civilization, and to replace it with dionysiac cults based on the worship of Dionysos or Lucifer. Out of this, directly, came the anti-Semitism of Houston Stewart Chamberlain and Hitler's Alfred Rosenberg: to rid Europe of the Jew and the Christian, in order to return to a Russian-style system of "blood and soil" cults, to ancient heathenisms. Out of this came Maxim Gorky's shaping of the cultural dogma called Bolshevism, at Alex Münthe's Isle of Capri. Out of this came the "Aquarian Age" circles centered around Bertrand Russell, Crowley, and H. G. Wells: the authors of the "radical counterculture" movement which took over Anglo-American

circles since the time of the Kennedy assassination, and during the reign of Harold Wilson and his cronies in Britain.

It was during 1963, the year of the Kennedy assassination, and Dr. Alexander King's release of an OECD report outlining the systematic destruction of education in progress since, that the "New Age's" radical counterculture began to take over the policy-trends of Western governments. This was the period that the "New Left" was pushed to prominence. Together with the "sexual liberation" and "recreational drug" cults envisioned by Crowleyite Aldous Huxley. It was at the close of the 1960s, that the cult of "environmentalism," homosexual-cult movements, witchcraft-movements, and kindred enterprises were spread: first among the youth maddened by the political ferment of the mid-1960s, and then, more broadly, among the youth whose mental capacities had been destroyed by the combined impact of the popularized rock-drug-sex counterculture and the ruin of education.

It is indispensable, to understand properly the connection between these developments and "Vatican II."

Popular delusion today, explains "human nature" in the terms employed by the empiricists and positivists, and limits the impact of culture to the current caprices of either Hegel's *Weltgeist* or the *Volksgeist* of Karl Marx's proto-fascist law-professor, Savigny, as Benedetto Croce did. As the proven antiquity of the Vedic-Sanskrit illustrates most strikingly, the essence of the national and related distinctions in "human nature" is expressed as language-culture, and the effect of the cumulative modifications in that transmitted culture over as long as hundreds of generations. The most characteristic, and most powerful feature of transmitted culture is religion.

It is religious ideas, and the manner in which a people responds to, thinks about those ideas, which dominates the process of both transmission of, and modification of culture, over many generations.

In the case of European culture, we have inherited two opposing cultural currents, both over a span of about 100 generations to date. The first, upon which the U.S. Declaration of Independence and Federal Constitution were based, is a republican current, which has maintained an unbroken continuity since both the constitutions of the Ionian city-state republics and Solon's reforms at Athens. The opposing current, the oligarchical, is a continuation of the Syrian Magi's influence on Greek culture, as typified by the cult of Apollo, and of Lycurgan Sparta, over the same span. In Western Europe and the Americas, today's republican current is more directly an outgrowth of the missions of Philo of Alexandria and the Christian Apostles, as this Judeo-Christian form of Plato's republican heritage is summed-up by St. Augustine's writings. The oligarchic current dates from the syncretic dis-corruptions of Judaism and Christianity imposed by the Roman cult of Mithra, beginning both with Simon the Magician, and, most emphatically by Constantine, Justinian, and Photius.

The conflict between Western Christianity and the East, centered around the influence of St. Augustine, is inextricably connected to the opposing, republican versus oligarchical, currents within the nominally Christian churches, between the heirs of Augustine and the heirs of his opponents.

Thus, one may separate the state from particular churches, but only a blind fool imagines that he can keep religion out of politics, or politics out of religion.

Bolshevik Russia is no exception to this. The Bolsheviks were essentially a religious organization, directly an outgrowth of the priestless *Raskolniki* of the eighteenth and nineteenth centuries. This is overlooked by the ignorant fools who assume that the skyrocketing role of the Soviet state church represents a "crumbling" of "atheistic communism." The Russians have been rural communists since long before this century; their religion was communist, the religion of the *Raskolniki* most emphatically so. Bolshevism was a direct outgrowth of the *Raskolniki* currents of Russia, which, as Dostoevsky had proposed, adapted Russian rural communism to the imperative of developing sufficient industrial power to establish Moscow's "Third Rome" empire over this planet forever.

Lenin himself, acknowledged the kinship of the 1917 Russian Revolution to the Pugachov *Raskolniki* insurrection of the eighteenth century, and to the *Raskolniki* insurrections of the nineteenth-century nihilist terrorists, such as Lenin's own brother. Now, the temporarily priestless *Raskolniki* of Bolshevism have elected their priesthood once again. To understand Soviet Russia, one must understand the Soviet religion, the tradition underlying the *Raskolniki* revolts against the Romanovs over two centuries before 1917.

A man may profess to be irreligious, or even a militant atheist. Nonetheless, scratch him deeply enough, and his religious culture shows.

Those who introduced the radical counterculture during the 1960s, have insisted upon the term "cultural paradigm-shift," to describe their "New Age" revolution. Inside the Catholic Church itself, behind the notoriety of the Jesuit "Liberation Theologists" and Hans Kung's Tübingen University, behind the architects of such Gnostic concoctions as "Liberation Theology" and "charismatic" syncretisms, there is San Giorgio Maggiore. As Joseph Cardinal Ratzinger has accounted for this matter, it was not the intent of all those who sponsored "Vatican II," to unleash such heresies as those protected by Cardinals Hume, Willebrands, and Bernardin today. Rather, the countercultural faction within the Church used the loosening of the Church's exercise of "verticalism," as license to bring such Gnostic heresies into the open.

The broader significance of "Vatican II," on this account, is that the Catholic Church is the largest and best-organized branch of Christianity as a whole. Given the conditions of 1963, when Gnosticism was already rampant in many branches of the Protestant churches, the undermining of the Augustinian tradition (otherwise common to Catholic and

Protestant denominations), within the Catholic Church, loosened the checks on overt Gnostic proselytizing among many denominations, and had a significant, poisonous impact on currents of Jewish culture.

This development was more or less indispensable to the success of the launching of the radical counterculture on the scale begun in 1963.

Contrary to the followers of David Hume and August Comte, people, and institutions of government, do not make decisions on the basis of a "human nature" so defined. They select from experience, and interpret experience, as they are induced to do so by their embedded culture. The notions of causality, and of social values and self-interest, which are defined for them chiefly by religious cultural influences, are predominant in "mass behavior." Alter those values, and one has altered the "mass behavior" of populations, of nations, accordingly. To alter those values effectively, on a mass scale, one must meddle with a people's religious beliefs.

So, in Western Europe and the Americas, the fight for republican values can be effective only as an affirmation of Augustinian values, against the anti-Augustinian. Thus, the ultimate outcome of today's U.S.-Soviet conflict, will be decided by the degree to which the United States leads in rallying Europe and the Americas to Augustinian values, as exemplified by the 28th Verse of the First Chapter of Genesis, and the *Filioque* of the Latin Nicene Creed.

In that respect, Pope John Paul II is the most important, most powerful figure in Western civilization today. In that respect, whatever religious figure attempts to suppress the 28th Verse of Genesis, or to suppress the *Filioque*, is implicitly a Soviet agent, and often wittingly so.

There is no hope for the Middle East in general, or Israel in particular, unless precisely this point is emphasized in practice. Unless the Americas and Western Europe affirm Augustinian principles for practice, Western civilization as a whole will never afford the Middle East or Israel the consistent and effective assistance needed to keep the Middle East from plunging into Hell.

Cultural strategy

We might concoct any sort of military and related sorts of doctrines for the Middle East we might choose. The best of them would be but prelude to catastrophe, unless we effectively address, and reverse, the rotting-away of our civilization's strength.

Without resuming technological progress in an energy intensive, capital-intensive mode of increasing per-capita physical output, we lack the economic basis for developing and sustaining strategic strength in depth. Without ordering the practical side of existence in a way which places emphasis upon the individual's power to produce and assimilate scientific progress, we allow the forces of irrationalism free play: That would suffice to ensure our doom.

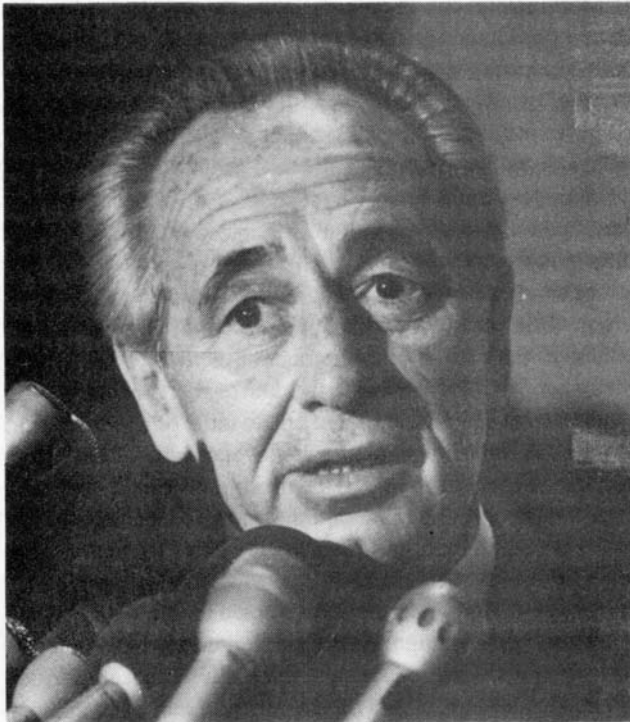
The basis for a European's or American's affording justice to both Israelis and Arabs, is the Augustinian persuasion that individual human life is precious, to the point of being sacred, as animal life is not. Once that essential distinction between man and beast is ignored, as the wicked Prince Philip proposes to deny this distinction, the death or misery of another human being is of no greater principled concern to us than the killing or misery of a beast. Unless I recognize the life of other persons as a precious feature of my own sense of moral identity, I will not sacrifice anything of consequence even to save that person from death or torture. It is on this point, that moral persons must abhor Prince Philip to more or less the degree Adolf Hitler was rightly despised.

For us, a living human body would be nothing but another sort of lower beast, except as the well-being of that body is an indispensable vessel for something more precious, the which it contains. That "more precious," is what we rightly identify as the substance of the "soul," the mind. This mind, is of no more importance to us than the mind of a cow, except that that mind embodies also the "divine spark of reason": the potential, developable power for that quality of creative reason, the which we associate with original, valid scientific discoveries, or a great work of art by a Leonardo da Vinci, Raphael, Bach, Mozart, or Beethoven. The fact that each person is born with that "divine spark," makes that life precious to us: that fact alone.

It is only to the degree that Americans or Europeans see the faces of Arabs and Israelis in these moral terms of reference, that we would risk anything really important to us, for the sake of saving their lives. Otherwise, our practical efforts would be limited to such token acts of charity as even a Prince Philip might bestow upon a stray dog.

We must also consider the impact of different kinds of policies upon the peoples of the Middle East. As the Nazi example demonstrates most vividly, if we can reduce any people to a state of cultural pessimism, akin to what the Versailles Treaty imposed upon Germany's Weimar Republic, we can bring out the beast in such victims. On the contrary, if we can remoralize a people with hope of a future attained through acts of reason, we can encourage this moment of their potentiality.

What should be U.S. strategic objectives in the Middle East? We are fools, unless our objective is to establish the durable rule of reason within and among the nations of that region. We are fools, if we desire anything less; we are fools, if we demand anything more. We desire a community of securely sovereign nation-states, whose peoples have efficient access to technological progress, who are well-nourished, protected from disease, and who can have just confidence in the perspective that their grandchildren's condition of life will be better, and more secure than their own today. We desire rational relations, based on mutual respect, among the peoples of such nations. If we gain that, we defeat the



NSIPS/Stuart Lewis

Israeli Prime Minister Shimon Peres

Soviets' imperial ambitions in that quarter; to gain that, we must frustrate the Soviets' game.

Around Washington, D.C., even well-meaning people would retort, "Yes, but . . ." They agree: "What you have said is a fine sentiment. It's all well and good to desire such things, but you are not being practical. You are overlooking certain additional conditions we must demand of these nations." That is where even well-meaning policy-shapers around Washington go wrong. They permit concern for secondary "special interests" to turn them away from a simple, and feasible policy, to some complicated sort of policy-package, whose attached list of conditionalities will ruin everything.

The United States needs nothing from any other nation but that nation's good will. With aid of that good will, the nation will tend to be reasonable in any matter bearing upon relations with the U.S.A. The business of clever diplomacy, of seeking to impose this and that condition, as a precondition for the United States' own manifestation of good will, suggests that perhaps the U.S. State Department is being run by some veteran used-car salesman down in the basement. If we wish to win, we require a strategic doctrine with no fine print attached.

It is our interest to discover what these nations require most urgently, in their most vital self-interest, and to shape our policies such that we do not impede that nation's sovereign right to satisfy those needs.

Once we dig down below those strategic factors which any professional is educated to recognize as axiomatic, we come to the underlying reality of political and military power. That power is the relative power over nature of an average person. The efficient character of that power, is typified by scientific and technological progress. This is the root of the increase of the productive powers of labor; it is, in a related way, the source of firepower and mobility, and of depth of such strength, in warfare. This expresses and fosters those qualities of creative-reasoning potential, for whose sake a person, a nation, will fight at all risk for sake of the republican cause. This is the source of the political will of the people of a republic. Power flows, as both a material power, and the political will to use that power effectively, from this source.

Real strategy subsumes all of its technical features under the objective of fostering the growth of the source of power of a republican cultural world-outlook. All justified warfare, as St. Augustine defines justified warfare, is essentially war between opposing currents of culture. If the battle for one's culture is lost in one's own nation, then the war is a lost cause.

2. The 'New Marshall Plan'

If the kind of "New Marshall Plan" implied by the parallels between Egyptian proposals and those of Prime Minister Peres, is set into motion, soon enough, and with sufficient momentum, a strategic victory in the Middle East is possible. If this requirement is not met, then a crushing victory by Moscow is absolutely assured.

That is the nub of any U.S. strategy toward the region.

This is clearly understood by Moscow, and by Damascus, who have responded to Prime Minister Peres's recent visit to Morocco accordingly. It is also understood by those Soviet appeasers and other accomplices in the West, who have acted to reject Mr. Peres's proposal, and have also sought to accelerate IMF conditionalities' imposition in the region, the latter a device for catalyzing the overthrow of those Arab governments which might tend to accept negotiating Mr. Peres's offer.

The Soviet reaction is understood more clearly, by comparing Soviet KGB campaigns against this author's "Operation Juárez" policy toward Central and South America. The KGB's *América Latina*, and KGB agents on the ground, have run a persisting campaign against "Monroeism," and against "Operation Juárez." In the same connection, the Soviet press in Russia itself has publicized the standing view of this writer among leading Soviet circles: "an ideologue of late-capitalism." This bit of Soviet jargon, signifies that the writer is viewed as a "potentially dangerous" sort of independent thinker, whose conceptions are viewed by Moscow as ominously workable ones, and as affording Western society the

basis for revitalizing its strength.

What Mr. Peres, and also the authors of a parallel Egyptian proposal, have presented as a "New Marshall Plan" policy, is most important among a series of proposals, by Israelis and by others, to the same general effect. It addresses two immediate problems suffered by both Israel and by moderate Arab nations, Egypt most notably: the depressive effect of a debt-accumulation that is no longer payable, and the psychological impact of economic decay upon the populations and political stability, of both Israel and Arab nations.

Israel's wars have caused the accumulation of one of the highest per-capita national debts in the world. The effect on Egypt's indebtedness has been similar. Since the orgy of inflationary currency fluctuations, unleashed by President Nixon's actions of 1971, and, much worse, since the unleashing of policies which Federal Reserve Chairman Paul A. Volcker himself once aptly described as "controlled disintegration of the economy," the foreign indebtedness of Israel and Egypt has become unmanageable.

The problem has been aggravated to the extreme, by the lunatic "conditionalities" policies of the International Monetary Fund (IMF). IMF "conditionalities" consistently order a devaluation of the national currency, thus multiplying the size of the debt with a stroke of the pen. These "conditionalities" demand a collapsing of the most productive sectors of the economy, while demanding a substantial increase in the nation's exports.

These measures, combined with a continued collapse of world-trade markets, have collapsed the foreign earnings of nations including Israel and Egypt, and also entire sectors of the internal economy. This has stimulated the spread of cultural pessimism within the populations of Arab nations, and within Israel. Complementing the dangerous growth of irrationalist "fundamentalism" among Arab states, there is also a growing, and ominous, "fundamentalist" insurgency inside Israel. It is rightly said in these parts of the world, that the U.S. State Department and the IMF are the best Soviet recruiters in the business of building up such "fundamentalist" insurgencies against governments friendly to the United States.

"New Marshall Plan" means, orderly restructuring of the indebtedness of these nations, combined with elimination of meddling into the internal affairs of these nations by the IMF. Given those conditions, Israel and its Arab neighbors can redirect otherwise idled labor and capacities into investments which will expand the base-lines of the economies' basic economic infrastructure and production of physical output.

In the language of "common-sense economics," a financial reorganization of this variety, is analogous to the use of "Chapter 11" in U.S. proceedings in bankruptcy. The debtor is financially insolvent; the current schedule of debt-service payments is hopelessly non-performing. No repayment of the debt could be effected, under existing conditions, except by methods which resemble what the Hitler regime did to

occupied territories and populations, during World War II. (Unfortunately, in such matters, some Swiss, U.S., and other bankers continue the tradition of Hitler and Hjalmar Schacht.) Rather than be complicit in methods which amount to Nuremberg "crimes against humanity," the creditors of these nations agree to a financial reorganization along the lines of U.S. "Chapter 11" proceedings.

First, current debt-service schedules are suspended, "frozen," pending reorganization of the accumulated indebtedness to date.

Second, a new schedule of debt-service payments is devised. This schedule defines two classes of foreign indebtedness of the nation: (a) retirement of old debt, and (b) payments on debts incurred after the date of reorganization. The payments on old debt are set at a percentile of earnings from exports. A limit on the aggregate level of new, added debt-service obligations is set, based on a percentile of projected export-earnings. A ceiling on interest-rates for old debt-balances is set, and a limit on borrowing-costs for new debt is set. Old indebtedness is variously written off or amortized, according to the projections constructed in this way.

Third, new foreign lending is limited to import-credits for selected classes of economic priorities. These priorities emphasize basic economic infrastructure, and fixed and operating capital-loans for agricultural and industrial improvements.

"Basic economic infrastructure" is of two classes: physical infrastructure, and those forms of social infrastructure indispensable to maintaining and improving the productivity of operatives in agriculture and industry.

"Physical infrastructure" includes:

- 1) Water-management systems-development.
- 2) Development of general transportation-systems of movement of freight and passengers: ocean and inland-waterway ports, ocean freight, inland-waterways freight, rail-ways, urban mass-transit, highways as subordinate features of water-ways and rail transport, and warehouse complexes providing an efficient, nodal interface among modes of transportation.
- 3) Production and distribution of energy for general use, with emphasis upon electrical energy, industrial process-heat energy, and urban commercial-residential process-heat and chemical energy-supplies.
- 4) Public sanitation systems.
- 5) General communications systems.
- 6) Urban residential-industrial infrastructure.

"Social infrastructure" includes:

- 1) Science and engineering.
- 2) Education, libraries, museums, and cultural centers.
- 3) Public Health systems.
- 4) Medical services.

The general economic objective of a "New Marshall Plan," of which financial reorganization is but an indispensable, but subordinate feature, is the increase of the scale of agricultural and industrial output, including the scale of total employment of operatives in combined agriculture, manufacturing, and basic economic infrastructure, and the increase of the productive powers of labor. These are the same policies presented by U.S. Treasury Secretary Alexander Hamilton, in his December 1791 Report to the U.S. Congress, "On The Subject of Manufactures."

Reaching this economic objective, requires some foreign inputs. However, the bulk of the new investment required, is obtained from idle domestic resources: underutilized portions of the total labor-force, and underutilized productive capacities. Correspondingly, most of the credit required for this expansion, can be generated domestically, rather than by borrowings from foreign agencies. One of the best examples, is the fact that over 90% of Egypt's investment in new, irrigated, agro-industrial urban complexes, is obtained from Egypt's domestic resources: as in this case, the lack of foreign resources would be a devastating bottleneck for any of these nations; but, the value of the required foreign resources, is a small portion of the total value of the investments to be made.

Contrary to the current policy of the World Bank, and other relevant institutions, all successful development of agriculture and manufacturing depends upon developing a basis in basic economic infrastructure. Again, Egypt's development of new, irrigated, agro-industrial complexes, is an excellent illustration. Without infrastructural development on a large scale, agricultural and manufacturing investments are like mere drops of water in the desert sand. Here, in infrastructural development, lies the key to cooperation between Israel and its Arab neighbors.

The most celebrated of Israel's infrastructural projects, is the development of a Mediterranean/Dead Sea water-way. This is not merely an Israeli internal affair, but a point of intersection with Jordan, also intersecting the Palestinian-Arab matter. The development of the densely-populated Gaza Strip, is another instance of need for major improvements of the infrastructural basis. The economic development of Sinai, a prime direct interface between Israel and Egypt, is another instance.

Otherwise, one of the keys to Egypt's future, is the establishment of a Nile water-system and transportation agreement among Egypt and its upstream partners, all the way into Tanzania. Properly, broadly situated, the long-mooted Qattara Depression project, is crucial.

The need for both direct and implicit cooperation among Israel and its Arab neighbors, is reflected most conspicuously, most simply, in terms of an array of infrastructure programs. However, nations with smaller populations, especially poorer nations, have such acute shortages of social capital, that they can each develop only a narrow range of

new industries; cooperation in terms of division in specialization, among groups of nations is therefore necessary for optimal, rounded economic development. "Customs union" agreements are needed.

Durable agreements on peace and mutual security, among groups of nations, are critical for economic development. Without cooperation in economic development, political agreements lack the durability of substance.

The proposals from Prime Minister Peres, and from Egypt, for a "New Marshall Plan" point in such directions. What these nations need from the U.S.A. and other OECD nations, is chiefly three things:

- 1) A catalytic role in assisting Israel and Arab nations to reach relevant agreements, with aid of political sponsorship and political guarantees from such third parties.
- 2) Full commitment to security of the parties in the matter of attack by outside forces.
- 3) Favorable treatment on debt-reorganization, terms of loans, terms of trade, and credit for imports of vital technologies from each of the sponsoring OECD nations.

The rest, the parties must either each do individually, and sovereignly, with national resources, or through negotiated cooperation among one another. The more they do for themselves, to the degree they are able, the better the result will be.

3. The strategic importance of the plan

All the most essential strategic objectives of a New Marshall Plan, are summed up as of two types, material and spiritual, respectively. Materially, we must foster an unending increase in the productive powers of labor, to foster stronger economies, and to provide the economic-technological basis for an adequate defense. Spiritually, we must defeat the current rise of cultural pessimism, and irrationalism, among the peoples of the region. Cultural optimism is fostered, by embedding a credible, and sound hope of a better life for grandchildren in the daily practice of nations. Rationality is fostered, by the experience of the benefits of scientific and technological progress in the practice of daily life.

In purely military terms, the mobility and firepower of the Israeli forces has been far greater than that of others of the region. Israel's population has had the greatest firepower per capita, and superiority in the sustained will to fight and win. All other factors considered, these margins of advantage would not have been possible had Israel not been dominated by Western European culture. It was grim determi-

nation to survive as a nation, energizing the superior culture of Israel, which was the essential feature of its military capabilities.

This advantage has been eroding over the recent dozen years, and longer. The narrowing gap, is less the result of Soviet build-up of culturally inferior Syria, than the economic and spiritual decay within Israel itself. As long as Israel's economy emphasized a sense of the urgency of forced-draft technological progress, the cultural potentials of the population were utilized, and re-enforced. As the economy drifted toward a "post-industrial" society, toward the fate proposed in the "Meyer Lansky Plan," the benefit of the cultural potential was wasted, increasingly, and the semi-atrophied cultural potential itself began to decay.

It is not the desire of the U.S.A., that Israel's military forces should go forever rampaging victoriously throughout the region: directly the contrary. Our policy must be a durable peace between Israel and the Arabs. Nor is it our proper desire, that the cultural discrepancy should be maintained, or widened. It must be narrowed, not by lowering the standard of Israel, but by encouraging the Arab nations to raise the level of education and technological practice of their populations.

In the time of Moses, Moses led descendants of the Habiru from slavery, to take them into the desert and to uplift them from the degradation of idolatrous paganisms, into the condition of a true people. For the wiser heads in Egypt, it was a strategic advantage to have a state of Moses's Israel in Palestine, practicing there the cleanliness laws admired in Egypt: a buffer-state against the menacing Mesopotamians and Philistines. Today, the menace to Arab states comes from the north. If a sovereign Israel is at peace with Egypt and kindred Arab states, and also a member of a community of development with those states, then Israel's strength becomes a strategic advantage to those states, rather than a menace.

The possibility of such a new order of peace, is conditional upon practical steps toward resolution of causes for a continued conflict between Israel and an autonomous agency representative of Palestinian Arabs. That bone in the throat must be removed.

There can be no political solution to that problem, without something akin to a New Marshall Plan. There is too much silly chatter these days, about "political freedom," and sundry "political rights," without taking into account that rights without material substance, are no rights at all. There are those impassioned by the mere name of political rights for black Africans, and whose policies consign these rights to be celebrated in a vast cemetery, of famine, epidemic disease, petty tyrannies of unimaginable brutishness, and strife like that which Uganda has already suffered, stretching from sub-Saharan Africa to the Cape of Good Hope. Our hysterical liberals scream to award political rights—but only to dead black Africans.

It is a not-uncommon, but foolish proposition, that "political solutions" for such Middle East problems as the Palestinian Question, could be, or even should be found, without considering agreements on programs of adequate economic development. Or, we hear the objection: "First, we must solve the political question; then, we shall begin to discuss economic development."

Mountains of bodies of black Africans, are piling up, possibly, soon, half or more the population-level of black Africa entirely. It would be an hypocrisy worthy of Adolf Hitler, to say that the present spiral of genocide in black Africa, is the result of anything but the wickedness of combined practices of commission and omission by international financial agencies and OECD governments. However, African governments and political movements have contributed to the success of this genocide, by failing to ally around the issue of economic development, as primary; failing effective cooperation on the issues of economic development, all "political solutions" remind one of a desperately hungry family demanding the right to order food from the waiter in a high-priced restaurant, when that family has no means to purchase such nourishment.

The central issue of political affairs in the Middle East, is the positive spiritual impact of economic development. To reach a rational political solution, the two or more parties involved, must each be rational. In dealings with governments, it is not sufficient that those government's representatives be rational. If large, insurgency-prone political forces menace the stability of a government, it may be the case that the government will behave irrationally to placate such a movement within its own nation; or, if the government behaves rationally at the bargaining-table, defying an insurgent irrationalist force in its own nation, that irrationalist force may become the government. If an agreement is reached with a rational government, and that government is soon toppled by an irrationalist political force, the agreement is predominantly a failure.

For example, former U.S. National Security Adviser Zbigniew Brzezinski continues today the same deadly folly for which he was notorious during the period the Carter administration co-conspired to overthrow the Shah of Iran. Brzezinski, echoed by President Jimmy Carter, committed the United States to support the Ayatollah Khomeini's regime, even after that murderously lunatic regime had seized U.S. diplomats as hostages of the Khomeini government, in an act of terrorism by that government itself. Brzezinski spoke of an "Islamic Fundamentalism Card," which he represented as an asset of the Atlantic Alliance against the Soviet Union. In his most recently published book, *Game Plan*, Brzezinski extends that same policy to developing nations in general.

One hopes, for Brzezinski's sake, that he did not know what he was sponsoring. The policy which Brzezinski advocated for Iran, is identical with that adopted by the Com-

munist International at its famous Baku conference of 1920. That policy is revived as an integral part of Soviet strategic operations against the United States and its friends today. Brzezinski developed his support for this Soviet policy under one Alexandre Bennigsen, the pupil of a leading participant in the 1920 Baku conference. Not accidentally, Brzezinski's policy for overthrow of the Shah, has been a decisive factor in bringing the Soviets to a dominant strategic position in the Middle East today.

Essentially, the political side of Soviet grand strategy is based upon the sound principle, that irrationalism serves Soviet interests against the United States and its friends. All of the political side of Soviet strategy for world-conquest, including Soviet promotion of the international narcotics traffic, Soviet-directed international narco-terrorism, and other features of Soviet-directed low-intensity warfare, is based on the doctrine, that the fostering of irrationalism, enhances Soviet strategic interests, and weakens the West.

Kissinger, Brzezinski, and others, including some Israeli influentials, present the matter differently than we do. The documented history of Kissinger's adherence to his dogma of diplomacy, is most useful to consider, to understand the problem we are addressing for the case of the Middle East. The best way to understand the process of education behind Kissinger's dogmas of diplomacy, is to compare all other relevant documentation with the thematic features of his book *A World Restored*, written under the patronage of McGeorge Bundy. This book is to be recognized as an edited version of Kissinger's Harvard doctoral dissertation.

Kissinger asserts, that he has elected to walk in the footsteps of two of the architects of the feudalistic Holy Alliance, Austria's Clement Prince Metternich, and Britain's Lord Castlereagh. Notably, in the book, Kissinger adopts, and that most emphatically, the anti-American ravings of Metternich. Kissinger portrays his self-image as that of a *Hofrat* of some feudal court, practicing a kind of diplomacy familiar to students of eighteenth-century "cabinet warfare" diplomacy. To the degree those circles which Kissinger serves, have been able to control U.S. and Western European nations' foreign policies, the strategic doctrines of the OECD nations, and of Middle East nations, have been a parody of eighteenth-century "cabinet warfare" dogmas.

The paradigm for eighteenth-century "cabinet warfare" diplomacy is the campaigns of Britain's Duke of Marlborough, in the setting of a seemingly endless "limited warfare" between Louis XIV's France and the Netherlands' House of Orange. Actually, Orange, like Marlborough and the future George I of England, were merely assets of the Venice-centered Lombard bankers, and the state over which the flag of the Venetian-Guelph crusader order, the Hospitallers, flies today, Swiss banking.

It is relevant for understanding the problems of the Middle East today, to see Marlborough's policy, of bleeding Europe to death, through a diplomacy based on perpetuation

of indecisive battles over decades, as action by the same forces which brought the Ottoman dynasty to power in the Balkans, and which bled all of Europe in "dynastic wars," over the period from the Hapsburg's 1527 looting of Rome, until Mazarin's and Cromwell's defeat of the Hapsburgs, in 1653. One must also see the success of the American Revolution, and its influence on Europe, as a conditionally decisive military-political victory, whose outcome the interests behind Venice's Russian plenipotentiary, John Count Capodistria, sought to reverse at the 1815 Congress of Vienna. It is also expressed by the British cabinet-diplomacy policies, associated with orchestrating the "balance of power" on the European continent and throughout the Mediterranean region.

The perilous features of the situation throughout the Middle East today, are nothing but the outcome of the impact of such cabinet diplomacy on the institutions of the region leading into and following the collapse of the Ottoman Empire.

The essence of cabinet diplomacy, as practised by Israel in connection with the lingering war between Iran and Iraq, is to weaken the power of potential adversaries, or merely competitors, by engaging them in prolonged, debilitating, "limited warfare." The ability to conduct such a policy, depends largely upon exploiting irrationalist political factors among the nations orchestrated into conducting such "limited warfare."

Thus, Kissinger's direct complicity in unleashing chaos in southern Africa, in 1975, and his personal role in the unleashing of civil war in Lebanon, that same year. That was Secretary of State Alexander Haig's Middle East policy of practice during 1981-82, and Haig's complicity, with Britain's Lord Carrington, in luring Argentina into an occupation of the Malvinas, with promised U.S. political backing, when Carrington had already completed planning for a British war against Argentina, with Haig's political support. Ariel Sharon, whatever else he also represents, is an expression of the same sort of "cabinet warfare" policies inside Israel.

Brzezinski has acted, either as simply an immoral fool, or worse, in representing Bennigsen's and Bernard Lewis's dogmas for the Middle East, as an effectively anti-Soviet exercise in cabinet-warfare diplomacy. The potentiality for selling such a policy to credulous Americans and others, depends upon the duped circles' equally credulous acceptance of a totally wrong representation of "Soviet Communism." The defenders of such policies, insist that Soviet economic planning defines the Russian empire's Bolshevik dynasty as "ultra-rationalist." On this premise, the wildest among "New Age" insurgencies, such as Khomeini's, is portrayed as a kind of religious-fanatical irrationalism, thus intrinsically a menace to the Soviet empire.

The truth is, that Bolshevism is, together with fascism, a leading paradigm of a fanatically irrationalist, "New Age"



Among the architects of Mideast destabilization (left to right): Syrian President Hafez Assad, former U.S. Secretary of State Alexander Haig, Israeli Industry Minister Ariel Sharon, Britain's Prince Philip.

movement. The military rationalism of a Marshal Ogarkov, is very real, but also very misleading. Ogarkov is an example of the Dostoevskyan ideal of the "Russian party" in Soviet life. Rational means, merely as means, serving an irrationalist motive, seeking an irrationalist goal. From the standpoint of Western European Judeo-Christian culture, Bolshevism is purely satanism, the Soviet "Russian party" especially so. Khomeini represents the purest satanism. The essential differences between the satanic Sufism of a Khomeini and that of a President Hafez Assad, are no more than those which distinguished the style of al-Ghazali from that of Sheykh al-Jabal; the historical parallel is a precise one.

To see the Soviets' strategy in Middle East terms of reference, the strategic analyst need do no more than to examine the consistency among the policies of the 1920 Baku conference, the practice of Cominternists such as M. N. Roy, and the apparatus centered around such modern Cominternists as Evgenii Primakov and Geydar Aliyev today. Compare this with the battalions of Khomeiniac mullahs who received their theological indoctrination in Shi'ite forms of "Islamic fundamentalism" at Primakov's Soviet Tashkent.

The essence of Soviet grand strategy, upon which Soviet military strategy depends, is the promotion of irrationalist movements in developing and OECD nations, as a battering ram to weaken the West and developing nations from within.

Without overlooking military equations, we must locate the fundamental premises of a winning strategy, in the cultural factor of rationalism. Not mechanistic, Cartesian rationalism, not axiomatic-deductive, mechanistic thinking. We of that ecumenical fraternity of Christian, Jew, and Muslim, as defined by Cusa's *De Pace Fidei*, must project our ecumenical rationalism. Ours is that power of reason, which is coherent with the fact that man's spirit is cast in

the image of the Creator: that we, the microcosm, must be efficiently at one with those principles by which the Creator lawfully orders the universe. We are properly, the dedicated instruments of the Creator, whose wills must be perfected such that we govern our actions by the same quality of reason expressed by a process of continuing creation of this universe. God does not give us a message, saying, "Kill so-and-so," or such things. God's message to us is His law, a law which is the perfection of reason. He tells us not which actions, to perform, but rather the principles of reason by which we must select our goals, choose our methods of action, and judge the results as we are able to precalculate such results of our current choices of goals and actions. What concrete state of mankind's material works we must attain, we are not told; we are told only that we will be judged by what we do with this planet and its affairs, according to the principle of reason.

In place of some "final goal," we know only that we must measure our choice of goals and actions, according to that which expresses a loving concern for the present and future generations of mankind: our own grandchildren's condition of life, immediately, our nation, and humanity generally. We are forbidden to behave as Adam Smith advised us: We are accountable for the moral outcome of our practice, in the economic dimension, and every other one. We are our brother's keeper.

To the degree we are able, and in that sense, our brother's, and his grandchildren's condition, is our moral responsibility, and that is the sense of self-interest adopted by the wisest persons. We are accountable, in that way, and to that degree, for the material conditions of life of present and future generations. Above all, we are responsible for the condition of our brother's soul. It is as the improvement

of his material conditions of life, affects the development of his soul, and our own, too, that material conditions of his life, and of his grandchildren's, are our goal. It is fostering the development of his powers of reason, that aspect of him which is in the image of God, which is our primary obligation. His education, the material conditions of daily practice affecting the development of his powers for reason, and the dignity of his right to pursue such a course in search of good, are primary for us, if we are wise enough to know this.

The exercise and development of this power of reason, is most commonly expressed best in daily practice, through the process of fostering the generation and efficient assimilation of scientifically ordered technological progress in that which occupies the greatest part of the individual's activities, his or her daily work. When men and women work only "in the manner of my father and his great-grandfather before him," the mode of man's activity converges upon the condition of a mere beast, whose range of behavior is delimited by its heredity. In labor, it is scientifically ordered technological progress, which expresses, immediately, the exercise of those creative-mental powers which bear upon man's likeness to the Creator. This, and that great art, whose composition is based on a principle of beauty harmonically consistent with the principle of living processes (i.e., harmonics congruent with the Golden Section), is what ennobles a people in daily practice. To idolize a dead body, even a human one, is disgusting; to capture the aspect of that bodily form which imparts to the hearer or viewer of art a sense of the active principle of composition of living processes, ennobles the mind. To see such beauty, as technological progress and great artistic composition, in the context of contemplating the efficient connection of the microcosm, ourselves, to the work of the Creator, is the principle of mankind's highest moral and mental condition.

As we have already stressed here, the fostering of the power of reason, so defined, also imparts to such a people a greater relative power over nature, the source of the power to defend one's nation, one's culture.

Those among us, who bear this cultural outlook from the standpoint of our ecumenical heritage among Jews, Christians, and Muslims, do not thus separate ourselves from other aspects of mankind. Rather, in the true ecumenical spirit, we know that all mankind is capable of such beauty, because the divine spark is a potential in everyone. Rather, we seek this quality which we prize in ourselves, in others: we adopt it there, we nourish it, we seek to strengthen it.

Man, in his most wretched condition, is a creature whose relationship to a small patch of soil resembles the condition of mere beasts. Such a hedonistic individual, is the paradigm of irrationalism, and of associated potentialities for bestialism. Yet, think back to the earliest of known cultures, as reflected in the solar-astronomical calendars of the Vedic hymns. Contemplate the remarkable fidelity of such solar

calendars' long cycles, including the great equinoctial cycle, and longer ones, too. With sticks and stones, ancient men and women looked up to the skies. They plotted the daytime progression of the Sun's passage, and plotted the sighted positions against the nighttime sky. Behind the cycle for the Earth's magnetic pole, in those ancient calendars, we see the lodestone added to the sticks and stones of the ancient astrophysicist's repertoire. From this all progress in the human condition proceeded. To look up from a miserable patch of earth, to the heavens, to see the lawful ordering of creation in the heavens, and to change our daily practice with new knowledge so obtained, expresses most ably that reason which prompts us rightly to see the existence of mankind as beautiful.

This specific sort of connection between science and beauty of spirit, the beauty of reordering our daily routine under the guidance of that influence, is the essence of our proper cultural strategy: to uplift the cultural paradigms of peoples of our own and other nations, by emphasizing the role of such beauty in daily practice. Economic development may, and must be seen in many practical terms of reference; the cultural impact, is the most essential.

To love another human being, in the sense of *agape*, is to share such beauty. It is as we love a child, our eyes often close to brimming with tears of joy as we witness the child's mind grasping the solution to a problem previously beyond the child's comprehension. We love most strongly, when we have acted efficiently to foster that result. We love best, those we assist in this way, and those who assist us in a similar way.

With aid of such love, all necessary political solutions become readily achievable, and durably so.

Yet, in war, we must kill human beings, and in relatively great numbers. Our true enemy is not human beings, but an evil deed being perpetrated. We must destroy that deed. To accomplish that, we are obliged in war to destroy those who make themselves the dedicated servants of that deed.

Our military object must be, to crush the deed at its root, and to free the adversary human beings from enslavement to the cause of that deed. As quickly, as crushingly, as decisively as possible, is the moral principle for right conduct of warfare. The most evil war, is a "limited war," the protraction of a war which we might otherwise have brought to a swift, and decisively successful conclusion. The goal of warfare is the state of just peace accomplished through swift victory; it is the ordering of the peace, which is the proper goal of warfare.

It is warfare, prepared and executed according to that principle, which is the essence of strategy. So, the implications of the New Marshall Plan, define the only proper goal of warfare and its preparations, for this region. Such a form of warfare is, thus, a sacred undertaking: as St. Augustine defines this, a justified war.

To be continued.

García blocks Soviet plans at Non-Aligned meeting

by Linda de Hoyos

Moscow's expectations of turning the Non-Aligned Movement into a patsy for Soviet imperial ambitions were thwarted during the summit of the heads of state of the Non-Aligned nations in Harare, Zimbabwe. The obstacle came from Peruvian President Alan García, whose speech to the summit on Sept. 3 sounded the themes of the necessity for organized debt relief and a fight for a new world economic order, themes not heard from the Non-Aligned since the October 1984 assassination of Indian Prime Minister Mrs. Indira Gandhi.

The Soviet gameplan was already manifest in the agenda placed before the summit: a laundry list of discussion on regional conflicts, including South Africa, Afghanistan, the Iran-Iraq War, and Indochina—conflicts all manipulated by Moscow and its liberal partners in the West. It is this agenda that has taken center stage in the world's press. Soviet aims were presented in crystal clarity by Muammar Qaddafi of Libya, where a major Soviet delegation arrived Sept. 4. Arriving unexpectedly at the Harare airport, Qaddafi proclaimed: "I will do my best to surmount this movement and to abolish it completely. I will also do my best to divide this world into two camps—the liberation camp and the imperialist camp."

While the ravings of Soviet puppets Muammar Qaddafi, Fidel Castro, Robert Mugabe, and Iranian President Ayatollah Khamenei have been reported in detail, the speech of Peru's Alan García has been universally blacked out on orders of new Non-Aligned chairman Robert Mugabe of Zimbabwe, although it is the Peruvian effort that has salvaged the Non-Aligned from becoming a powerless pawn of Moscow.

"To lose ourselves in the conflicts which divide us would be to lose our historic impulse and the capacity for action in common," García stated in answer to Moscow's puppets. "We have to raise the banner of unity of the Non-Aligned Movement. . . . We are going to present humanity with a different alternative." That alternative is unified action on the debt issue—the issue that unites all the countries of the Non-Aligned Movement and which represents the gravest threat to the political and economic survival of the underdeveloped countries.

"Mexico owes \$100 billion, Argentina \$50 billion, the Philippines more than \$30 billion, Malaysia \$15 billion, Egypt and Nigeria more than \$20 billion. All our countries face the same problem," García said. "The future of our peoples depends on the response we give to the debt question, because the debt is not an exclusive question for Latin America and other great debtors. . . . Debt is the weakest link of a system which oppresses all the countries, because the debt solution is associated with world-wide recovery and the new economic order. This is our solidarity with the other peoples of the earth."

The Peruvian President repeated the March 1983 Non-Aligned Summit call, formulated under the leadership of Mrs. Gandhi, for an international conference, independent of supranational institutions such as the International Monetary Fund, for the purpose of creating a new, just monetary system. To the demands from Qaddafi and Non-Aligned chairman Robert Mugabe that the Non-Aligned commit its resources to military warfare against apartheid in South Africa—a demand for the Non-Aligned to back the Soviet-



Non-alignment does not exist, shrieked Libyan madman Muammar Qaddafi, at the Non-Aligned summit meeting. Iraq, a Non-Aligned member, is worse than Hitler, shrieked mass-murderer Khamenei of Iran. Fidel Castro insisted that the principal danger to the economies of developing nations, is the sums the United States is spending on the Strategic Defense Initiative. Zimbabwe's Robert Mugabe refused to permit Iraq's representative time to rebut the accusations of Khamenei.

directed-and-funded terrorist African National Congress, García posed the more fundamental issue of what he called “*economic apartheid*” enforced by the IMF and other agencies that is destroying all the nations of the underdeveloped sector:

“The relationship of today’s capitalism with our countries is characterized by its unproductive and rentier nature, its parasitic propensity expressed in the enormous international debt as a means of domination. . . .

“And on this point, we should consider the new modality of this economic domination. The pattern of raw materials trade and the expansion of industry and the consumption model which characterized the world 25 years ago has been overcome by an unproductive one which dominates the world through interest rates, credit allocation, and the international circulation of a single currency, renouncing the creation of value to take on a speculative and parasitic character. . . .

“We should respond to that system whose unproductive logic is dismantling countries. We should give a response to the fetishism of liquidity which takes on a life of its own and whose agent is the International Monetary Fund.

“But this entire situation is economic apartheid which marginalizes the poorest nations. It is a kind of world financial racism which separates the rentiers from the debtors and extracts the meager liquidity from the poorest countries, which are also paid less and less for their labor and their products.

“It is thus our responsibility to join with other countries. Unity is our ability to substantially reduce world interest rates, for the historic resituation of debt payment deadlines, for just payment for our raw materials, and for democratization of the monetary system. Unity, and only unity, will be

the concrete proof of our non-alignment.”

García then implicitly attacked the “regional conflicts” agenda as a diversion from the most crucial issue of monetary reform: “Our non-aligned movement has been demanding a new economic order for these 25 years. But we have never been listened to, *because we never exercised the historic pressure we possessed. Are we perhaps going to wait an entire century, watching our people become more and more impoverished? I say that the enormous weakness of the debt is the greatest historic chance we could have to create a more just economic order. I say that on the action and determination of the debtors also rests the future of those who are poorer.*”

Shaping economic declaration

Although applause during García’s speech was scattered and the international press censored out its release, the moral tenor and reaffirmation of the key themes upon which the Non-Aligned Movement was founded broke the summit’s controlled environment.

García also met twice with Indian Prime Minister Rajiv Gandhi, whose voice has been generally silenced on the issue of a new economic order. After his own speech Sept. 3, Gandhi sent a message to García, the text of which was released by the Peruvian Foreign Ministry: “Dear Alan, Unfortunately, I had to make cuts [in my speech] and I could not use the time to say what I would have liked, but you said it all. What you just said is almost exactly what I feel and what I said to my country. It is comforting to know that our generation all over the world thinks the same way.”

On the basis of García’s speech and support for it, the

Non-Aligned have authorized Peru to take action on behalf of the non-aligned leading toward the international monetary conference. The draft economic declaration mandates Peru to organize a consultative conference in Lima Nov. 12-14 of experts from developing countries to exchange information on debt negotiations to permit a greater harmony of action by debtors. "Creditors have all the information, but we debtors lack it and they deal with us one by one," explained Osvaldo de Rivera, chairman of the Non-Aligned economic commission. De Rivera informed the press that one purpose of the Lima meeting would be to create a temporary secretariat which would function as an amplified version of the Cartagena Consensus of Ibero-American nations.

The Zimbabwe Economic Declaration states categorically that the debt burden is unbearable to the underdeveloped countries, and recognizes that some countries cannot pay the debt under current conditions. A Cuban amendment calling for debt repudiation was rejected by the economic commission, but several amendments from Peru were incorporated into the document. These include a statement of clear support to Peru's decision to limit debt service and for the right of all countries to decide their economic policies freely and limit their payments to a percentage of their export earnings if necessary.

"This is an unprecedented event," said Peruvian Finance Minister Allan Wagner. Highly critical of the IMF, the document also calls for actions against any financial, commercial, or any other kind of coercion which might be taken against a country which made sovereign decisions on its economy and debt service.

The bold intervention of Peru's Alan García, acting in the tradition of Indira Gandhi, has thus managed to stave off the Non-Aligned's complete moral and political bankruptcy. Moscow has been exposed for attempted to drown the movement in bilge over regional conflicts. Further, Moscow's reasons in seeking to destroy the Non-Aligned are no different than those of its Western partners: No underdeveloping country is to be permitted to win full national sovereignty and economic independence and industrialization. Moscow's aims and the behavior of its stooges is coherent with its negotiated pact with the United States to deny underdeveloped countries nuclear power.

The United States has also been handed a lesson. With an \$18 trillion debt, the United States is in no position to accuse underdeveloped nations of "economic mismanagement." To the extent that the United States supports the International Monetary Fund and the continuation of genocidal austerity on the underdeveloped countries, it is aiding a process that is delivering the underdeveloped sector to Soviet hegemony. Acting on the basis of the true principles of the Non-Aligned, Alan García's leadership at the summit has bought crucial time for both the Non-Aligned and the United States to take decisive action for a new monetary system.

Surprising Revelations

Panama fires salvo

by Gretchen Small

A 306-page report issued in August by the government of Panama, "16 Years of Struggle Against Drug Traffic," reports an untold story, the history of the Panamanian Defense Forces' war against the narcotics empire, as it has escalated over the years under the personal command of the man who today heads that Force, Gen. Manuel Antonio Noriega. "16 Years of Struggle" was issued in defense of General Noriega, against an international campaign of slander, innuendo, and rumor launched by Panama's opposition forces and the U.S. State Department.

The campaign painted Noriega as "the protector of 'the Panamanian Connection'" of narcotics and crime, a double-agent of Cuba and the American CIA, and the head of the "military mafia." The authors of that slander have presented no proof, claiming only that U.S. intelligence has "classified evidence" to back up the charges. "16 Years of Struggle" is Panama's answer. On orders of President Eric Delvalle, the Panamanian government has made public declassified U.S. and Panamanian documents on Panama's war on drugs, and provided statistics, background reports, and a history of Panama's intervention into the international debate on narcotics, to demonstrate not only Panama's successes in the war on drugs, but also that Panama has actively collaborated with the United States in that war.

The issue is not just to defend Panama's record on drugs, however. Panama's counter-attack has dropped several political bombshells into the worldwide battle to build a unified anti-drug command.

The Panamanian government names the British Crown as the original sponsor of international narcotics traffic, specifying the role of the Crown's British East India Company and its allies in the "great families of New England," in imposing—by force—"massive addiction to narcotics" upon the colonial world. Narcotics were pushed "officially by the British Empire with the conviction that it was possible to attack the life and health of a backward nation without affecting the empire itself," Panama's government report states.

The Liberal Establishment's media screamed that U.S. presidential candidate Lyndon LaRouche was "crazy" and "paranoid," when LaRouche's associates in *EIR* documented

in war on drugs

that history in its bestseller, *Dope, Inc.* Now the Panamanian government has also stated publicly that well-known but little-mentioned history—just as the news breaks in Europe that a “cocaine pipeline” into Britain’s Royal Palace run by the Queen of England’s sister, Princess Margaret, has been uncovered.

The issue has implications for policy. Identifying narcotics as an instrument of colonial *warfare*, is critical to developing an adequate counter-strategy against narcotics, too often treated as a “sociological” problem, without historical roots or purpose. The very existence of humanity today is threatened by the results of that policy, “16 Years of Struggle” argues. The narcotics trade, in the words of General Noriega, has become the “fifth horseman of the Apocalypse,” reaching the level of “genocide,” against its special target, youth. New “geopolitical factors” have now entered the drug trade, threatening the future of Western society as it is known today.

Panama’s report is urgent reading by those agencies and personnel responsible for national security within the U.S. government. Precisely as the Reagan administration prepared to build a military alliance within the Americas against narcotics, factions within the administration tried to blow apart one of the best working relationships in the war on drugs already established on the continent, the coordination of the U.S. Drug Enforcement Agency and Coast Guard with Panama’s Defense Forces.

The report provides conclusive evidence that Noriega’s enemies are in the drug-mob. Several questions must then be answered in Washington. Which agencies and personnel began the campaign of slander against Noriega? Through what channels was that policy made hegemonic in the administration? U.S. State Department officials have made no secret that Noriega and the government of Panama are on their hit-list for overthrow. But factions within the military and intelligence community have also pushed the campaign.

Such questions are no “Panamanian matter.” Tracing back the “get Noriega” campaign to its authors, will provide U.S. officials “red dye” identification of dope-trade assets infiltrated within the U.S. national security apparatus.

As a transportation, banking, and communications crossroads for the Americas, the drug mob targeted Panama as a transshipment and coordination center. Until 1968, when Col. Omar Torrijos, with the aid of Noriega, established a new political system in the country, Panama’s politics and economy were in the hands of local representatives of the international oligarchic families, who have used Panama as a general “free-trade” facility center since the days of Teddy Roosevelt. Although 80% of Panama’s economy remains under the control of foreign interests today, with the Torrijos coup, the oligarchy’s political freedom of action became increasingly limited.

Panama’s Defense Forces established an anti-drug program in 1970, under the command of Lt.-Colonel Noriega, then head of Intelligence for the National Guard. The policy underpinnings of the anti-drug unit created by Noriega, are outlined in a 1973 speech by Noriega, excerpted in the *Documentation* following this article. Fighting for a multinational strategy against the drug threat, Noriega has repeatedly proposed that Panama’s historic role as a crossroads be turned to different advantage, by establishing an operational center for intelligence, detection, strategy, tactical operations, and logistic support for the war on drugs.

The statistics of drug capture demonstrate the effects of the policy, in the territory under control of Panama’s Forces. (U.S. authorities are still responsible for policing transit through the Canal Zone.) From 1970-1980, Panama’s Forces captured and destroyed 293 kilograms of cocaine and 2.215 metric tons of marijuana, and deported 201 drug-traffickers, including 46 fugitives from U.S. justice.

With the onset of the Cocaine Boom of the 1980s, Panama’s anti-drug war escalated. From 1980 through the first seven months of this year, approximately 1.5 metric tons of pure cocaine have been seized by Panama’s Defense Forces, while eradication campaigns, including fumigation, were launched against attempts to establish domestic marijuana production; 1.4 metric tons of marijuana transshipped through Panama were captured; and 232 drug-traffickers were deported, including 41 fugitives wanted in the U.S. Since 1984, chemicals used in the processing of cocaine have been seized, as Panama cooperated in a multi-nation effort to shut off the European/U.S.-South American chemical pipeline.

Cooperation with U.S. authorities has been extensive. In 1980, the Defense Forces established procedures which authorized U.S. Coast Guard Service vessels to board, search, and make arrests, in international waters, on boats of Panamanian registry suspected of involvement in drug-trafficking. That authority is critical, since Panama’s liberal ship-registry laws, existing since the 1920s, had made Panama a center of ship-registry.

The Defense Forces “have always maintained a close relation of mutual understanding, respect, cooperation and confidence” with the U.S. Drug Enforcement Administration

(DEA) office in Panama, "16 Years" reports. In addition to the coordinated seizure of chemicals, the leading success of Panama's multi-nation approach to the war on drugs, was the 1984 arrest of Colombian cocaine chiefs, Jorge Luis Ochoa and Gilberto Rodríguez Orejuela. Information supplied by Panama's Defense Forces to the DEA, led to their arrest in Spain, in a coordinated operation by the DEA and Spanish authorities.

Shortly thereafter, Panamanian authorities shut down the First Interamericas Bank, headquartered in Panama City, when it was found to be owned by Rodríguez Orejuela.

Breaking up the Kissinger connection

In a *White Paper* on the Panama Destabilization issued in June 1986, *EIR* reported that U.S. circles behind the "get-Noriega" campaign were promoting the interests of the former Commander of the National Guard, General Rubén Darío Paredes, as a counter to General Noriega. Paredes, now retired, was presented throughout the 1980s as the key "U.S. asset" in Panama by the Liberal Establishment. Former U.S. ambassador to Panama, Ambler Moss, a protégé of drug legalization-promotor Sol Linowitz, called Paredes one of the Panamanians "best disposed to the U.S." In 1983, Henry Kissinger personally stepped forward, to promote Paredes as the future head of state of Panama.

EIR's White Paper detailed Paredes's connections to the drug trade and terrorism, as they were known to us then. Panama's government report, "16 Years of Struggle," presents new evidence that Kissinger's friends in Panama attempted in 1984 to establish Panama as a new cocaine-processing center and headquarters for the Colombian cocaine czars. The plot was defeated by Noriega—the man some Washington circles are trying to drive from power.

The Colombian mafia set into motion the plan to seize control of Panama, at the point Colombia launched an all-out war against drug-trafficking, "16 Years" reports. Panama, close to transshipment points, was picked as a site for a new, giant, cocaine laboratory, to replace mafia facilities shut down by Colombian Justice Minister Rodrigo Lara Bonilla, and the ensuing military battle after his death in 1984. The mob "planned to gain clear transit of cocaine through Panama; to use Panamanian banking facilities for their transactions; and finally, to establish a big laboratory in Darien, Panama's most unpopulated jungle province," the report explains.

Colombia's cocaine kingpins, the Ochoa family, began throwing their money around Panama, and "made contact with authorities with political aspirations, and presented them with costly pace horses, and other presents." Three Panamanians offered themselves as the protectors of the mafia plan: the businessmen, Gabriel Méndez, Olmedo Méndez, and Ricardo Tribaldos (the latter a relative of the drug mafia's editor of *La Prensa*, Roberto Eisenmann), and Lt.-Col. Julián Melo Borbua, then Executive Secretary of the Defense Forces' General Command.

General Paredes, the protector of Lt.-Colonel Melo, was one of those who received pace horses from the Ochoas for the plot, "through a rich Panamanian cattle man, who is a member of the political opposition." Melo was given \$4 million by the Ochoa mob, to carry out a coup against Panama's Government and military command, a plot which was to include the assassination of General Noriega.

Defeated by the combined intelligence and operations of Panama's Defense Forces, the Colombian military, and the U.S. DEA, the dope mob instead moved its major facilities to Peru and Bolivia in 1984, where, until Alan García came to power in Peru in July 1985, government authorities provided no resistance to the mob's efforts. In Panama, Melo was dishonorably discharged from the Defense Forces, so that he could be tried by civilian authorities.

Documentation

Drug traffic: crime against humanity

The following are excerpts from the Introduction of "Panama: 16 years of struggle against drug traffic."

... The government of Panama shares the opinion that drug trafficking is one of the worst crimes against humanity, comparable with nuclear bombing of innocent people. Both phenomena are examples of the most criminal form of genocide. The addiction to drugs exists because there is drug trafficking, hence the necessity to combat this terrible scourge at the source.

In spite of the proven fact that the government of Panama acts in efficient cooperation with the responsible authorities of the United States of America, unfounded accusations against Panamanian officials appear sporadically. These accusations are designed to incriminate said officials with illicit activities related to the drug traffic. The circumstances and timing of these accusations, as well as the manner in which they have been made public, have given the great majority of the Panamanian people good reason to react with a feeling of founded suspicion over the probable political intentions.

Facing this curious situation, the government of the Republic of Panama considered it opportune to elaborate this extensive documented summary, directed principally to the conscience and reason of the responsible leaders of the great North American nation. The purpose is to demonstrate through an almost chronological sequence of facts and events, that the government of Panama ranks among the forerunners in

the fight against drug trafficking in all its shapes and forms.

In order to better appreciate the position occupied by Panama in the war against the drug traffic, a sincere effort should be made to understand very well the geography, geopolitics, and strategic aspects of the evolution of the isthmus of Panama. . . .

Owing to its special geographic location, Panama has historically been the crossroads of the Americas. During the Spanish colonial era, the isthmus of Panama was known as "the route to silver" and from 1848, when gold was discovered in California, it was called "the route to gold." During the various periods of its history, as was the case in 1501, Panama has been the victim of the most varied forms of piracy and plundering, such as the famous fairs of Portobelo, which awakened the greed of pirates who converted that part of the isthmus of Panama into an ambush area. During a more recent period, criminal international merchants have tried to use the isthmus of Panama as a transit route for drugs produced in various South American countries, and for drugs coming from Europe via South America, on its way to the great consumer market of the United States of America.

Generally, the drugs are not distributed within the Panamanian territory, they simply pass through by air or maritime transport. For this specific reason, the Panamanian authorities have the capacity to intervene solely when the drugs are disembarked, which happens in relatively few cases at our international airports, or the maritime ports of Cristobal and Balboa. It should be kept in mind that these two sea ports were reverted to the sovereignty of Panama as recently as 1978. These ports were formerly under the jurisdiction of the United States as part of the Canal Zone.

Nevertheless, it is obvious that Panama constitutes a target for the illicit drug traffic and because of this, Panama is fully aware that the effective struggle against the traffic of and addiction to drugs cannot be limited to unilateral action of one state within its own frontiers, it must be a multilateral campaign by all nations of the world. . . .

It is the permanent policy of Panama, within the firmness and vigor of this war against drugs and the addiction to drugs, that the international community must act with a new purpose, namely with respect for human dignity. We must remember that, historically, massive addiction to drugs was promoted, and imposed by force, by Great Britain, through the introduction into China from India of the cultivation and use of opium. That sale of opium was simply and plainly international drug traffic on a monopolistic basis. It was done officially by the British Empire with the conviction that it was possible to assault the life and health of a backward nation without affecting the empire itself. But today it is a problem that concerns the whole world. It is an issue of such gravity, that it should never be utilized for immoral purposes, but used as a rationale to force a universal mobilization of all institutions and organizations for the vigilance and eventual eradication of the drug traffic and the use of illegal drugs. . . .

It is not the purpose of this brief introduction to enter into a detailed summary of all the efforts and joint actions by the governments of the United States of America and the Republic of Panama, or by the respective authorities directly responsible for fighting the illegal drug traffic. Nevertheless, since this is a matter to which the principal Panamanian authorities have pledged their dedication and offered their supreme efforts, presented below is a brief summary, through which, in a clear and objective manner, the highly positive results that come from tight and permanent cooperation against the criminal drug traffic, can be appreciated.

'The fifth horseman'

Speaking before the International Conference on Narcotic Drugs, held in Vienna, Austria in October 1973, Lt. Col. Manuel A. Noriega, then head of the National Guard's G-2, outlined his view of the philosophy and doctrine required in the battle against narcotics. Excerpts follow.

. . . Intoxication is a form of collective and individual suicide, that in our time has acquired an increasingly catastrophic character. . . . Humanity has had a painful existence over the millennia. Hunger, plagues, wars, have decimated cities and natural disasters have plunged whole civilizations into the deep. . . . But never have we seen disasters like those that confront us in our times. . . .

As hunger, the plague, war, and death are the first four horsemen, drugs could well be the fifth horseman of the apocalypse foretold by the prophet. The characteristics of this tragedy produced by the use and abuse of drugs are its universality and its recent fabulous increase. . . . Today, no area in the world is immune to the damage done by the abuse of drugs. Such is the universality of the problem. The fact that the users tend to get younger by the day, demonstrates the nature of the problem.

The third horseman of the apocalypse, on his gallop over the known old world, spread the plague from the steppes of Mongolia to the resting place of the caravans of the noisy metropolis. . . . The devastation caused by the black plague surpasses the limits of imagination. The fields are destroyed, nothing is planted, and nothing is reaped. . . . Crisis and misery are conducive to plundering, beggarmdom, crime, and prostitution. . . . Between 1250 and 1346, humanity saw the greatest scourge it has suffered before the last two world wars. After these quarrels and the Vietnam War, which was a backlash of the last world war, humanity has started to suffer the scourge of drugs.

Every consumer of heroin or other "hard" drugs is a potential delinquent. He steals, falsifies, prostitutes himself, and kills. . . . It is a proven fact that drug addicts take part in the growing violence within our society. Urban terrorism,

the hijacking of airplanes, the attacks against innocent persons under the shelter of internal or international political disputes, carried out under the influence of, or motivated by, stimulants and drugs, are as deadly and dangerous as automatic guns.

The gallop of this fifth horseman is not slow as was the era of the plague on the immense steppes. The drug addict travels in rapid turbo jets. It is a scientifically proven fact that those using drugs are always trying to attract others, especially minors. The consumers of illicit intoxicating drugs are traffickers or criminal inducers. Every drug addict is a burden to his family and to society. None is a producer in any honest paid activity. The propaganda spread by drug addicts who call themselves artists, that drugs stimulate their creative capacity, is proven false by the fact that no important work of art has been produced by a drug addict. . . .

The social damage caused by a drug addict is evident. The philosophy that claims that "what I put into my body is my own business," is refuted by the fact that all penal codes condemn this type of suicide, which slowly but inexorably kills its victim. It has been demonstrated that the so-called "hard" drugs, like LSD, heroin, and cocaine, are genetically harmful to humans. All those who use these drugs have to be bold, sick, or ignorant, given the extraordinary risks involved. There is no other rational way to explain this phenomenon. The principal toxic effect from the use of drugs is the permanent damage to the brain. . . .

Finally, apart from the damage to the consumer, the drug is an element of corruption and an incentive to crime. The enormous profit derived from the illicit drug traffic is used to corrupt the authorities, including those in charge of the fight against this criminal activity. . . .

We are facing, at present, a grave crisis in our institutions, our customs, in living together, and in the human existence. . . . We [in Panama] are actors participating in a process of deep transformation of reality in our country. We want to supersede our present situation of injustice and dependency through integration and development. The general well-being, the objective of social justice, can only be achieved by increasing production with the creative efforts of the collective.

We have not elaborated a political theory. We are working on a national popular experience. Our struggle has made us arrive at three convictions: Political existence has to be built as the projection of a more profound dimension of intellectual life. Without knowledge, there cannot be capability. There are no unsolvable problems, only incapable people. State and law are not aims, they are but simple tasks or occupations of the human vocation for culture, liberty, and justice. We in Panama have created a new state along these essential lines. Our third conviction is the existence of absolute values, superior and prior to the law of historical contingencies. We believe in a universal morality, capable of influencing a universal peace. For man to live in dignity, peace is needed. There is no peace without the partnership of authority

and justice. The law must respond to ethics, internal or international politics to morality, and governing to prudence.

We are confronting the challenge of a universal problem that gravely affects our human identity. . . .

In our battle, no country or institution dedicated to the best, be it church, school, civic organization, or communication media can isolate or declare themselves neutral. Isolation is no immunization and neutrality can be complicity with crime. Ideological conceptions and forms of government are temporary because they can be perfected. On the other hand, in the human being, and in humanity, notwithstanding its succession in time and space, it is something permanent. Our struggle is in defense of life of man and the destiny of humanity. . . .

. . . Because of the fabulous illicit profits and the modalities of present communication, and the drug trade has the characteristics of a great multinational corporation that utilizes all the resources offered by corruption, which are infinite. We shall now refer to drugs and their history. . . .

. . . Before the 18th century the vice of smoking opium was practically unknown in China. In the decade of 1830, opium became the nucleus of exports, carried by the Portuguese through Macao and by the British. . . . The British East India Company held the monopoly of this poisonous commerce. The Chinese Emperor tried to end this criminal traffic in view of the effect of the drug on the morale of his people. Then started the "Opium War." British hypocrisy explained that they did not declare the war because of the opium trade, that it was because of the isolation of the Emperor in denying the receipt of the ambassadors of His British Majesty.

The British Royal Navy bombarded the Chinese coast and forced the Chinese to sign the "Treaty of Nanking" in August of 1842, aboard a British warship. The principal clauses of the treaty established the opening of five ports, Canton, Amoy, Fuchow, Ningpo, and Shanghai, for residence of English merchants; extraterritorial areas for consular agents; the concession of Hong Kong to Great Britain; and China's compensation to the British for the confiscated opium. Steam navigation increased the drug traffic. . . .

History shows that drugs have been used by leaders as a weapon to weaken the people they tried to dominate, to corrupt their authorities and for the illicit enrichment of traffickers who operated legally or illegally. This gun-based diplomacy caused China to be dominated by the soldiers, merchants, and foreign missionaries. The opium traffic produced millions of drug addicts as it weakened the Chinese people. From 1842 to 1848, China imported 233,000 tons of opium. In 1906 the Shanghai Commissions estimated that 15 million Chinese smoked the drug. At the start of the 19th century, North American sailing ships carried Turkish and Persian opium to China. . . .

The opium traffic was a decisive factor in the rapid development of the economy and the expansion of the United States of America in Asia. In 1839, just before the opium

war, Russel & Co., a North American corporation, occupied third place in the importation of this drug from India into China. Great families of New England consolidated their fortunes based on opium. The accumulated profits in this traffic served to finance the construction of the railways that opened the route to the West. . . .

Opium, together with other drugs, constitutes the weapon of a species of genocide in which the victims pay to have themselves killed.

So, as in the past, drugs were used for colonial conquest and imperialistic expansion. Their use was tolerated among the racial minorities because drugs reduce its victims to almost total powerlessness. Heroin extended into the black and Puerto Rican ghettos. The criminal organization that handled and still handles its traffic, started operations as a great corporation. At the end of the seventies (sic), the drug reached the residences of the rich and powerful, whose daughters and sons doped themselves. And in Indochina, the army that was supposed to fight in defense of the democratic ideals and the interests of the Empire, was cut down by drugs.

In gravity, as measured by rooted corruption, opium was followed by cocaine, an alkaloid derived and extracted from the coca plant which grows in Peru, Bolivia and other countries of South America. . . .

In the era of the Spanish conquest, the operator of gold mines who imposed forced labor on the Indians, delivered them rations of coca leaves, instead of food. The population of the ancient Inca Empire which was calculated at 10 million inhabitants was reduced to less than 2 million. In the Potosi mines alone, 150 Indians died every day. Coca was then a state monopoly.

. . . Let us refer now, briefly, to those drugs of chemical origin and the vast range of psychotropic agents known as psychedelics that in a few years converted drug addiction from rare clinic cases into a problem of the masses, with a double purpose: destroy the society they repudiate, and destroy themselves. . . .

The masses doped with LSD and other psychotropics, also have their apostle, Timothy Leary, a North American, who in an interview made by the BBC in 1967 said: "Within the next 15 years our Supreme Court will smoke marijuana. It is inevitable, because the students in our best universities are doing it now."

The psychedelic revolution does not only propose to change society, but also human nature: "We will change the predominant conscience in order to change the world. When the use of drugs is universal, we will change the world."

The followers mobilized by Leary and LSD abandoned their homes and the use of soap, they let their hair and fingernails grow, talked of love and their cult to flowers. The first thing that the apostle offered was unlimited sexual freedom. . . .

The crime consisted in corruption and destroying a generation of pathetically non-cultural individuals who rebelled against culture and the corrupting system of their elders, but

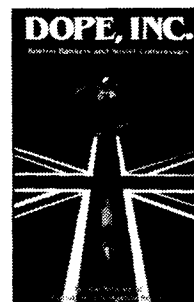
they did not replace it with something morally superior which is the purpose of all constructive revolutions. All revolutions, when positive, entail a moral purpose. The "psychedelic revolution" has only brought suffering to humanity, especially to the youth which should be happy and healthy in order to build a better world.

Youth must rebel against injustice, against tyranny, against what is bad; it must have battle-ready moral strength. But the scientific facts have proven that the role of narcotics has been to tame and destroy our youth. . . .

. . . The routes and means of the international drug traffic are known and however great the power of organized crime, the powers of the states and the people united and mobilized in a joint action of vital defense, can liquidate that universal menace. . . .

For a preventive action we would have to coordinate the task of education with that of vigilance over public spectacles and programming of massive media, such as television and movies because in exalting violence and pornography we are stimulating the use of drugs. . . .

The medical treatment for the recovery of drug addicts is a technical question. . . . The fundamental criterion is that a drug addict is not only a sick person and a passive element in the economy of the country, but also an actively contagious agent and a potential delinquent.



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The 'Bulgarian connection' to environmentalist genocide

by an EIR Investigative Team

The role of the Warsaw Pact's intelligence services in manipulating and directing the activities of the worldwide neo-Malthusian environmentalist movement has been significantly upgraded, in the wake of an end-of-August conference on the theme, "Environmental Conservation and the Protection of Peace in the World," held in the Bulgarian port city of Varna.

From Aug. 25 to Aug. 28, almost 100 individuals from 30 countries congregated under the auspices of the Bulgarian National Committee for the Protection of Nature and the Bulgarian magazine *Man and Nature*, headed by the Sofia, Bulgaria-based Vesselyne Neykon. Nearly 40 of those in attendance were from Bulgaria or the Soviet Union. The Soviet delegation was headed by Ivan Frolov, editor of the theoretical magazine *Kommunist* and head of the U.S.S.R.'s Institute for the Study of the Problems of Mankind. Frolov has been the most persistent and outspoken of Soviet writers, in rallying to the defense of Western Malthusians, including West Germany's neo-Nazi Green Party, and has met leaders of the Green Party on at least two occasions since December 1985.

According to one attendee at the Varna event, the delegates decided to create a new "Eco-Forum: Survival for Humanity" organization, which would become a key international center for bringing together the "ecology" and "peace" movements. Some among the attendees at the Varna event, he noted, had suggested calling the new group, "The Club of Varna," thereby shifting the locus of coordination of neo-Malthusian activity eastward from the headquarters of the notorious Club of Rome. Other, more sober, heads prevailed, and argued that such a name would too visibly identify the East bloc as assuming a coordinating role in the environmentalist movement.

So closely linking the name Varna to the neo-Malthusians might be embarrassing for other reasons. That port city in Bulgaria is notorious, as a key center of planning coordination and strategy, for the intelligence services of East Germany and Bulgaria, in mapping out terrorist destabilizations against the West.

The appointed directors of the new Eco-Forum include Ivan Frolov, president; Bulgaria's Nanson Behar; the U.S.A.'s Arthur Westing, a strategist at the Stockholm International Peace Research Institute (SIPRI); France's Prof. Vincent

LaBeyrie; and a representative from the University of Edinburgh's Center for Human Ecology.

Another key individual in the Eco-Forum, who was unable to be in Varna, is West Germany's Carl Amery, a founder-leader of the Green Party and one of the international directors of the Pen Club, the writers' organization which serves as a crucial East-West cultural back-channel.

The conference resolved to devote the work of the Eco-Forum—which will be based in Sofia, Bulgaria—to the following ends:

- Propagandizing to divert resources now spent on armaments, to "environmental protection" projects;
- Further circulating the work of Soviet Institute for Computer Studies head Academician Nikita Moiseyev, on the so-called Nuclear Winter thesis, popularized in the United States by quack-scientist Carl Sagan;
- Campaigning against large-scale water and agro-industrial projects, on the model of the successful campaign in the U.S.S.R. itself, against Siberia river-diversion projects;
- Making efforts to re-animate the environmentalist movements in the United States and France, the which movements, Varna participants estimated, have been stagnating, because of a resurgence of pro-technological worldviews in the populations under the respective Reagan and Chirac regimes.

All of this activity, would come under the rubric of a special "Movement of Ecologists for Peace," working under the official coordination of the Eco-Forum.

Under the cover of making contacts on these issues, the Eco-Forum is intended to evolve into an agency for the Bulgarians and their friends, to penetrate Western institutions, more generally.

Preserving 'The Trust'

The Russian imperialists have no intention of cutting back on armaments, nor of cutting back on projects that are related to military production. The Varna ecology-and-peace discussions, are meant to step up neo-Malthusian, anti-nuclear, Green activities in the West, to aid the West in committing suicide. The benefits of the neo-Malthusian post-industrial society eruptions in the West became obvious to the Russians by the late 1960s, when Soviet Global Systems Analysis project director Dzhermen Gvishiani, a top-ranking

KGB officer and son-in-law of the late Soviet Premier Kossygin, co-founded the Vienna-based International Institute of Applied Systems Analysis (IIASA) with White House Special Assistant for National Security McGeorge Bundy. Gvishiani also helped found the Club of Rome International, with the late and unlamented Aurelio Peccei of the Fiat-Olivetti interests in Italy.

The Soviet priority granted to such efforts, was evident in the large delegation they sent to Varna. Aside from Frolov and "nuclear winter" Prof. Moiseyev, they sent journalist Smirnov from the Science and Technology division of the government newspaper, *Izvestia*; Professors Los, Kelbassov, Sokolov, and others from the Soviet Academy of Sciences; Vladimir Balshakov, director of the Institute for the Ecology of Plants and Animals of the Soviet Academy of Sciences; and three individuals representing the Holy Mother Russia cult of the U.S.S.R.: Viktor Komissarov and Ivan Baryshpol from the All-Russia Society for the Protection of Nature, and Gennadi Kovalenko from the Byelorussian Society for the Protection of Nature.

The latter individuals, as well as Frolov, represent what one Central European Soviet watcher calls the "growing Black-Green movement in the U.S.S.R.—black because they are reminiscent of the 19th-century Russian-nationalist 'Black Hand' groups, 'green' because of their ecological views."

The Soviet delegation was bolstered by an 18-person Bulgarian delegation, evolving out of the Bulgarian State Committee for the Protection of Nature, described by one participant as the "Bulgarian version of the U.S. Environmental Protection Agency." This group is believed by some observers to derive, ultimately, from the mystical-cult layers in Bulgaria, formerly run by the daughter of Soviet President Todor Zhivkov, Ludmila Zhivkova, who died in the early 1980s. Zhivkov himself sent a welcoming address to the Varna conference.

None of this signifies, by any means, that there is a scarcity of Western partners for the Soviets and Bulgarians, in these neo-Malthusian efforts. What is involved here, is what *EIR* has identified as "The Trust," the common grouping of oligarchs, spanning the "East-West" divide, which sponsored the Bolshevik Revolution and the Nazi seizure of power, and which has, in the past two decades, teleguided the "New Age"—"Age of Aquarius" movement, out of which came the rock-drug-sex counterculture, the environmentalist movement, the "Greenies," etc.

As *EIR* reported last week, Prince Philip of Great Britain is personally sponsoring one week's worth of ecological-cultist events in the Italian town of Assisi, from Sept. 22-29, nominally to commemorate the 25th anniversary of the World Wildlife Fund International. Some of Prince Philip's minions

The Basel mother-cult of the conservation movement

EIR investigators have discovered that one of the more curious control-points for the international "environmentalist"/"conservationist" movements, is an entity based in Basel, Switzerland, called the "Swiss League for the Protection of Nature."

Its office, today, is headed by Dieter Burckhardt, a scion of one wing of the Basel-based Burckhardt oligarchical banking family, which produced, among others, a key polemicist against the 15th-century Golden Renaissance, the University of Basel's Jakob Burckhardt. The League was founded in 1909, as a project spawned out of something called the Swiss Nature Studies Society. Both entities were headed by members of one of Basel's most entrenched banking families, the Sarasins.

In the post-World War II period, the Swiss League sponsored the international meetings, out of which were born, in the late 1940s, both the U.S.-based Conservation Foundation and the Geneva-based International Union for the Conservation of Nature. The latter is the mother-agency behind Prince Philip's World Wildlife Fund. The Con-

servation Foundation, which re-grouped 1930s leaders of the pro-Nazi eugenics and race-superiority organizations, is the main controller of the environmental organizations in the United States.

According to a Swiss League collaborator, the organization was created in 1909, more or less simultaneously with a "preservation of nature" group in Holland, and with various "nature preservation" groups in Germany, including elements of the *Wandervogel* movements. The latter are notorious as an early spawning-ground for later recruits to the Nazi movement, more or less as today's counterculture is the breeding ground for recruits to fanatical proto-fascist or proto-Bolshevik political movements.

The League collaborator said: "There was something happening in the years before World War I. From the 1880s, through 1900, everybody was still extremely enthusiastic about technological progress. But, from 1900-10, more and more people realized the dangers of technological progress. As the world war approached, the conservation of nature movement grew."

He cited as one important influence on this development, the early Anthroposophs of Rudolf Steiner, based in Dornach, Switzerland, near Basel. Steiner's Anthroposophs are, today, among the more important cults within the "New Age"—"Age of Aquarius" counterculture.

were in Varna, such as David Pete, from the Geneva headquarters of the International Union for the Conservation of Nature (IUCN), the entity which spawned the WWF in the early 1960s, and which, today, shares offices with the WWF at the World Conservation Center complex in Geneva. Also, several representatives were in Varna from the UNESCO "Man and the Biosphere" project, one of whose international coordinators will be a featured participant in Assisi. Both UNESCO and IUCN were set up, in significant part, by the late Sir Julian Huxley of Great Britain, whose brother, Aldous, was a key individual in creating the "New Age" counterculture movement.

Other Western-based, and/or world-federalist organizations in attendance, at Varna, included:

- the Stockholm International Peace Research Institute (SIPRI), represented by the aforementioned Arthur Westing;
- the International Physicians for the Prevention of Nuclear War, the group funded by Soviet-linked multi-billionaire Armand Hammer. The IPPNW was represented by Dr. Bernard Feld, of the Massachusetts Institute of Technology (MIT);
- the World Futures Science Watch, of Sweden;
- the United Nations University of the University of Toyko, Japan;
- the United Nations Environment Program (UNEP), represented by the Bulgarian Boris Ivanov;
- the Vienna Center, an "ecology" organization, represented by Barbara Rhode;
- the Institute of Life Studies of Paris, represented by France's Dr. Maurice Marois, who is involved in several behind-the-scenes projects with the Soviet Union's Frolov;
- the ecological-terrorist "Greenpeace" organization, represented by an individual from the group's London offices.

The U.S. government was present, in the person of a policy analyst with the Department of the Interior. Other American-passport representatives included Lester Tarlenton, editor of the magazine *Science and Nature*, and Professor Eric Marcuse.

Following this event, several of the Varna participants traveled to Budapest, Hungary, to expand the East-West neo-Malthusian back-channels. From Sept. 1-6, Budapest is the site of the Annual Conference of the Pugwash Group, the group set up by the late Lord Bertrand Russell in the 1950s, in cooperation with the Soviets. Among those making the Varna-to-Budapest shuttle, are MIT's Feld, the U.S.S.R.'s Sokolov, and Bulgaria's Nanson Behar.

The special case of Carl Amery

From debriefings of several sources on the Varna meeting, *EIR* has been able to reconstruct how this event came to pass.

Around 1980, Vesselyne Neykon of the magazine *Man*

and *Nature* began to approach Western "ecologists" and "Greenies" with the idea of establishing an "International Conference of Correspondence," or a "Theoretical Conference," whereby ecologists would submit papers to his magazine, for publication, in a "conference-by-magazine." This quickly gave the Bulgarians an entree into Western ecology groups, at a time when Bulgaria's role in other dirty activities, including terrorism and drug-trafficking, was dramatically expanding.

In 1982, a meeting of a very select group of ecologists, East and West, was held, at Neykon's initiative, at the European Ecological Institute, in the town of Metz, in eastern France. Known participants at that event, included Green Party founder-leader Carl Amery and the Soviets' Ivan Frolov. This select group became the core group for a first ecological meeting in Varna, in 1984, which brought together only 30 or so individuals, specially invited by Neykon. It was out of that meeting, that the present Aug. 25-28, 1986 Varna "ecology and peace" event was conceived.

The role of Carl Amery is especially interesting, in looking at how the East bloc manipulates and/or creates neo-Nazi ecology cults in the West. Amery, in the 1960s, was one of the individuals most responsible for creating the seed-crystal, for what later became the "Green Party" in West Germany, and for what has since become the "environmentalist" movement, more generally. Among his collaborators were the Club of Rome's Aurelio Peccei; Austria's over-aged greenie Robert Jungk; West Germany's Herr von Dittfurth, father of one of the three members of the Green Party national executive today, Jutta von Dittfurth; and anti-pesticide nut Rachel Carson.

Amery, whose real name is Mayer, has violently attacked the process of industrialization and technological progress in his book *Nature as Politics*, and in other locations. In a discussion with a journalist in 1980, Amery/Mayer said, "The basic idea is that we have to end industrialization. We must decentralize the economy. The nuclear industry is just one example of the centralized power which is destroying society. . . . Small production units can fulfill one half of all the needs of the present economy, in Germany, including energy. . . . The important thing is that the ecological movement is the only chance of socialism in the Western world. This is equally true for the East bloc."

He lavishly praised East German "defector" and Green Party leader Rudolf Bahro, the same Bahro who has called for reversing the past 10,000 years of industrialization processes, and who has praised Adolf Hitler and the Nazis. Said Amery to the journalist: "Rudolf Bahro is one of our ardent supporters, and I consider him one of the greatest thinkers of this time."

Amery had also been involved in establishing greenie "communes" and "alternative communities," along the common Swiss-German-French borders.

The IIASA: systems analysis and genocide

While the Soviets and Bulgarians were bringing their neo-Malthusian environmentalist assets to Varna, for the Aug. 25-28 "Ecology and Peace" conference, another Warsaw Pact neo-Malthusian dirty-tricks operation was quite active on another front.

The International Institute for Applied Systems Analysis (IIASA), from Aug. 25-29, held a meeting of 60 "systems analysts" from around the world, at IIASA's headquarters in Laxenbourg, Austria, to discuss "Equilibrium Modeling." Representatives from the Soviet Union, Hungary, Bulgaria, Poland, Czechoslovakia, and Yugoslavia were in attendance, as well as academics and systems-analysts from about 15 other countries. The overall coordinator was Harvard University's Dale Jorgensen.

This meeting was a follow-up to a "world modeling" conference held under the title, "World Development Scenarios," which had met under IIASA auspices from June 24-25, in Sofia, Bulgaria. Overall director of this event was Bonn University's Prof. Krelle, an IIASA official.

The euphemistic titles under which these conferences are held, cannot hide the key role IIASA plays, in mapping out the economic ("econometric") justification for genocide and depopulation. IIASA was founded in the late 1960s, through joint efforts of the Soviet Union's Global Systems Analysis bigshot, Dzhermen Gvishiani, a top KGB official; White House Special Assistant on National Security McGeorge Bundy, reputed head of the East Coast Liberal Establishment; and Britain's Lord Solly Zuckerman, scientific adviser to the late Lord Mountbatten of the British Royal Family.

The food weapon

IIASA concentrates, primarily, on the subjects of food, agriculture, and energy, all key chokepoints in the maintenance and expansion of the world economy. *EIR* has learned that, on Aug. 1, 1986, IIASA's Food and Agriculture Project signed a contract with the United Nations Food and Agriculture Organization, to prepare a three-month study on "Population Carrying-Capacity." This report is to supplement an earlier one, prepared in 1984 by

IIASA, the FAO, and the United Nations Fund for Population Activities, entitled, "Potential population-supporting capacities of lands in the developing world."

"Carrying-capacity" has become the environmentalist catchword for justifying elimination of millions of people who cannot be "carried" by the land.

Such reports might go a long way in explaining, why the FAO is so committed to covering up the extent of famine and ecological devastation in Africa: It has an arrangement with the Soviet nest at IIASA, to cause further famine and ecological devastation in Africa. IIASA's Food and Agriculture Project, and the FAO, have collaborated intimately, since the FAP was created in 1976, IIASA sources report.

Also, IIASA has seconded a former director of the FAP, one Mahendra Shah, to the "monitoring and evaluations" bureau of the United Nations Emergency Relief Operations for Africa office in New York. This office is headed by a leader and funder of the arch-Malthusian Club of Rome, Canada's energy magnate, Maurice Strong.

'Politics of hunger'

IIASA also has set up joint studies with the U.S. Department of Agriculture. Together, USDA and IIASA are setting up an agriculture studies group at Iowa State University. This too, might reveal an interesting story. One notorious Iowa State graduate, William Paddock, is one of the most outspoken advocates of drastic reduction of the populations of the developing world. Another, John Garang, is the head of the rebels in southern Sudan, whose forces are distributing a document, entitled, "Politics of Hunger," boasting about how food is used as a weapon in the "guerrilla war" in the South. The Catholic Bishop of Sudan, on leaving Sudan recently, castigated Garang and friends as genocidalists, who receive the entirety of their logistical backing from the Soviet Union. The Bishop cited Garang, when asked what he thought of the mass-starvation of children: "If some die, more will be born."

Finally, it is noteworthy that IIASA "systems-analysts" printouts are used, systematically and cynically, to disorient duped or credulous American businessmen. In the spring of 1985, IIASA sponsored a conference at Duke University in North Carolina, U.S.A., around the theme, that only East-West trade could bail out the American economy, because the Ibero-American debt crisis and the collapse of whole countries in Africa and other parts of the developing world, made these inappropriate places for investment!

Nothing so starkly demonstrates the cynical and genocidal policy intent of the Russian masters of IIASA.

Mexican labor and the IMF

Disgusted with national economic policy, the union is keeping unity with the government—for the time being.

The 104th assembly of the Confederation of Mexican Workers (CTM), presided over by Fidel Velázquez from Aug. 30 to Sept. 2, conducted a thorough critique of the Mexican government's economic policy, after the government reversed itself on the debt payment issue and signed another usurious accord with the International Monetary Fund (IMF) (see page 6).

The conference was also a call to close ranks around the institutions which are the political backbone of the Mexican System.

Because the "action plan" summarized at the end of the meeting did not demand direct confrontation with the government, as many Jesuit-influenced leftists would have desired, media analysts here in Mexico have attempted to portray it as organized labor's surrender.

Quite the opposite is true. The CTM is one of the very few forces which, together with a handful of industrialists among the ranks of the Confederation of Industrialist Chambers (Concamin) and the National Chamber of Manufacturing Industry, has systematically opposed the deals cut with the IMF. Before the de la Madrid government decided to retreat and sign a letter of intent with the Fund, it was the CTM which was urging Mexico to follow the lead of Peruvian President Alan García in setting a limit on foreign debt payment, or subordinate payments to the country's real ability to pay. That was the focus of the battle inside the CTM assembly, which took place—not accidentally—at the same time the President of

the Republic gave his annual report to the nation.

The working document on economic policy discussed in the labor meeting argued that it is impossible to continue accepting the oppressive conditions of the IMF. The document was written by federal deputy Alfonso Reyes Medrano, an economic adviser to the CTM. It proposed that the organized labor movement ask the government to negotiate for forgiveness of a third of the public-sector foreign debt, that is, \$27 of the \$72 billion. The CTM document also urged the government to reject the condition that workers must restrain their wage demands contained in the letter of intent recently signed with the IMF.

The document proposes that the de la Madrid government call upon its creditors to reduce interest rates by 3%, which would save Mexico \$3 billion per year. It also says that the internal debt is another of the serious problems the Mexican economy faces. Peso debt is over \$20 billion, with an average interest rate of 84%. According to the document, servicing this debt has stripped the government of its potential for making state investments, which has driven the country into "an undisguised recession, since private initiative so fiercely resists investing in production that industrial plant is working at 40% of its installed capacity."

Further on, it refers to the "impossible conditions the IMF imposes in return for giving its guarantee." Specifically, the IMF demands a wage freeze, an extension of its fallacious

argument that increases in workers' pay are inflationary. The Fund also demands that the state sell off all of its "inefficient" state-sector companies and shrink its public deficit from the 13% of Gross National Product it will reach this year to 7% of GNP.

Generalized discontent around the government's plans is a time bomb which must be de-activated before it explodes. The CTM's Fidel Velázquez is fully aware of this danger. CTM's strategy, first of all, is to get a salary increase this month in order to recover the purchasing power of the trade unions in order to maintain stability. The CTM also wants to preserve the current level of jobs, without increases in unemployment.

On this point, Velázquez picked a fight with the pro-austerity labor minister, Arsenio Farrell Cubillas, who publicly claimed that unemployment was not nearly as massive as everybody knows it to be. Rumors in Mexico City are that because of this fight, Farrell will resign because he has lost political leverage as a negotiator with the trade unions.

Farrell is also in the middle of an irreconcilable fight between the national oil-workers union and the head of the national oil company Pemex, Mario Ramón Beteta. Farrell is incapable of intervening as a mediator in the affair, because the CTM unions are convinced the labor minister is compromised. In fact, Farrell has been in charge of implementing the IMF-dictated policy of "labor restraint," and the political witchhunt against the CTM.

The de la Madrid government is split over how to deal with the CTM, whose support for a presidential candidate could prove decisive. What most observers agree on, however, is that the CTM is key to national stability—which could be *the* issue in the months ahead.

Gorbachov opens a new flank

Controversy over France's Cattenom nuclear power plant aggravates French-German relations.

West Germany's most important ally, after the United States, is France. Whatever Bonn's position in Western Europe has become, is owed to the support the French have given to the Germans since World War II. It is, therefore, evident that once the Kremlin starts serious efforts to decouple West Germany from the United States, it has to target French-German relations as well.

And so, there have been increasing tensions between France and Germany, the main issue of controversy being the nuclear project at Cattenom. At least since the bloody Pentecost (May 17-20) riots at Wackersdorf, the Green Party's eye has also been on the French project Cattenom, lying in the Lorraine region close to the French-German border. During the mobilization for a June 15 rally against Cattenom, radical ecologists from Germany, Luxembourg, and from the Lorraine region in France collaborated "across the border."

As was reported shortly before June 15, French security authorities were concerned about a repetition of the Wackersdorf riots, and were extremely angry at the refusal of Oskar Lafontaine's Saarland state government in West Germany to cooperate with the French police. Lafontaine didn't want to impose controls at the Saar-Lorraine borders, and even authorized his environmental affairs minister, Jo Leinen, to attend the anti-Cattenom rally near the nuclear facility as the official representative of the Saar government.

Lafontaine himself addressed a rally in Saarbrücken on June 15, where he said, "Fear is a good adviser. Only fear can make survival possible."

It was then that he announced his intention to sue the French government at the European Court in Strasbourg. Lafontaine also declared a ban on all electricity imports from France through the Saarland, as long as the French wouldn't guarantee that the electricity came from non-nuclear power stations in France. Governor Johannes Rau, chancellor candidate of the Social Democrats for the January 1987 elections, assisted Lafontaine in the neighboring West German state of North Rhine-Westphalia, by making a deal with his own REW (Rheinische Elektrizitäts-Werke) not to take electricity from France, either, for the time being.

An important signal was the joint press conference of Lafontaine and Rau in Saarbrücken, on Aug. 18, where they announced the SPD's intention to turn Germany non-nuclear. It was also announced that an SPD government in Bonn would not permit energy imports from nuclear industries in France. Lafontaine and Jo Leinen stated: No electricity from Cattenom.

Lafontaine introduced a Franco-phobic tinge into the campaign, when he used the formulation, "Cattenom is not in the interest of the Saar population."

In the meantime, the anti-nuclear movement in Germany has begun to use the name "Kattenhofen," instead

of Cattenom. Kattenhofen was the name of the city when it was German (under the Kaiser and under Hitler).

As in West Germany, the main propaganda line nurtured by the Soviets, that "Germany equals Nazism" is to be put into the minds of the pro-nuclear French, while the Germans will be made to believe that the "French are insensitive to nuclear fears" and are "dangerous."

It is this latter profile which the Sept. 1 cover story of *Der Spiegel*, one of the prime mouthpieces of the radical ecologist movement in West Germany, has started to create. *Spiegel* wrote: "The essence of the French and the German character is that they are two completely different worlds."

Spiegel went on to draw the following profile of the French: 1) they are neurotically pro-nuclear; 2) they are arrogant; and 3) they build nuclear power stations to compete with German coal power stations in the border region in the supply of cheap electricity to German industries.

But the French are not a neurotic as the Greens, at least when it comes to environmentalism. There is also a relatively clear perception in France that ecologism is a transmission belt for Soviet subversion of industry in the West. The French, seeing the West German example, know that with radical ecologism, extremism and terrorism come along as well. French media have clearly identified Lafontaine as central to the creation of tensions between France and West Germany.

It seems, though, that neither France's President Mitterrand, nor West Germany's Chancellor Kohl take notice of the growing "anti-nuclear" problem at their common border. During their latest summit in Heidelberg on Aug. 26, the two resolved: "The public opinion in our countries has to be better informed."

Did the KGB murder Olof Palme?

Recent warnings have refocused attention to the Soviet track in the investigation of the murder of the Swedish premier.

Soviet KGB or Spetsnaz elite units may have carried out the Feb. 28 murder of Swedish Prime Minister Olof Palme, the European press is again reporting. Meanwhile, police have warned of the imminent danger of new attempts on the lives of prominent Swedes.

"A great uncertainty must have prevailed during the first hours" after the Palme murder. "Nobody knew whether it was the work of a madman, or a spetsnaz attack, or a well-organized terror action against several members of the Swedish government," Per-Erik Nilsson, the chairman of the judicial commission investigating the Palme murder, stated in an interview.

A good friend of Palme, Nilsson was the chief legal counsel of the prime minister's office during 1972-77, and has since figured prominently in upgrading government security arrangements.

In the interview, published in *Dagens Nyheter* on Aug. 21, Nilsson criticized the slow response by Swedish authorities, which assumed the murder was a single event, whereas, *Dagens Nyheter* writes, "it could very well have been part of a terrorist assault or an enemy attack on Sweden."

Ten days after Nilsson's warning, the London *Sunday Express* ran a huge banner headline asking, "Did the KGB Murder Olof Palme?" The article outlines several theories developed regarding the cause of the Palme murder.

"Police say they are investigating the possibility of the killer being a KGB heavy," the *Sunday Express* reports, "sent to end Palme's interference" with "Moscow's multi-million pound diamond deals with the West." These diamonds are mined by Siberian slave laborers and "shipped to the West with the Swedish government acting as the 'middleman' in the deals. Palme was said to be unhappy with the arrangements and Moscow is known to have been angry at his interference."

Other possibilities mentioned are that Palme, "who was often rumored to enjoy the company of women other than his wife," was struck by a lover's revenge, or gunned down by a South American hit-man sent by Chilean dictator Augusto Pinochet, who "was said to have held a deep grudge against the Swedish premier."

"Police are reluctant to reveal which line of enquiry is proving most positive. But intelligence sources say that Sweden has long been the playground of the KGB, and to Russia the diamond trade represents a massive flow of hard currency," the paper writes.

These warnings followed a new Soviet threat against Sweden. The subject of the threat was the Swedish government's decision—officially announced the day of Palme's murder—to abide by the so-called COCOM agreement not to export sensitive Western technology to the East bloc.

In an interview for the Swedish

weekly *Ny Teknik* published in late July, the deputy chief of the Western trade department of the Soviet Ministry of Foreign Trade, Piskolov J. Vasiljevich, angrily opposed Sweden's COCOM decision:

"But let me once again underscore with all possible emphasis: We are against laws such as the one adopted by Sweden. Their adoption shows how forcefully the U.S. is acting to implement its policy.

"We do not want to act more forcefully against Sweden, as there are so many troubled corners in our world already" [Emphasis in original].

The interviewing journalist added: "I shuddered over the implications of Piskolov J. Vasiljevich's answer. But an extra double-check with both interpreter and Piskolov J. Vasiljevich himself, showed that I had understood him correctly."

Sweden's COCOM decision has previously been identified by the *EIR* as one point of discord between Sweden and the Soviet Union, in connection with Soviet disapproval of Swedish policies before the Palme murder.

During the last week of August, wide coverage occurred in the Swedish press of a renewed danger of political assassinations, as an explicit follow-up to the Palme murder. "I do not want to call it a bloodbath, but there are likely several targeted victims," one police source was quoted in *Expressen* on Aug. 28.

"Sweden faces an immediate and severe crisis," *Aftonbladet* wrote the same day. "The highest police leadership expects an early murder attempt on a leading Social Democratic politician, a policeman, or somebody in the Royal House. The situation is so serious that National Police Chief Holger Romander, who himself has received death threats, now openly admits to this paper: 'There is a grave risk of more attempts.'"

Cornering a President

The enemies of Colombia are mobilized to straitjacket the government, so as to impose a mafia dictatorship.

In mid-August leading Colombian drug mobster Jorge Luis Ochoa was released from jail through the complicity of a bought judge, and immediately disappeared. The new government of Virgilio Barco has reacted by mounting an anti-drug offensive comparable in scope to that launched by the just-departed Betancur government after the April 1984 mafia murder of Justice Minister Lara Bonilla.

In a nine-city manhunt launched in the aftermath of Ochoa's escape, over 80 arrests were made. Eduardo Mera Mosquera, second in command of the Severo Escobar drug trafficking band, and near the top of the list of drug traffickers to be extradited to the United States, was pulled in, and homes and ranches of leading mafia fugitives Carlos Lehder, Pablo Escobar, and Rodríguez Gacha were raided.

Howls of rage came from the enemies of the Colombian republic, who had been banking on a softer president. They have been mobilizing desperately to corner and straitjacket Barco before he has a chance to set a firm anti-drug policy in his few months in office.

Elements within the Liberal Party linked to the drug-tainted oligarchy have issued a chorus of criticisms against the one-month-old Barco administration for its alleged "inaction." Leading the pack have been the daily *El Tiempo* and the weekly magazine *Semana*, both linked to former President and mafia-ally Alfonso López Michelsen, who claims that a "vacuum of power" already exists in the brand-new government.

The drug lobby is again demand-

ing drug legalization. Noted columnist Antonio Caballero, a relative of López Michelsen, insisted on Aug. 27 that the only means of protecting judges from threats or corruption by the drug mob is to legalize drugs. Caballero later wrote that Barco's "honeymoon" with the Colombian people had ended almost before it began, implying that the President might as well yield power to those, like Interior Minister Cepeda Ulloa—"the Colombian Kissinger"—more prepared to use it.

A prominent political supporter of López Michelsen, *El Tiempo's* columnist D'Artagnan, insisted in an Aug. 24 "open letter" to Justice Minister Suescun Monroy that his ministry dedicate itself to rescuing its soiled credibility instead of "obsessively dedicating itself to a sterile battle against the drug trade." One of Colombia's wealthiest oligarchs, Eduardo Lemaitre, argued in *El Tiempo* of Sept. 1 that no one should be denied the freedom to consume drugs, if he so chose, and cited Milton Friedman's infamous book *The Tyranny of the Status Quo* to justify his call for legalized drug consumption.

These same drug-tainted circles are also campaigning for an "anti-imperialist" break with anti-drug fighters in the United States and elsewhere. On Aug. 11, Defense Minister Gen. Samudio Molina was asked by reporters if, in light of Bolivia's "Operation Blast Furnace," the minister still believed necessary the "intervention [or] participation of a foreign country to aid us in protecting our lands and roads. . . ."

General Samudio Molina re-

sponded, "Our authorities, our government, have sovereignty and dignity. We do not need foreign forces to come and act in our territory. Another thing is attendance at courses, visiting more advanced institutions, especially with technology, and returning to the country to apply it. . . ."

On Sept. 1, the security chief at Avianca airline, Carlos Luna Rojas, was shot dead by two hired mafia assassins on a motorcycle. He had been trained by the U.S. Drug Enforcement Administration, along with other security chiefs of Colombia's major private firms, and only one week earlier had collaborated with several national police forces to bust a cocaine smuggling operation in Avianca.

The drug mafia is fully at war with the government. Since Barco's Aug. 7 inauguration, 103 persons have died in confrontations between the Colombian armed forces and the narco-terrorist army known as the National Guerrilla Coordinator. Since the March legislative elections, 18 elected office-holders of the Unión Patriótica (UP) party have been assassinated. In the first weekend of September alone, four UPers, including its sole senator and sole representative to the federal Congress, were murdered. The UP was formed when the Moscow-linked FARC guerrilla movement decided to accept President Betancur's offer of an amnesty and reentered politics.

UP head Braulio Herrera gave a press conference Sept. 2 in which he warned that the assassinations were intended to drive the Communist leaders back into armed insurrection against the government. President Barco responded with a statement issued by his office expressing his outrage at the murders and declaring that they were directed against his plan for national harmony.

International Intelligence

Satanists promote AIDS in Italy

Turin, Italy is slated to be the site of the first of a planned series of rock "mega-concerts" on Sept. 9 organized by Liz Taylor's Hollywood grouping, which has formed an opposition to the anti-AIDS Ballot Initiative (Proposition 64) in California, U.S.A. Mrs. Taylor's Italian counterparts include the Junior Chamber of Commerce and the National Association to Fight AIDS (ANLAIDS), and sponsors include the Turin City Council, the Ministries of Health and Ecology, and the Prime Minister's Office. The 12-hour rock marathon is expected to draw 40,000.

Although billed as a fundraising event for AIDS victims, the money laid out exceeds fivefold the amount expected in ticket receipts. The funds are expected to be allocated for purchases of prophylactics and syringes for homosexuals and drug addicts.

The Schiller Institute in Italy has launched a Europeanwide effort to stop the megaconcert, charging that its main objective, is to divert attention and money away from vital research, and into absurd palliatives.

In an Italian national television interview, rock star "Sting" appeared with his manager and lyric-writer, CIA official Miles Copeland's son. Asked to comment on the satanic content of many of his songs, he replied that he was shocked to hear that "someone had discovered" references to Satan worship, which are indeed embedded in the music.

Turin is the "private property" of Gianni Agnelli, FIAT magnate and confessed cocaine-sniffer. It has become one of five European centers of black magic and witchcraft.

Princess Margaret in drug scandal

The United Kingdom is being rocked by a drug scandal implicating Princess Margaret, sister of Queen Elizabeth. The Sept. 3 *Bildzeitung* of West Germany has blaring head-

lines: "Cocaine: Wild Parties with Margaret."

"The Queen is aghast, millions of Englishmen are shocked. Newspapers in London revealed yesterday: Princess Margaret is implicated in a drug scandal," wrote *Bildzeitung*.

Scotland Yard found cocaine worth 25,000 German marks, at the home of record producer Tony Eyers, a friend of Princess Margaret. There they discovered a message on the answering machine: "Call her royal highness, Princess Margaret, as quickly as possible." Eyers is quoted by *Bild*, "I have been friends with her for seven years." *Bild* further reports that Eyers had bought the cocaine from one Baron Dempsey, a known supplier to London's high society. Dempsey is quoted: "I also had an open line to the Palace."

Hammer in Israel to oppose Marshall Plan

According to Israeli sources, Soviet agent Armand Hammer has proposed to the Israeli government that he finance an Egypt-Israel development project in the Bay of Suez, and in return, that he be given the role of back-channel between Israel, Egypt, and the Soviet Union.

Israeli sources have sounded alarm bells over this move by the aging Soviet agent, seen as an attempt to derail Premier Shimon Peres's proposal for a "Marshall Plan" for the Middle East.

On Aug. 30, France's *Le Monde* reported that Hammer met with Peres, former Prime Minister Menachem Begin, the next Premier-claimant, Yitzhak Shamir, former Defense Minister Ariel Sharon, Minister of Energy Moshe Shahal, and Minister of Immigrant Absorption Michael Tsur. Key topics included intercession by Hammer on behalf of Soviet Jews with the Soviet authorities; intercession by Hammer to obtain evidence against alleged Nazi war criminal John Demjanjuk from the Soviet authorities; and the future of prospecting for oil in Israel.

According to *Le Monde*, Hammer is presenting himself as the "prodigal son returning to Zion," telling the Israelis that the

Hammer family descends from the Jewish "Maccabean" fighters. "Maccabee" is the Hebrew word for "hammer."

German Greens hold talks with Soviets

Otto Schily, one of the most prominent leaders of West Germany's neo-Nazi Green Party, spent several days in Moscow meeting with "ranking Soviet officials" at the end of August, it was announced in Bonn Sept. 1.

Jutta Ditzfurth, one of the three-person national executive of the Greens, spent five weeks during the summer in Cuba, of which nine days were dedicated to official meetings with Cuban leaders. The name of Cuban politburo member Rodriguez, in charge of international relations, was mentioned in this context.

On Sept. 1, a Green Party delegation began a visit to East Germany. The Green delegation, led by executive members Annetarie Borgmann and Hannegret Hönes, was scheduled to meet with, among others, Horst Sindermann, the president of the East German parliament, and Hermann Axen, who is in charge of foreign relations for the Politburo.

The Greens officially listed "peace" and "the environment" as the topics of their discussions, but in general, security specialists are watching for anti-NATO violence in West Germany to escalate in the wake of these intense Green contacts with the East.

Morocco's Hassan breaks with Qaddafi

Morocco's King Hassan announced on Aug. 28 a final break with the August 1984 Oujda Treaty of Union between Libya and Morocco. In a letter sent to Libyan leader Muammar Qaddafi, Hassan stated that Libya's virulent denunciation of the July 22 Ifrane summit between Hassan and Israeli Prime Minister Shimon Peres, could only mean an end to their "unity."

The break was long expected. Moroccan and Libyan policies have diverged on all issues ever since the signing of the treaty.

Briefly

● **PRINCESS GLORIA** von Thurn und Taxis thinks the Greens are "great!" In a recent interview, the princess confessed: "This was really great, when they got into the parliament with their parkas and their flabby clothes."

● **A TERRORIST** bomb exploded in the office-building of the German Federal Administration Bureau in Cologne, causing hundreds of thousands of dollars in material damage. The attack was directed against the section of the Bureau dealing with alien and refugee affairs.

● **METROPOLITAN FILARET**, the "foreign minister" of the Russian Orthodox Church, attacked the U.S. Strategic Defense Initiative on Moscow television Sept. 1. Speaking on the anniversary of the outbreak of World War II, he called for preventing the arms race's "spread to outer space." Filaret declared: "The Soviet people hail the program of Mikhail Sergeevich Gorbachov, to eliminate all nuclear weapons."

● **74,000 TROOPS** will be withdrawn from Mongolia by the Soviet Union, reports the leading Japanese daily, Yomiuri Shimbun, citing sources in Peking. No time frame for the two-stage withdrawal was given. In his July 28 Vladivostok speech, Mikhail Gorbachov said that Russia was prepared to withdraw a "substantial portion" of its forces from Mongolia, as a goodwill gesture to China.

● **RICHARD ARMITAGE**, assistant secretary of defense, met with Tunisian President Habib Bourguiba on Sept. 4, and reported afterward: "I told the President that the United States would continue to afford Tunisia economic and military aid and that we would spare no effort to improve the quality of Tunisia's armed forces," the official TAP news agency quoted him. Tunisia reportedly repeated requests for more up-to-date military aircraft than its existing 12 U.S.-supplied F-5s, improved radar and anti-aircraft equipment, and better credit terms for arms purchases.

Besides relations with Israel and a hoped-for peace process, the Moroccans may also have been motivated by the collapse in recent months of the Polisario guerrilla movement in the former Spanish Sahara. Through the Oujda Treaty, Morocco wanted to use Libya to neutralize the Polisario movement.

Spanish panel urges SDI participation

A special commission has recommended to the Spanish government that Spain should join in work on the U.S. Strategic Defense Initiative, according to accounts in *El Pais* Aug. 31. The commission is composed of government officials and technical experts.

The commission was formed in 1985, when U.S. Secretary of Defense Caspar Weinberger formally invited America's European allies to join the SDI project.

El Pais speculates that most likely Spain will choose to permit its industries to participate on a private level, since it will be difficult for Spain to join the SDI on the official state-to-state level, for lack of adequate technical resources and the political inconvenience it might cause Socialist President Felipe Gonzalez, who would not wish to seem too close to the United States.

The most outspoken enemy of the SDI in Spain is said to be state minister Javier Solana, one of the men closest to the Trilateral Commission in Spain.

NATO troops practice retaking Norway

The U.S. Marines practiced retaking Norway from occupying Soviet forces at the end of August. Only two months before, the Soviets simulated an invasion of northern Norway.

Seven hundred U.S. Marines staged a mock sea-air assault on the fjord village of Malangen, in the first stage of a NATO exercise which ended with a simulated mass invasion by 10,000 NATO troops on the shores of southern Norway in the first week of September.

In a briefing to journalists, U.S. military experts said the exercise assumed that northern Norway had been invaded by the Soviet Union, and was aimed at showing Moscow that NATO could launch a large-scale defense of the area.

East German defects, warns of sabotage

A high-ranking officer of the East German border guards defected to West Germany on Aug. 30. The officer, Lt.-Col. Dietmar Mann, a 37-year-old commander of the East German 3rd Battalion, 24th Border Regiment, defected by crossing the border into Lower Saxony, in full uniform but unarmed.

It was reported that he was able to cross the border without difficulty, via a special route known to him because of his position.

At German intelligence headquarters near Munich, he reported that "Eastern special agents are to paralyze Western military bases and crucial industries by sabotage, in periods of crisis." The officer also reported massive infiltration of West Germany by Eastern agencies, according to the Sept. 2 West German daily *Bildzeitung*.

Spanish bill would jail terror 'apologists'

Alberto Ruiz-Gallardon, a representative of Alianza Popular, the conservative opposition party in Spain, has drafted an amendment to present anti-terrorist laws that would make "apology for terrorism" a crime. Albin Chalandon, the French minister of justice, had hinted at such a policy one month before.

On the model of the draft laws proposed in France by the government of Jacques Chirac, Alianza also proposes to make punishment for a crime committed "with terrorist intent" automatically the gravest possible sentence in that category, with no probation, parole, or reduced penalties.

"Terrorist intent" would include "destabilizing the political order, attacking the territorial unity of the nation, or creating fear and insecurity."

Deukmejian decision shows: budget-cutters spread AIDS

by Nicholas F. Benton

In a dramatic development, the governor of California, George Deukmejian, announced on Sept. 2 that he opposes California Ballot Proposition 64, which is coming before the state's voters next November. The reasons, according to the governor, are financial.

Proposition 64, the first of its kind in the United States, simply calls for the state of California to classify AIDS as a "communicable disease," and the condition of carrying HTLV-III, the virus associated with AIDS, as a "communicable condition." By placing AIDS on the state's official list of such communicable diseases and conditions, Proposition 64 would mandate that state health authorities apply the same public health measures that one would apply to tuberculosis, polio, etc., screening, isolation of victims, and treatment.

Deukmejian's statement came on Sept. 2, when the governor of California announced how he was going to vote on the various Proposition issues on the November ballot. It broke his silence of over two months since the Proposition was certified as having qualified for the ballot, with a total of nearly 700,000 signatures by California citizens.

Governor Deukmejian stated the following reasons for his opposition to Proposition 64: "With a greater the 700% increase in funding in four years, California's commitment to the fight against AIDS far exceed that of any other state. Protecting the public health, contributing to research directed at finding a cure, and providing compassion and care for AIDS victims have been and will continue to be the hallmarks of our policy.

"Given this commitment, Proposition 64 is wholly unnecessary and unwarranted. Dr. Ken Kizer, director of the state's Department of Health Services, has reported to me that the medical and public health communities of California are virtually unanimous in their opinion that Proposition 64 is not needed and should be defeated. It forces the public to make complex, sensitive medical judgments about various medical conditions which are best left in the hands of medical experts.

"Health officers already have the tools they need to pro-

tect the public, and to take the necessary actions to minimize the spread of this deadly disease."

The sanctimonious statements about California's funding for AIDS were belied, however, by the fact that just one week before his announcement that he would oppose Proposition 64, Governor Deukmejian cut \$20 million, or 40%, from the AIDS research budget proposed by the California legislature!

Proposition 64 was authored by a group of public health officials and physicians cooperating with Lyndon LaRouche, who were convinced that the causes of AIDS—the most deadly disease ever known to human history—lie in economic breakdown, and particularly its non-linear effects on the biosphere as a whole.

Ironically, the homosexual community, which has been most devastated by the spread of AIDS, and would benefit most from the measures proposed in Proposition 64, has been whipped into an irrational frenzy against the ballot initiative. They have been induced to believe the lies of the U.S. Centers for Disease Control (based in Atlanta) which insist that AIDS is a sexually transmitted disease, which only strikes the so-called high risk groups, homosexuals and intravenous drug-users. In fact, as the summary of scientific evidence presented elsewhere in this issue shows (see page 10), although these "high risk" groups are getting the disease *faster* than the rest of the population, it is merely the rate of communicability that differs—not the potential for getting the disease, particularly not under current conditions of economic breakdown.

The California decision compounds these causes and reflects severe problems within the Reagan administration. Deukmejian's decision, as his own statement makes explicit, was purely and simple a fiscal one. It was made under pressure from those of President Reagan's economic advisers who accompanied the President on his California vacation, including Chief of Staff Donald T. Regan and Treasury Secretary James Baker II, who have also been the key figures in pushing the President to sacrifice military defense to the Gramm-Rudman budget-cutting law.

Magistrate backs NBC plot against LaRouche

Attorneys for NBC-TV News have enlisted the complicity of a corrupt federal magistrate, Curtis W. Sewell of Alexandria, Virginia, in a plot to set up presidential candidate Lyndon H. LaRouche, Jr., to be killed.

According to a report in *New Solidarity* newspaper published Sept. 8, mercenaries hired as part of a \$600,000 "contract" reported to their employers, that the security net around LaRouche makes it risky to attempt to kill the presidential candidate. Recently, NBC-TV's attorneys came up with a clever approach to stripping LaRouche of security, and placing him in a prison where he could be easily killed.

This scheme depended upon cooperation from a thoroughly corrupt federal judge. They found that cooperation in federal magistrate Sewell of the Alexandria federal court.

The trap is simple. NBC-TV's law firm demanded that Magistrate Sewell impose sanctions, as a prelude to contempt-of-court rulings, against LaRouche, for LaRouche's failure to force businesses over which LaRouche has no legal control, to produce records requested by NBC-TV's attorneys. In defiance of all principles of law, Magistrate Sewell agreed and imposed a \$250-a-day fine against LaRouche. The next step, if Sewell's unlawful and corrupt ruling is not overturned by the federal court, is to place LaRouche into prison for civil contempt, on the basis of this evil magistrate's ruling.

An appeal of Sewell's ruling is now scheduled for Sept. 12.

The assassination project

This development arises out of the role of a corrupt and lying federal judge, James C. Cacheris, in rigging the trial and jury in a 1984 federal civil action, *LaRouche v. NBC-TV et al.*

While NBC-TV was then in the midst of securing a valuable contract with Moscow, the Soviet government's campaign against President Reagan's Strategic Defense Initiative, had acted on Soviet behalf in conducting a number of operations, targeting both officials of the U.S. intelligence establishment and LaRouche, during the period from January through March 1984. As part of this Soviet-sponsored pressure on the Reagan administration, NBC-TV News broadcast major segments on an evening news broadcast and on a now-defunct feature, "First Camera."

These activities by NBC-TV and its accomplices, did

succeed in causing the Reagan administration to distance itself from LaRouche's work on matters of great strategic interest to the United States. LaRouche sued for libel. NBC-TV's accomplices fixed both the federal judge and the jury in that legal action. The case is currently under appeal to the U.S. Supreme Court.

In that case, NBC-TV filed a counterclaim. It charged that LaRouche had instructed persons associated with him, to cause a breach of the business relationship between NBC-TV News and Senator Daniel Patrick Moynihan (D-N.Y.). The argument was that LaRouche had caused Moynihan's failure to sit for a film interview with the staff of NBC-TV's Pat Lynch. NBC's attorneys submitted not a single piece of evidence showing that LaRouche had attempted such an action. NBC-TV's attorneys did prove, however, that no breach between Moynihan and NBC-TV had occurred, by presenting in court the very filming which NBC-TV claimed had been prevented!

Since NBC had presented no evidence that LaRouche had attempted to cause such a breach, and since NBC's attorneys had proven that no such breach had occurred, Judge Cacheris should have dismissed NBC's counterclaim before delivering the case to the jury. In flagrant violation of the law, Cacheris did submit this fraudulent claim to a jury which the judge knew to have been corrupted through actions by NBC and its accomplices.

Although solid evidence was presented, that LaRouche has had no taxable income for more than a decade, Judge Cacheris ruled that LaRouche should pay \$200,000 in punitive damages to NBC-TV, for a breach which never occurred!

NBC-TV's attorneys have used the pretext of an attempt to collect what they know to be an uncollectible sum, as the lever for setting LaRouche up to be killed. Magistrate Sewell, who made a series of corrupt rulings during the trial of *LaRouche v. NBC-TV et al.*, proved himself again to be in the pocket of NBC-TV's attorneys. Should any relevant unpleasant things happen to presidential candidate LaRouche, NBC's attorneys and Magistrate Sewell will be known, worldwide, as witting accomplices of those felonies.

The currently known plots against LaRouche's life, *New Solidarity* reports, involve a Canada-based drug-trafficking operation, employing skilled mercenaries, and operating in part out of Mexican points such as Ciudad Juarez and Tijuana. The known funding for this assassination project comes chiefly through Switzerland and Liechtenstein; the amounts known, total to the millions of dollars.

On the surface of the proceedings to date, it is difficult to prove that attorneys for NBC-TV are more directly involved in any assassination attempt against LaRouche, than setting LaRouche up so he could be easily killed, and hoping for the worst. However, it can be proven, conclusively, that the attorneys are politically allied with agencies which are organizing attempted assassinations.

What evil is Jeremy Rifkin up to now?

by Kathleen Klenetsky

On Aug. 8, the Pentagon issued a report charging the Soviet Union with serious violations of international agreements prohibiting the development of biological poisons. Authored by Deputy Assistant Defense Secretary Douglas Feith, the report called the 1972 Biological and Toxins Weapons Convention both “critically deficient and unfixable,” and asserted that, given the “stunning advances” in biotechnology, arms control agreements were totally incapable of regulating these weapons.

Appearing just a month before an international review of the treaty is to take place in Geneva, the Feith report clearly represented an attempt by the U.S. military to redress what is rapidly becoming a dangerous imbalance in Soviet and Western capabilities in biological warfare.

But shortly after its publication, environmental activist Jeremy Rifkin sued to prevent the United States from doing just that. On Sept. 2, Rifkin filed a suit in Federal District Court seeking to block all Defense Department efforts in the area of defensive bioweapons research, including research into antidotes, which is expressly allowed by the 1972 treaty.

By no means is this the first time that Rifkin, president of the Washington-based Foundation for Economic Trends, has sought to undermine U.S. national security. Through a similar suit filed in 1984, Rifkin dealt a severe blow to American efforts to close the East-West gap in biowarfare, by forcing the Pentagon to scuttle a planned important biological research laboratory in Dugway, Utah.

Rifkin has extended his crusade beyond the military *per se*. Over the past several years, he has led one battle after another—most of them successful—to shut down *all* U.S. biotechnical capabilities, including those which could dramatically increase the productivity of American agriculture. For example, Rifkin, with support from the Moscow-funded Green Party of West Germany, recently succeeded in postponing landmark tests in California of a genetically engineered bacterium capable of protecting strawberries, potatoes, and other crops from frost.

Rumors are now circulating that Rifkin may soon take up a new crusade—the AIDS issue—exploiting the anti-AIDS backlash spreading through the population for his own ends.

Just who is this fellow, anyway? Although many scien-

tists dismiss Rifkin as a kind of Ralph Nader of the scientific world, a gadfly who won't be taken seriously because he lacks proper credentials, he is a far more serious threat than that.

A Luddite in service to Moscow

Rifkin has devoted his entire adult life to wrecking the fundamental tenet of Western civilization, expanding population at a higher standard of living. He works closely with the Club of Rome, the premier institution of the population-reduction lobby, co-founded by European oligarchs and Soviet ideologues. And though he may not get paychecks from the KGB, he certainly functions as a willing, if not witting, servant, of Moscow.

Rifkin makes no bones about his overall aims. In his most recent book, *Declaration of a Heretic*, he lavished praise on what he called the “conspirators” in a movement to construct a “new world view.” These “modern heretics”—among whom he includes himself—are “preparing to do battle against what is certainly a formidable foe. *Their enemy is the consciousness of contemporary Western civilization. . . .* Their effort is truly monumental and without parallel: to redirect the very consciousness of the human species. . . .” (emphasis added)

Fittingly, Rifkin was trained at the Wharton School of Economics, a leading center of genocidal schemes against the developing sector. One such scheme, produced several years back, urged the Mexican government to reduce the population of Mexico City by one-half, a deurbanization scenario that would have done Kampuchean dictator Pol Pot proud.

While at Wharton, Rifkin became a leader of the anti-war movement, organizing a major anti-war rally in New York in 1967, and later staging a mock war-crimes trial against the United States, modeled on those sponsored by one of his idols, Bertrand Russell.

In 1976, he headed up the radical leftist People's Bicentennial Commission, through which, according to media accounts, he organized demonstrations of 20,000 pot-smoking hippies to protest against the official bicentennial celebrations for being too pro-capitalist.

In the late 1970s, in collusion with the Club of Rome and other oligarchical organizers of the so-called “Aquarian Conspiracy,” Rifkin launched his major project: an attempt to take control of the fundamentalist movement in the United States and to shape it into a Khomeini-like irrationalist, anti-science movement that could be used, ironically, to overthrow Christianity and replace it with a pagan bestialism that would explicitly undo the cultural and economic achievements of the Golden Renaissance and the Industrial Revolution.

To gain the necessary foothold, Rifkin forged a close alliance with Pat Robertson, the “conservative” TV evangelist and presidential aspirant. Robertson (along with the Soviet press) has frequently praised Rifkin's writings, featured him as a guest on the “700 Club,” and joined his campaign against

biotechnology. For his part, Rifkin has gloated in private conversation that he and Robertson "think alike on economics."

In 1979, Rifkin published *The Emerging Order: God in the Age of Scarcity*, in which he described the role of fundamentalism in replacing Western civilization with a "steady state society," an "age of conservation." Much of Rifkin's subsequent writings, including his better-known *Entropy*, elaborate the themes first developed there.

Rifkin's major premise was that God created a "fixed universe," and that "anything [science and technology in particular] that undermines the 'fixed' purpose and order that God has given to the natural world is also sinful and an act of rebellion. . . ."

A zero-growth God

Rifkin further argued that the notorious 19th-century scientific fraud, the Second Law of Thermodynamics, constituted God's "supreme law" of the universe. This "Entropy Law," wrote Rifkin, "tells us that every time available energy is used up, it creates disorder somewhere else in the surrounding environment. The massive flow-through of energy in modern industrial society is creating massive disorder in the world we live in. The faster we streamline our technology, the faster we speed up the transforming process, the faster available energy is dissipated, the more the disorder mounts."

To stop this inexorable collapse, said Rifkin, man must renounce science and technology, and embrace a society based on strict "limits to growth." And just what would that mean? "The low-entropy age," he explained, "will require a great reduction in world population. In the pre-industrial solar age, the carrying capacity of the world, in terms of human beings, was only 1 billion. Even at that, the world's resources were being severely strained. . . . It is essential that the world begin with renewed vigor a serious program aimed at reducing the earth's population in the decades to come. The world must once again move back toward a sustainable, Solar Age population." (emphasis added)

And what would that Solar Age paradise be like? Rifkin wrote elsewhere: "The Solar Age will require a greater conformity to the ancient rhythms of life. While small, appropriate technology relying on very limited stocks of non-renewable energy will still be used where absolutely essential, the bulk of the transforming work will revert back to human and animal labor as it has in every other period of history before the Industrial Age."

Given this outlook, one can be sure that if Rifkin does take up the AIDS issue, it will certainly not be from the standpoint of using science to find a cure for the deadly disease, the only sane approach to the problem. Indeed, it is quite probable that Rifkin will explicitly agitate against spending the required funds on medical research. Like his model, Bertrand Russell, Rifkin no doubt believes that epidemic diseases can be a most effective tool not only for killing off populations, but forcing the world into a new Dark Age.

The Media

'Black Widow' exposé case comes to court

A *Washington Post* legal spokesman has told *EIR* that *Post* owner Katharine Graham should decide during the week of Sept. 8-12, whether to contest the release of official records concerning the death of her husband.

Richmond, Virginia, Circuit Court Judge Willard I. Walker has scheduled a hearing for Sept. 22. He will rule on a petition to release the death certificate and medical examiner's reports, kept confidential since Philip L. Graham's alleged suicide in 1963. A series of articles published earlier this year in *New Solidarity* newspaper, now widely known under the nickname "Black Widow," discredited the "suicide" story and called for an official investigation. The series co-author Anton Chaitkin is bringing the Virginia court action as a first step toward a possible murder prosecution in the case.

We will here partially summarize the facts so far brought forward.

Motivation to murder

Philip L. Graham owned, and had considerably enlarged the *Washington Post*, since his wife Katharine's father Eugene Meyer had given it to him in the 1950s. Graham had bought *Newsweek* magazine for the *Post* Company. It soon became clear that Graham intended to run the newspaper and magazine, without regard to his wife's contrary political views.

Graham was appointed head of the Commercial Satellite Corporation by his close friend President John F. Kennedy. The Eastern Establishment had turned viciously against Kennedy over his space program and his commitment to stand up to the Soviets with strong scientific and military development. Phil Graham opposed the wreckers of the administration, including Defense Secretary Robert MacNamara, the *New York Times*, and his own wife and her family network.

Graham had left his wife and was living with *Newsweek* employee Robin Webb of Australia, whom he intended to marry. In January 1963, on orders of his wife, he was seized at a hotel banquet, bound and drugged, and placed for 11 days in a private sanitarium, Chestnut Lodge in Rockville, Maryland.

On March 22, 1963, he wrote a last will and testament leaving control of the *Washington Post* and *Newsweek* to his fiancée Miss Webb.

To handle his divorce from Katharine Graham, Phil hired attorney Edward Bennett Williams, a notorious insider in the legal affairs of organized crime.

Williams proceeded to betray Graham, as he later told his biographer Robert Pack (in *Edward Bennett Williams for the Defense*). In June 1963, he "convinced" Phil Graham to reenter the sanitarium, "convinced" Robin Webb to leave Graham and go back to Australia, and destroyed Graham's March 22 will "in the presence of witnesses." Six weeks later, on Aug. 3, 1963, Phil Graham was released from the sanitarium into the hands of his estranged wife, and allegedly killed himself with a shotgun. There was no autopsy, and the body was cremated.

Mrs. Graham took control of the *Post* and *Newsweek*, and issued the suicide story to the media. No mention was made of the separation or of the political struggle between the Grahams. No official records of the death or of Graham's alleged mental illness were ever made public. Local authorities in Fauquier County, Virginia, claim to have lost all records of their police investigation, and the personnel involved are afraid to speak about the case without Katharine Graham's approval.

On July 12, 1963, during Phil Graham's final incarceration, Katharine's mother Agnes Meyer had written that anti-Kennedy *New York Times* executive James "Scotty" Reston, and Associated Press president Ben McKelway, had "done a great job of keeping everything out of the press."

Immediately after the Aug. 6 funeral, Katharine Graham and her mother sailed on their yacht to the Black Sea for a private meeting with Soviet Premier Nikita Khrushchov.

Three months later, President John F. Kennedy was shot to death in Dallas, and Phil Graham was not around to protest.

Katharine Graham converted Phil's pro-labor, pro-science, anti-communist newspaper into the most strident anti-American organ in the country. While she and her mother hosted a new dialogue between Soviet dignitaries and Anglo-American aristocrats in her New York and Washington homes, the *Post* promoted the New Age:

- Watergate, an offensive led by Katharine's new lawyer, Edward Bennett Williams! His previous experience as Senator Joe McCarthy's lawyer came in handy.
- Depopulation of the Western nations, through homosexuality, drug use, euthanasia, and "the right of disease to spread." Katharine defined liberalism by family tradition; her father had ground the people into Depression austerity as chairman of the Federal Reserve system for President Herbert Hoover.
- Destabilization of allied governments, deliberate defense security breaches, and other aid for the global rise of Soviet power.

Edward Bennett Williams biographer Robert Pack discussed the Black Widow case in an article in the August issue of *Washingtonian* magazine: "Chaitkin and [co-author Stephanie] Ezrol note that shortly before his death from a shotgun blast to the head, Philip Graham attempted to leave his estate, including control of the *Washington Post* and *Newsweek*, to his mistress, a young Australian woman named Robin Webb, but the will was nullified through the efforts of Graham's attorney and close friend, Edward Bennett Williams. As a result of the nullification, control of the *Post* Company passed to Mrs. Graham.

"The authors then make the incredible leap of logic [sic] to speculate that Katharine Graham and Edward Bennett Williams may have acted in collusion to murder Philip Graham."


Very well informed Washington intelligence sources report that Pack has come under heavy fire from Katharine Graham and company for breaking the press blackout on the story. If Mrs. Graham chooses to contest the release of the death documents on her husband, the notoriety could result in the official investigation she hopes to avoid. Otherwise, if the records are released to Chaitkin, new leads will be established which should soon allow the case to be presented to state prosecutors, or, if necessary to congressional investigators.

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Elephants and Donkeys

by Stephen Pepper

GOP prepares raid as Democrats self-destruct

President Reagan traveled to Chicago during the week of Aug. 12, to support GOP candidates in Illinois, and to raid the Democratic Party for voters, especially the 20-30% who support Lyndon LaRouche and his candidates' movement.

A *Chicago Sun-Times* reporter asked Reagan the set-up question about LaRouche, to which the President replied, "I'm not here to do battle with him." Then after a ritual sentence distancing himself from LaRouche positions, Reagan delivered the punch line that voters who objected to the ultra-liberal line of the Democratic leadership, should "play it safe and vote Republican."

Reagan was inviting the Democratic voters who have consistently turned out for LaRouche-backed candidates, to switch in November. Meanwhile, the Democratic National Committee has been busily "writing off" this constituency, by repeating with self-hypnotic regularity that the LaRouche movement is both insignificant and the greatest menace the Republic has ever faced. Democratic National Chairman Paul Kirk and his henchmen ritually call LaRouche neo-fascist, neo-nazi and neolithic, and tell voters that if they vote for LaRouche-backed candidates they are ignorant or crazy. No wonder that a third of the regular Democratic vote is ripe for a political raid. Reagan's remarks sig-

nal that the Republicans are readying just such a coup.

Fight for the Senate

These developments may very well determine the outcome of the November fight for the U.S. Senate. It appeared a few months ago that the Democrats were in an overwhelming position to take control of the Senate, but now the situation has changed. The most recent evidence of this is the vote in the Democratic primary in Oklahoma, where George Gentry, the LaRouche Democrat backed by the National Democratic Policy Committee (NDPC), won 33% of the vote—157,440 votes—in the Democratic primary for U.S. Senate against nationally known Rep. Jim Jones of Tulsa. Gentry ran ahead of his state-wide total in Jones's home town. Democratic pollster Kenneth Bailey said Gentry's support was a protest vote against Jones "that may signal trouble for his fall campaign."

Had they understood the political disaster they have just suffered, the Democratic leadership would now be moving heaven and earth to bring Gentry and the 30% he carries into the party fold for the fight in November. Instead, the state party chairman, Jim Frazier, decided to insult the electorate, and dismiss the Gentry vote as "a reflection of totally uninformed voters." GOP Senator Don Nickles's seat was one of those targeted by the Democrats, but there is no chance with a significant part of the Gentry vote dis-affecting.

Georgia is another good example of the phenomenon. There, Jerry Belsky, the NDPC Senate candidate, ran an exemplary campaign on the issues, and thoroughly exposed the policies of Sen. Sam Nunn, whom the ex-Carter aide, Ham Jordan, was extolling. Belsky zeroed in on Jordan as a

warmed-over Carterite pretending to be a conservative.

The results in Georgia produced two surprises, both in part attributable to the NDPC ticket. Jordan was unable to force a run-off against Rep. Wyche Fowler in the Democratic U.S. Senate primary, and Julian Bond lost to John Lewis in the 5th C.D. race. Belsky ran well in rural counties where Jordan had to produce huge pluralities to overcome Fowler's hold on Atlanta. The turning point for Bond was his willingness to cross a picket line honored by Lewis. The NDPC candidate in the 5th C.D., Andy Rotstein made this a major issue.

The NDPC's Georgia Ag Commissioner candidate Billy Odom, garnered over 100,000 votes (18%) against long-time office-holder Tommy Ervin. Odom actually carried one county. This result is almost exactly the same as the vote won by LaRouche Democrat Noel Cowling in his race for Ag Commissioner in Texas against Jim Hightower, the Democrats' national spokesman on agriculture.

In Georgia, the Democrats are hoping to unseat the GOP's Matt Mattingly, by no means a brilliant Senator. But the pattern of protest reflected in the NDPC vote and influence exposes their weakness. A similar situation has arisen in neighboring Alabama, where Republican Sen. Jeremiah Denton is the target. But in both states the party has closed ranks against "outsiders," officially declaring membership in the NDPC incompatible with being a Democrat. In Alabama the party excluded a former Republican as its standard-bearer, and has suffered a major setback in the Senate race as a result.

The 30% NDPC vote is the key to the November contests. Either the Democrats break the liberal tyranny over the Party, or the Republicans are likely to retain the Senate.

National News

Vatican clips the wings of Seattle archbishop

Raymond Hunthausen, the Roman Catholic archbishop of Seattle, will surrender control of several major areas of responsibility to auxiliary bishop Donald Wuerl, at the request of the Vatican, the *Seattle Times* reported on Sept. 4.

Hunthausen is a leading light of the "American heresy," another of whose proponents, Father Charles Curran, was recently barred by the Vatican from teaching theology at the Catholic University of America. The "American heresy" takes an ultra-liberal attitude on issues including sexual morality, military defense, and the central authority of the Pope.

Wuerl was appointed auxiliary bishop of Seattle in December 1985, after the Vatican completed a two-year investigation of Hunthausen, which concluded that he needed to "pay more attention" to Catholic teaching in several areas.

Many Catholics were particularly outraged when Archbishop Hunthausen gave over the Seattle Cathedral to homosexual activists.

Chicago woman sues airline in AIDS scare

American Airlines was sued for more than \$12 million on Sept. 2 by a Chicago woman, after an airline employee exposed to the AIDS virus allegedly bit her hand at the city's O'Hare Airport. The identity of neither party has been released.

According to a report in the *Chicago Sun-Times* on Sept. 3, the two quarreled when the woman arrived late for a flight to Denver on Feb. 10 and was told she could not board because she didn't have a boarding pass. The woman's suit alleges that the employee was rude and began walking away, and that she grabbed his waist and demanded to see his name tag.

"Then he turned around and without saying a word, he bit her on the ring and index finger," said Enrico Mirabelli, the woman's lawyer.

The employee took a blood test after the incident and tested positive for the HTLV/III antibody, indicating that he had been exposed to the virus.

Mirabelli added: "A day doesn't go by when my client doesn't worry about contracting AIDS. She is scared to death right now. . . . The AIDS-related lawsuit is going to be the lawsuit of the future. There's a lot we don't know. What we do know is if my client contracts AIDS, she will die."

California surfers riot against police

A Dionysian riot erupted in Huntington Beach, California on Aug. 31, during the "Pro Surfing Championship" contest there. The violence occurred when police officers responded to cries for help from several girls who were having their bathing suits ripped off by a crowd of males. The crowd turned on the police and chased them into a nearby lifeguard tower.

Rioters then trashed two police cars and a lifeguard truck, torching the police cars with safety flares, and broke into the police station and looted it. The policemen in the lifeguard tower evacuated when the crowd burst in beneath them, leaving only a lifeguard supervisor. When he fired a shot into the air, the mob finally dispersed.

A massive police deployment was required to clear the beach later, and 13 people were arrested.

Cuomo blows his stack at exposé of dope ties

New York Governor Mario Cuomo (D), showing signs of wear and tear from increasing exposés of his own and his family's corruption, gave vent to a profane outburst when asked by the *New York Post* to comment on

his son's business deals. "You tell Bill Stern [Cuomo's former campaign manager] to put it in goddamn writing. . . . Stern doesn't have the balls to do it," the governor was quoted by the *Post* on Sept. 2.

Cuomo was referring to Stern's relatively mild remark that son Andrew's law firm has some mighty curious clients—including some of the biggest narcotics interests in the state.

Andrew Cuomo is the attorney for, among others, William Zeckendorf and Donald Trump, real-estate developers who made hundreds of millions of dollars in state contracts. The two are long-time cronies of the Bronfman family of Canada and other drug-linked mafia interests. Andrew is also the attorney for the Israeli Bank Leumi, one of the dirtiest drug banks in the world.

Julian Bond defeated in Georgia primary race

In an upset victory Sept. 2, former Atlanta city councilman John Lewis beat State Sen. Julian Bond in a runoff election for the Democratic nomination to Congress. The vote was 51.8% to 48.2%.

The defeat of Bond, who was viewed as the "heir apparent" to fill the 5th C.D. seat vacated by Rep. Wyche Fowler, signifies the collapse of Jimmy Carter's liberal Democratic machine in Georgia. Carter associate Hamilton Jordan was defeated in his bid for the Democratic nomination for U.S. Senate in the primary on Aug. 12.

Both Lewis and Bond are black civil-rights veterans; they were among the founders of the Student Non-Violent Coordinating Committee (SNCC) in the 1960s. Lewis was the longtime head of the Voter Education Project, which mobilized and registered thousands of southern blacks. Bond needed a Supreme Court order to take his state legislative seat in 1966, because of his anti-war statements.

One of the issues which is believed to have swung the voters behind Lewis was the "war on drugs." During the final weeks of the campaign, Lewis challenged Bond to join him in taking a urine test, to prove that

he does not use drugs. Bond refused.

Andrew Rotstein, a LaRouche Democrat who ran in the Aug. 12 primary for the 5th C.D. seat, had made the drug issue a major focus of his campaign, focusing public attention on the problem and forcing other contenders to address it.

Police seize vehicles of drug violators

Police in Washington, D.C. have begun seizing the vehicles of people arrested on charges of possession of narcotics in the District, as part of a new crackdown on drugs, the *Washington Post* reported Sept. 2.

"If you come into the District and buy a nickel bag of marijuana, and we see you and stop you and you are the owner of that car, we are going to seize that vehicle," said Assistant Police Chief Isaac Fulwood, Jr., who called the new policy "a drastic shift" for the police department. "We have to make [drug dealing] unprofitable, and when you start to take people's cars, you're telling them you're turning the volume up and increasing the risks."

Under a 1970 federal statute, vehicles can be seized if there is probable cause that the vehicles were used to buy, sell, or exchange narcotics. Even if the suspect is found not guilty, he can only reclaim the car through a civil suit.

Elsewhere in the country, local authorities are turning the screw on the drug pushers. In Bergen County, New Jersey, police announced a plan to set up checkpoints on the New Jersey side of the George Washington Bridge, which crosses into New York City. The checkpoints will be to detect drivers under the influence of drugs or alcohol.

Many towns in New Jersey in the area of the bridge report heavy sales of crack and cocaine which go back and forth to and from New York City.

The Drug Enforcement Administration has already given tentative approval for seizure of cars involved in drug buys.

The executive director of the New Jersey American Civil Liberties Union (ACLU),

Ed Martone, immediately criticized the program: "I don't know a trained officer or trained dog or anyone else who can spot a car and tell whether someone in the car is impaired by drugs or carrying drugs."

Scientists charge CDC sabotage of AIDS work

Scientists formerly employed with the Atlanta Centers for Disease Control have charged that the CDC, the federal government's top research facility for communicable diseases, has sabotaged the AIDS research program.

The *Baltimore Sun* on Aug. 31 published a story, originating in the *Miami Herald*, which mentioned "sabotage of experiments," "suppression of research," and "rebellion among AIDS experts." The article reports "an exodus" of scientists and researchers from the CDC, among them "experts who were instrumental in proving that transfusions spread AIDS, [and] that the AIDS virus causes the disease."

"I'm surprised at how little is coming out of that lab," said Dr. Cy Cabradilla, described as "a former high-level CDC expert." He added, "They were on to very important things that now seem trivial because it's too late" (emphasis added).

At the center of the controversy is Dr. James Curran, head of the CDC's AIDS program office in Atlanta. The *Herald* reports: "Scientists say Dr. Curran has temporarily blocked publication of research."

"Cultures have turned up missing or contaminated," according to a former CDC lab expert. And the scientific integrity of CDC studies has been challenged. "Few papers from the AIDS lab have true authorship," Dr. Cabradilla was quoted in the *Sun*.

"There is a big cloud over the whole program," according to CDC doctor Steven McDougal. The *Sun* added, "On Aug. 11, several researchers trooped into the office of Walter Dowdle, supervisor of AIDS efforts for the U.S. Public Health Service, to complain about deteriorated working conditions."

Briefly

● **JEWISH DEFENSE** League national chairman Andy Green has claimed credit for tear gas bombings of the Metropolitan Opera House on Sept. 3, which caused minor injuries. The Opera House was featuring the Soviet Moiseyev Dance Company, and Green "speculated" that Soviet Jews from the JDL's Brighton Beach chapter may have been responsible.

● **NEW YORK TIMES** editors urged the *Jerusalem Post* to publish an article on Aug. 24, playing up death threats by terrorist Mordechai Levy against Lyndon H. LaRouche, sources report. The *Times* assured the *Jerusalem Post* that Levy's credentials—despite his known terrorist background—were impeccable.

● **CYRUS VANCE**, former secretary of state under Jimmy Carter, has been hired as legal counsel by *U.S. News and World Report* in its efforts to win the release of correspondent Nicholas Daniloff from a Soviet prison.

● **A 'DRAMATIC SHIFT'** has occurred in the attitude of Americans toward drugs, according to a poll published in the *New York Times* on Sept. 2. "Two-thirds of Americans would pay more taxes to jail drug sellers, and three-fourths of full-time workers would be willing to take a drug test." Sixty-three percent said movies and television glamorize drugs, with 11% specifying NBC-TV's "Miami Vice" as a show which did so. NBC-TV called that a "mis-perception."

● **A GROUP CALLING** itself the Stop AIDS Quarantine Committee will hold a torchlight protest march to the Los Angeles office of the National Democratic Policy Committee on Sept. 15. The NDPC supports the state's Proposition 64, a ballot referendum which calls for emergency public-health measures to stop AIDS. The Stop AIDS Committee is receiving support from the statewide "No On Proposition 64" coalition, including computerized voter lists and a 23-phone bank.

Editorial

'The orchestra played perfectly'

Officials of the National Aeronautics and Space Administration and the Strategic Defense Initiative Office were reported to be elated over the overwhelming success of a Delta rocket-launched SDI experiment conducted Friday morning, Sept. 5.

The experiment, carried out under extremely tight security conditions, dramatically reversed the string of disasters and suspected sabotage which started with the Jan. 28 Challenger explosion, and included the destruction of another Delta on May 3.

Following the successful Delta experiment, Defense Secretary Caspar Weinberger struck deep into the territory of the enemies of the Strategic Defense Initiative—at Harvard University's 350th Anniversary celebration—with a powerful speech reaffirming President Ronald Reagan's July 25 offer to Gorbachov for technology sharing and joint deployment of the SDI.

The SDI experiment—described by NASA as “as close to perfect as you can get”—involved two satellites launched by a Delta rocket from Cape Canaveral, which tracked each other in an “orbital dog fight” for three hours before one deliberately collided with and destroyed the other. The satellites also tracked the launching of a smaller Aries rocket from New Mexico.

A Pentagon spokesman described the experiments as a “classic textbook success,” saying that they show “we can pick up an object, identify what it is, and then we can home in on an object.” “We feel like we're back in the groove,” said the elated Delta project manager at a press conference after the launch.

Referring to the launch and the flight team, he added: “We let the orchestra play and it played perfectly.”

The Delta rocket, one of three that have been designated for SDI, blasted off at 11:08 a.m. EDT. The smaller Aries was launched at 12:39 p.m. And at 2:50 p.m., Weinberger launched a precision-guided attack on the Soviets and their U.S. appeasers.

Weinberger highlighted the “moral difference” between the U.S. and Soviet governments, and commented that the Soviets are “quite effective in trying to

bring home to molders of our own opinion their own agenda and their own desires as to what we should do.” Soviet military training and doctrine, said Weinberger, “are grounded in a very clear belief that a nuclear war can be won and be won by them.”

The Soviets want arms-control agreements “without much cost to them” which they are manipulating U.S. public opinion to try and get.

Weinberger expressed his confidence that there is “a better way”—the SDI—and displayed optimism “on the basis of our experiments and tests as recent as today . . . I'm convinced we can get it.” He then repeated Reagan's July 25 offer, the same as the proposal made by Lyndon LaRouche in 1982: “The President has said many times—and people, as they frequently do, don't seem to believe him and don't seem to be willing to credit him with meaning what he is saying . . . that, if we could get it, we would indeed share the technology, work out a regime in which it was jointly deployed with the Soviet Union so that there would not be any advantage in the sense of having a clear, firm, thoroughly reliable defense.”

Weinberger concluded with an attack on those who think “we could get peace by weakness,” reminding his listeners of Hitler's invasion of the Rhineland in 1936, “when it was not considered proper policy to make any kind of interference that might lead to confrontation. And yet had we done so at that time and made it clear that Hitler's tiny army had to leave at once, and made it clear by the military strength that could be brought against him, then I think we could have had a different result and perhaps avoided all of World War II.”

So far, the response from the Soviets to the generous Reagan-Weinberger offer continues to be a thundering silence.

But we here at *EIR*, where the new strategic doctrine behind the SDI originated, know how crucial our role has been in making the events of Sept. 5 possible. So, when the orchestra plays perfectly, there is just one thing to do—applaud!

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