

EIR

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Why 95% of Ibero-American debt is illegitimate
Cocaine tidal wave hits United States
Does the Gaystapo run both California parties?

**Dealing with the Russians'
decisive cultural inferiority**





Reversing Gramm-Rudman II: How can financial collapse be avoided?

Second and Third Quarters 1986

In its last Quarterly Economic Report, *EIR* predicted a 15-25% further decline in the productive capabilities of the U.S. economy. That is precisely what happened between March and September of this year—before the worst, most monstrous implications of the Gramm-Rudman and related tax reform measures go into effect.

Such events force one to ask: Is the pro-Russian majority in Congress not only committed to selling out U.S. defense interests, but also to collapsing the U.S. internal economy, and international monetary and financial system? Are the industrialized nations prepared to continue policies which will lead to their own suicide?

Did you know that. . .

- **The world financial system is more than ripe for collapse**, probably before November, and the principal fuel for such developments is the narcotics-trade-dependent growth of that banking category known as “off-balance-sheet liabilities”—dwarfing other categories of indebtedness.
- **600,000 troops, including 350,000 active duty troops, will be eliminated** if Gramm-Rudman II is implemented during the course of the fiscal year which begins Oct. 1.
- **A further, minimal 7% decline in capital and durable goods production capabilities** will occur in the months ahead, due simply to reduced defense procurement, if Gramm-Rudman II is implemented.

Since the fall of 1979, Lyndon LaRouche's forecasts have established a record unparalleled in accuracy by any other economic forecasting service in the nation. Data Resources International and Chase Econometrics proved unable, in the fall of 1979, to correctly forecast the consequences of the credit policy then being initiated by the Federal Reserve under Paul Volcker. LaRouche did, in the *EIR Quarterly Economic Report*. Those agencies, and their co-thinkers, have been repeatedly exposed as incompetent bunglers, while the LaRouche record is one of consistent accuracy.

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EIR

From the Editor

President Ronald Reagan's U.N. speech on Sept. 22 made public what the Soviets particularly fear—the influence of presidential candidate Lyndon LaRouche's concept of the SDI on the U.S. administration. But what the Soviets fear is what has to grow by leaps—before the Soviets and their Eastern Establishment allies destroy the West by exploiting the Reagan administration's weaknesses, notably in the economic-policy area.

In this week's *Feature*, we publish key parts of LaRouche's recent paper outlining a strategy to defeat Russian irregular warfare, which is really *cultural* warfare. Last week, our cover story on "Who is *really* behind Middle East terrorism," documented the evidence that has been consistently "overlooked" by the State Department, on Syria's role as Moscow's chief stooge in the escalating violence which rocked the world in September, and shows no signs of slowing down.

Our assessment is that the United States and the principal European governments must pool their resources for concerted action against this Soviet-controlled irregular warfare, or lose the war. The debate in and among the Western governments now is over such a strategy, and in particular, over LaRouche's increasingly recognized role, as the first to have correctly identified the nature of the enemy.

As a signal to everyone that we are in the middle of a debate over increased U.S.-European cooperation against terror, *EIR*'s Philip Golub led off the Sept. 24 broadcast of ABC-TV's *Nightline* broadcast on terrorism. Golub was shown as he released the French edition of the *EIR* Special Report on the German Greens and terror, at a Paris press conference.

On the crucial economic-policy front: *EIR*'s Ibero-American co-editor Dennis Small presented the Spanish edition of the book, *Ibero-American Integration*, to over 200 business, government, and labor leaders and press on Sept. 23 in Lima, Peru. The book is front-page news in major papers of Panama, Mexico, and Venezuela as well as Peru, and has been presented on Peruvian TV and Bolivian radio. At Small's press conference, there was particular eagerness to learn about the LaRouche political movement in the United States, as the ally of the shift in economic policy the book puts forward.

Nora Hamerman

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Feature



Russian imperial troops look on as townspeople beat a Jew in the pogrom of 1881 in Kiev, a notorious manifestation of Russian "raskolniki" barbarism. Barbaric cultures are essentially racialist, "blood and soil" cultures, whose form of belief is consistent with the worship of capricious tribal gods. They reject the existence of an efficient and knowable universal reason.

36 Dealing with the Russians' decisive cultural inferiority

Suppose that over the relatively short term ahead, a peace-through-strength posture by the U.S.A. and its collaborators, has halted the Soviet empire's active aggression. How can we win irregular warfare against that empire? Lyndon LaRouche answers in a major new policy paper: "Exclusive emphasis upon methods of internal subversion of nations falling into the classes of Russia or mainland China, can not lead to a net success. Only by inducing a crisis of felt cultural inferiority within such nations, can the conditions for the needed cultural shift be induced."

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IMF in brawl over future of dollar empire

by David Goldman

The International Monetary Fund's Annual Meeting, starting Sept. 29, has been widely advertised as a brawl between the United States, which wants Germany and Japan to print money to delay a financial crash, and Germany and Japan, which do not want to mortgage their currencies to the collapsing U.S. banking system. The roughly 10% decline in the price of long-term U.S. government securities since early September reflects the German and Japanese reluctance to continue funding an American balance of payments deficit likely to exceed \$150 billion in 1986, and a fiscal deficit likely to approach \$300 billion.

If the Germans and Japanese, as is likely, agree to a mere cosmetic agreement to ease monetary conditions, the foreign-exchange market will chop it apart within days. If they agree to America's terms, it is most probable that a generalized financial collapse will be postponed until sometime in early-to mid-1987. If not, a crash, involving the major institutions, and a funding crisis for the U.S. deposit-insurance agencies, will probably emerge before the end of the year.

Federal Reserve chairman Paul Volcker spent the week prior to the IMF meeting warning that the depreciation of the American dollar—by roughly 40% since mid-1985—had already gone far enough. Volcker's statements contrasted to those of Treasury Secretary James Baker III, his partner in the U.S. delegation to the IMF talks, who has warned that if Germany and Japan do not reflate their economies and thus absorb more U.S. imports, the dollar will have to fall further. Baker's statement is nonsense in economic terms; the United States has no hope of exporting products that it has stopped producing. It amounts to a threat to blow up the world finan-

cial system, unless Germany and Japan pick up the bill for bailing it out.

Volcker has made the threat of withdrawal of foreign funds a major theme of his public statements before congressional committees, and, in early September, before an ultra-elite financiers' gathering at the Cini Foundation on the Venetian island of San Giorgio Maggiore. To the Europeans, he may appear somewhat less rabid than the Houston real estate lawyer whom Don Regan re-treaded as America's Treasury Secretary; nonetheless, they will remember him as the man who got them into this mess in the first place, starting with his role, as Treasury undersecretary for monetary affairs, in the closing of the gold window in 1971.

In October 1979, Federal Reserve chairman Paul Volcker interrupted his attendance at the International Monetary Fund's annual meeting then in progress in Yugoslavia, and returned to the United States to make the monetary proclamations that began the present Great Depression. The U.S. dollar had sunk to barely DM 1.80, slightly over half the level it later attained, and none of the dollar-support packages adopted by the Carter administration had bought time against the impending disaster. Volcker "solved" the problem by pushing U.S. interest rates up to 20% by the following February, crashing the world economy. The dollar became the world's creditor currency, and the sudden shortage of dollars to cover interest-payments pushed the dollar to DM 3.40 by early 1985.

Mr. Volcker reminds us of the destitute vaudevillian who offered to commit suicide on stage for a substantial fee. His agent said: "What do you do for an encore?" The dollar has

fallen to barely DM 2.00, and threatens to fall to indeterminate low levels. Unlike 1979, when Volcker sacrificed world trade to the cannibal-gods of the Eurodollar market, the world is already in deep depression, and in the first stages of a general financial breakdown crisis.

Foreign subsidies

America's payments balance current account fell from positive \$1.9 billion in 1980 and \$6.3 billion in 1981, to well over \$150 billion projected for 1986, thanks to Volcker's putative solutions of 1979. The ruined United States economy "recovered," or at least circumstances were created under which federal agencies could fake a statistical recovery, because our trading partners consented to send the United States goods equivalent to a full fifth of America's total consumption, in return for unsecured dollar paper.

During 1986, the foreign subsidy to the United States increased out of all bounds, at least in financial terms, since the collapsing value of the U.S. dollar made America's foreign purchases correspondingly more expensive in dollar terms. Japan, Germany, and other nations with large surpluses with the United States were willing to keep exporting their products, and investing the proceeds in American securities, but not to trust the American dollar. A paragraph buried in the International Monetary Fund's just-released Annual Report makes clear why:

"During 1985, the diversification of the currency composition of foreign exchange reserves accelerated. The proportion of identified foreign exchange reserves denominated in U.S. dollars, which had been approximately 80 percent in the mid-1970's, fell to 71 percent at the end of 1984 and to 65 percent at the end of 1985. This decline in the U.S. dollar component of identified foreign exchange reserve had, as its counterpart, increases in the proportions of reserves denominated in deutsche mark (from 9 percent in 1977 to 16 percent in 1985), and in Japanese yen (from 3 percent in 1977 to 8 percent in 1985). The decline in the relative importance of U.S.-dollar-denominated reserves was greater for the industrial countries (whose dollar holdings fell from 89 percent in 1977 to 65 percent in 1985) than for the developing countries (whose dollar holdings declined only from 71 percent in 1977 to 66 percent in 1985)."

As the cost of non-dollar reserves increased, the Japanese apparently switched to gold-reserve accumulation, and at a rate probably above \$25 billion per year. That is roughly half of what the Japanese have to spend each year on foreign investments, and implies a drastic reduction in their purchases of U.S. government securities.

Interest rates and world disaster

Any discussion emanating from the IMF about payments deficit, exports, and so forth must be tossed into the wastebasket at once. The IMF's death-grip on the economies of the developing sector have already forced a spiraling collapse

of world trade comparable to that of the 1930s. In 1980, all the world's nations exported a grand total of \$1.9 trillion in physical goods. By 1983, the volume had fallen to \$1.67 trillion, or about 12% less than the 1980 total. At the height of the supposed "recovery," in 1985, world exports were only \$1.72 trillion, still 10% lower than the 1980 level. During the 1975-80 period, world trade had *grown* by 5% a year.

In fact, the picture is much worse. In earlier periods, world trade reflected economic growth; now much of world trade reflects economic parasitism. America's \$170 billion trade deficit is a function of our economic decay, and the looting of other economies in the service of that decay. If we deduct only this parasitical element from total world trade, what is left barely exceeds \$1.5 trillion. World trade has fallen by a fifth.

Under these conditions, the belief that America's \$200 billion per year or higher trade deficit could be corrected by more domestic consumption in Japan, verges on the occult. The issue is much simpler. Massive inflows of Japanese and other funds enabled the Fed to bring short-term rates down to the 5-6% range currently. Low interest rates enable bankrupt Houston commercial banks or California savings and loan associations to continue to carry bad assets on their books, by lowering the carrying-cost of such bad assets.

For example, Salomon Brothers estimates that the decline in interest rates staved off a crash in office-building prices earlier this year, by reducing the mortgage and related interest-costs of owning commercial real estate. At least \$150 billion of commercial real-estate loans are in danger, on top of perhaps \$100 billion already gone bad, but not yet written down.

However, 6% interest on dollar deposits presents meager incentive to overseas investors, who in any case have seen their dollar paper depreciate by 40% in the past 18 months. It is not so much the financial incentive, especially in the Japanese case, that causes reluctance to throw more money in, but rather, the imbecilic quality of American policy. Our trading partners, who also happen to be our military allies, have already bent over backwards to prevent the collapse of the superpower that guarantees their security. However, at the point where no amount of cooperation will improve matters, our trading partners will be forced to take independent steps to secure their economies against financial disaster.

At the moment, their efforts to prevent a further collapse of the dollar, and reduction of their exports to the United States, forces them to print money, since they buy dollars on the foreign-exchange market with newly created national currency. Japan's \$20 billion of intervention during the second quarter also represented a major injection of funds into the world banking system, for example. However, without a drastic change in American policy, the Japanese and German central banks will no longer be able to throw good money after bad.

Cocaine production far exceeds U.S. government's calculations

by Ricardo Martín

Former Peruvian special prosecutor on drugs and terrorism

As any competent general can tell you, a war can be won or lost, based on the quality of the intelligence garnered about the enemy. Underestimate how much ammunition he has at his disposal, and you may be dead. The war against the international drug cartel is no different. Which is why a review of the 1985 *International Narcotics Control Strategy Report*, issued by the U.S. State Department's Bureau of International Narcotics Matters (INM), left this writer incredulous at the degree of miscalculation it reflected.

The United States has seen a dramatic rise in cocaine consumption in recent years, to the point that the drug has lost its exclusive *chic* aura and begun to spawn "abuse hotlines" in nearly every major city in the country. Further, when the price of cocaine proved prohibitive for the average high-school kid, Dope, Inc. saw to it that "crack"—smokable pellets of highly impure cocaine—was made available at \$5 to \$10 a hit. Government agencies are the first to say that crack is a killer drug, which can cause addiction with the first try and short-circuit the brain's electrical activity; but they also admit that they have not even begun to survey the extent of crack abuse in this country.

Traffickers are so emboldened by the size and vulnerability of the U.S. market, that they have actually begun to move the cocaine production process onto U.S. territory. Increasingly, raw coca paste is being smuggled directly into the United States for refining in illegal laboratories scattered through the southeast, southwest, and New York.

What we have begun to see is a form of irregular warfare, with the youth especially targeted for destruction. Crack is cheap, easy to buy, and easy to make. When institutions like the National Institute of Drug Abuse finally get around to their surveys on crack consumption, it may already be too late for our children.

Flawed methodology

The methodology behind the INM statistical assessment of the Ibero-American cocaine trade—and, consequently, the aid appropriations requests contained in that document—

are shamefully inadequate. For example, a simple review of the INM statistical tables used as a premise for evaluation exposes several fundamental flaws. The data in **Table 1** is taken from the section on Peru, C.1/p. 117 (mt = metric tons).

TABLE 1

Coca	1984 (est.)	1985 (est.)
Hectares cultivated	60,000	56,820
Hectares eradicated	3,180	6,000
Hectares harvested	56,820	50,820
Coca leaf harvested (mt)	56,820	50,820
Loss factor (10%) (mt)	5,680	5,080
Coca leaf seized (mt)	42	42
Coca leaf consumed (mt)	16,000	16,000
Cocaine equivalent available for export (mt)	68.6	56.2

In its report, INM asserts that "each hectare yields about one metric ton of leaf (dry measure)," but offers no clarification on whether the yield is a *yearly* or *per harvest* estimate. As anyone familiar with coca cultivation knows, the large, long-lived, and extremely prolific bush yields between three and five crops *each year*. Therefore, INM's table, which establishes an equivalency between numbers of hectares of land harvested (56,820) and metric tons of leaf harvested (56,820), must mean either that 1) only a single crop per year was counted, or 2) that INM chose to present a yield of coca leaf per hectare of only 250 kilograms, one-fourth the one-ton standard. The fact that the INM report of 240 pages nowhere mentions that the coca plant has multiple crops per year, strongly suggests that the miscalculation was of the first type. In either case, the resulting figure of "cocaine equivalent available for export" is, to say the least, seriously understated.

EIR investigators seeking clarification called the National Narcotics Intelligence Consumers Commission (NNICC—a conglomeration of agency representatives responsible for

publishing unclassified government statistics), the House and Senate subcommittees on drug affairs, the White House office on drug abuse, National Institute of Drug Abuse (NIDA), Drug Enforcement Administration (DEA), and State Department Bureau of International Narcotics Matters (INM). The House subcommittee did not return our call. The State Department's INM also refused to return *EIR*'s calls, despite repeated efforts to contact Rayburn Hesse, the individual reportedly responsible for the above-cited report. The White House, NIDA, and Senate subcommittee claimed total ignorance, and deferred to the DEA.

DEA's intelligence division was very cooperative. The officer reached insisted that his institution's estimates are premised on a calculation of four crops of coca a year, but that the one-metric-ton yield of coca leaf per hectare was a *yearly*, not a per harvest figure. Thus, the DEA officer confirmed, government estimates are premised on a single-harvest yield of 250 kilograms per hectare. Pressed to explain such a low-yield estimate, he argued that young, non-yielding plants as well as old, dying plants had to be factored into the picture as well. He added the assumption by DEA of one plant per square meter.

Working from the DEA's figures, the following picture emerged:

- 1 hectare = 10,000 square meters
- 1 plant per square meter = 10,000 plants
- 10,000 plants = 250 kilograms of coca leaf
- 1 plant = 25 grams of coca leaf

Were the average coca plant to yield no more than 25 grams of leaf per harvest, the Peruvian peasant—hardly ignorant in such matters—would quickly abandon the coca bush for a more productive crop. As on-the-ground experience in Peru has taught me, the mature coca plant is in fact capable of producing anywhere from 5 to 15 kilograms of coca leaf per harvest. Brazilian varieties, called *epadu*, grow as tall as 10 feet and can yield considerably more leaves (albeit with lower alkaloid content). However, in the spirit of compromise, I have chosen to take a mere one kilogram of leaf yield per plant as my measurement. Further, given the dispersed and erratic nature of most coca planting (frequently grown under the protective cover of other crops), I will take the more common standard of one plant per two square meters. With these variations, the following very different picture emerges:

- 1 hectare = 10,000 square meters
- 1 plant per two square meters = 5,000 plants
- 1 plant = 1 kilogram of coca leaf
- 5,000 plants = 5,000 kilograms of coca leaf
- 5,000 kilograms of coca leaf = five metric tons
- 1 hectare = five metric tons of coca leaf

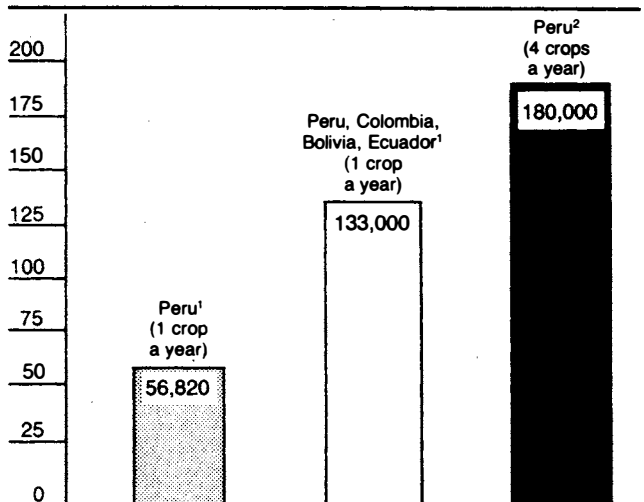
Thus, taking the most minimal yield within still realistic parameters, one comes up with five metric tons of coca leaf produced *per hectare per harvest*, considerably more than the one-ton measurement I used in my own calculations.

Or, we can look at it another way. According to NNICC

From coca leaf to 'crack'*	
Product	Money flows
1 hectare of coca plants	
1 metric ton of coca leaf	\$100 (paid to peasant grower)
4 kilograms of coca paste	\$4,000 (paid to coca paste laboratory)
2 kilograms of cocaine (90% purity)	\$10,000 (paid to cocaine refining laboratory)
2 kilograms of cocaine (90% purity)	\$70,000/Miami (to smuggler) \$90,000/other U.S. (to smuggler)
5 kilograms of cocaine (35% purity)	\$500,000 (paid to wholesale distributor)
15 kilograms of cocaine (12% "street" purity)	\$1,500,000 (paid to retail dealers)
15,000 crack rocks (\$5 each 5-8% purity)	\$3,750,000 (to crack pushers)

**Dollar amounts represent quantity of money taken out of the real economy per transaction. Of course, not all cocaine is converted into "crack"—we mean only to represent the amount of money potentially involved in the cocaine trade. Dollar estimates are based on DEA and police sources.*

FIGURE 1
Annual coca production
(thousands of hectares)



¹Source: U.S. State Department
²Source: Peruvian Civil Guard

figures, the average Peruvian or Bolivian coca grower is paid by traffickers \$100 for every ton of coca leaf harvested. If that ton, accepting DEA claims for the moment, represents four harvests a year, then the average grower is receiving \$25 for every hectare of coca he harvests. And yet, according to government estimates in nearby Bolivia (where conditions of yield, number of harvests, alkaloid content of the leaf, etc., may vary somewhat), a coca grower could gross as much as \$10,000 per hectare a year. Clearly, the coca grower is producing more than one ton of leaf per hectare to be earning such a sum.

Thus either the INM report—which serves to inform Congress on anti-drug aid appropriations requirements—is using wildly fallacious yield estimates, or its calculations are premised on but one harvest a year, DEA’s disclaimers notwithstanding. The implications of this are staggering, as the graphs show. In preparing these figures, I reduced the two possible INM miscalculations noted above to one simplified formulation—“one crop per year.” If, as DEA says, multiple crops were taken into account, the yield per hectare used for INM’s calculations (one-fourth of my own estimate), still represents the equivalent of one crop per year.

Figure 1 is a simple representation of the extent of Peruvian coca cultivation, in hectares, comparing estimates of the State Department’s INM and that of Umopar, the DEA-trained anti-drug police unit in Peru’s Civil Guard. Additionally, both figures are compared to the INM statistic for all four major coca-producing countries. Queried as to the widely varying figures on Peru, the DEA officer suggested that Umo-

par, which conducts both surveillance and anti-drug raids in that country, was exaggerating the extent of coca cultivation to win increased foreign anti-drug aid.

Figure 2 starts to get interesting. Here I compare the INM’s minimum and maximum figures of coca leaf tonnage for all four producer countries, to that same figure adjusted for four crops a year. The third bar, using the Umopar estimates of hectares under cultivation in Peru, represents what that number of hectares could *potentially* yield in metric tons of coca leaf.

The remaining graphs are simple conversions—using NNICC’s published estimates—of the figures from Figure 2 into **Figure 3**, cocaine available for export to the United States (minus seizures, domestic consumption, and exports to Europe and elsewhere); **Figure 4**, cocaine which can potentially reach U.S. dealers (cut to 35% purity); and **Figure 5**, the amount of money this quantity of cocaine potentially represents, at both wholesale (90%) and retail (35%) purities.

According to INM figures represented in Figure 3, all four coca-producing countries produced a maximum of 421 tons of cocaine for export to the United States in 1985. And yet, according to U.S. Ambassador to Bolivia Edward Rowell, cited in an Aug. 5, 1986 UPI wire, the joint U.S.-Bolivian “Operation Blast Furnace” military deployment against cocaine installations in that country smashed the operations of seven major refining laboratories in northeastern Bolivia—representing “a total weekly cocaine production capacity of 5 to 5½ tons.” That represents a yearly capacity of 260 metric tons—from only seven laboratories in one country!

FIGURE 2
Annual coca leaf yield
(thousands of metric tons)

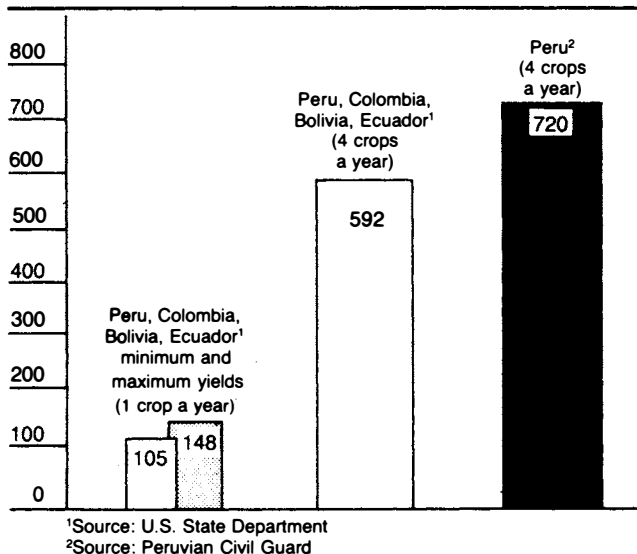
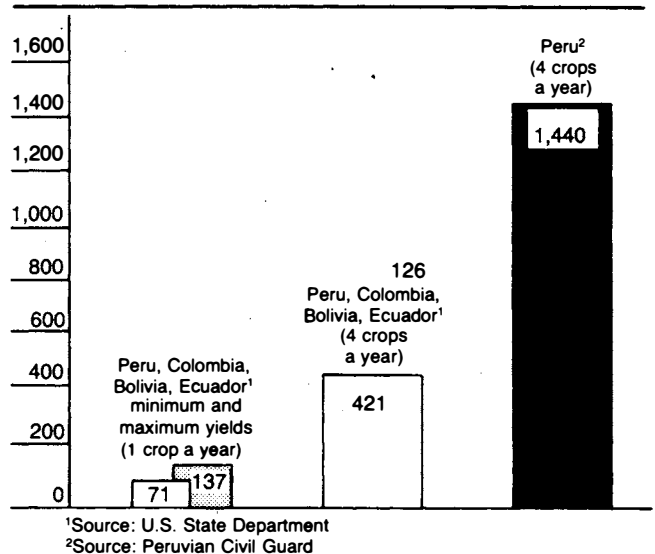


FIGURE 3
Cocaine exported to United States
(“wholesale”)
(metric tons—90% purity)



The Chapare region of Bolivia is believed to hide as many as 200 such laboratories.

These figures are by no means intended to represent an accurate picture of the current reality. If Peru was in fact able to get \$411 billion worth of cocaine into the economically depressed United States, there would not be enough personal income available to purchase it all. However, what should be frighteningly clear from these graphs, is that the United States is being flooded by cocaine and its derivatives to an extent simply not considered in current U.S. government calculations.

Technology for a war on drugs

What is also clear is that the anti-drug war, if it is to be waged successfully, requires the best technology at its disposal. No better detection technology currently exists than remote Multi-Spectral Scanning (MSS), which can be used mounted on Learjets covering an area of 9,000 square miles a day, or by satellite through the NASA-founded Landsat program.

Using a method of spectral analysis of various forms of light waves reflected by ground vegetation, MSS can not only identify specific crops and individual fields, measure the size of the plots and the amount of the crop being grown, but even the health and maturity (yield potential) of the crop. The whole process takes about 72 hours. MSS is especially important for detecting coca crops, since the coca bush is frequently planted under cover of other crops, making visual aerial detection nearly impossible. However, since every

crop has a unique "spectral signature," coca cannot hide from MSS.

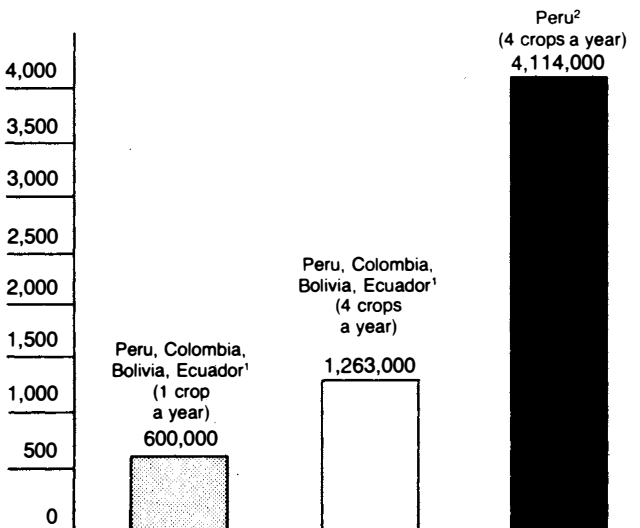
Used with the Learjet, MSS is ultimately expected to be refined to an analysis turn-around time of 24 hours, with a resolution as small as 2.5 meters in diameter. Coupled with Landsat or a comparable remote sensing technology, MSS can give us a global mapping of illegal drug cultivation, with eradication efforts maximized as a result.

The cost of creating a worldwide network of combined Landsat "timesharing" and local MSS systems five years ago was estimated at \$500 million, a small price to pay in view of the hundreds of billions the drug trade is leeching from the world economy. However, beginning with the Carter administration and continued under the "free enterprise" fanaticism of the Reagan administration, Landsat was handed over to the private sector for commercial exploitation. The result: prices for scanning results tripled.

Certainly a country like Bolivia or Peru, which could hardly afford to pay \$2,000 for a single Landsat scan photo, is entirely shut off from the technology with prices of \$6,000 a photo. Even U.S. government departments like Commerce and Agriculture, especially under the regime of the Gramm-Rudman budget-cutting amendment, are unable to afford data from the Landsat technology.

One hopeful indication of a regional capability to be developed is the report from Rio de Janeiro in August of a symposium on remote sensing sponsored by the Brazilians and attended by representatives from a number of other Ibero-American countries.

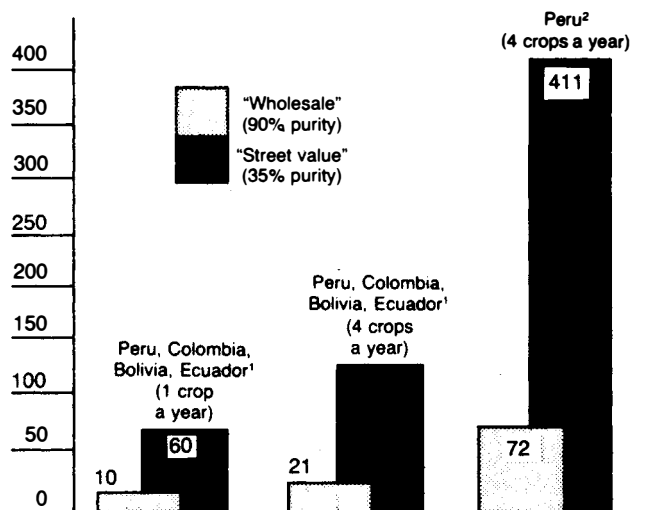
FIGURE 4
Cocaine exported to United States ("retail")
(thousands of kilograms—35% purity)



¹Source: U.S. State Department

²Source: Peruvian Civil Guard

FIGURE 5
Value of cocaine exports to United States
(billions of dollars)



¹Source: U.S. State Department

²Source: Peruvian Civil Guard

Schiller Institute: Africa needs more big-plane spraying

"In Senegal the locust threat is under control, thanks to the spraying done by the United States," a representative from the embassy of Senegal said at a Schiller Institute press conference in Washington, D.C. Sept. 24. Senegal is the only country to date where large-scale aerial spraying has taken place. Four commercial DC-7s, paid for by the U.S. Office of Foreign Disaster Assistance, sprayed 900,000 acres infested with grasshoppers in early September.

Senegal was one of four African countries represented at the press conference, where the Schiller Institute issued a call for a large-scale military-style U.S. program to ensure the eradication of the locusts and grasshoppers now threatening Africa's food supply.

Opening the press conference, Mrs. Carol White read a quotation from Lord Bertrand Russell, in which he said: "If a black death could spread throughout the world once in every generation, survivors could procreate freely without making the world too full. The state of affairs might be unpleasant, but what of it?" This, Mrs. White said, is precisely the policy being advocated and carried out by the U.N. in Africa today. "An error of judgment here will result in a half-billion people being killed."

Mrs. White read a statement by Helga Zepp-LaRouche, the Schiller Institute's founder, in which she said the locust plague in Africa was a challenge to whether the West has the "moral fitness to survive." Pointing to recent statements by French government officials on the need to try terrorists under a Nuremberg Tribunal, Mrs. LaRouche wholeheartedly endorsed a reconvening of a Nuremberg Tribunal and called for its extension to try those plotting the death of the continent of Africa.

Large-scale effort needed

Marjorie Hecht then outlined what a successful locust-fighting program would look like. "The media has been silent on the extent of this potential disaster, while the United Nations' Food and Agriculture Organization as well as the U.S. State Department continues to assert that everything is 'under control,'" she said. "But everything is not under control, as a country-by-country survey shows. There is already crop damage, and more is certain, given the FAO policy not to use big planes and not to spray the grasslands where locusts

and grasshoppers are breeding. The current FAO policy, apparently supported by the United States agencies involved, will guarantee the locust and grasshopper infestation for years to come, guarantee famine, guarantee genocide, and guarantee the acceleration of desertification in the Sahel.

"This situation is reversible. In the United States we routinely spray about 13 million acres a year to control the grasshopper infestation in the grasslands. This could be done in Africa—if the international agencies including the FAO, the International Monetary Fund, and the World Bank, had not already determined that Africa was 'overpopulated,' that the so-called carrying capacity of Africa had reached its limit. The problem is that these agencies have already written off the continent of Africa and its 582 million people. If this were not the case, then the regional locust control groups in Africa would have been fully funded and actively monitoring the situation so that it would not have gone out of control. Africa would also have had the kinds of development and infrastructure projects that are necessary to ensure self-sufficiency in food and industrial development.

"Locusts and grasshoppers have voracious appetites and breed very quickly, each generation becoming 10 times the size of the last one. They also can migrate over large areas, laying the eggs for subsequent generations along the way. This is a situation that cannot wait for endless bureaucratic fact-finding. A big-plane, large-scale effort is needed now."

Mrs. Hecht announced that she had a message from pilot Woody Grantham, whose Arizona-based T&G Aviation had supplied the DC-7s paid for by the U.S. Office of Foreign Disaster Assistance in Senegal and who just returned from Dakar. The four planes sprayed malathion on 900,000 acres in six days, flying only in the early morning hours each day. "Our effort was 95% to 100% successful," Grantham said. "This was the best and only effort to this date by any nation. It should be a starting point for the rest of the continent. We could really do a good job, and we are ready and willing to carry on."

The Schiller Institute provided extensive documentation of the situation in Africa, including a 9-page transcript of an interview with a senior officer at the FAO Emergency Center for Locust Operations in Rome calling for a small-scale effort and a 10-page transcript of the interview that follows.

How, and how not, to fight the locusts

Retired U.S. Department of Agriculture entomologist George Cavin, who has several years' experience fighting grasshoppers and locusts, was interviewed Sept. 23 by Marjorie Mazel Hecht, managing editor of Fusion magazine. Cavin was recently in Mali as part of a U.S. Agency for International Development (AID) team.

Q: Can you tell us about your work with the U.S. Department of Agriculture and locusts?

Cavin: I went to work with the USDA in 1949 on grasshopper control in Wyoming, and I worked most of the Western states for several years. In 1955, I went to Pakistan, working primarily on desert locusts. Later I worked in Libya, Morocco, and Tunisia. Then I spent several years as an adviser to the Desert Locust Control Organization in Eastern Africa. In all, I spent at least 10 years working on locusts and grasshoppers in Africa and the Middle East.

Q: Recently you went to Mali as part of the U.S. AID fact-finding team.

Cavin: My job there was to test some insecticides to see if we had some that would be safer to use, more economical, and environmentally acceptable than the chlorinated hydrocarbon insecticides that are still in quite widespread use. . . .

Q: The main questions that I have for you concern the spraying efforts going on now in Africa, and the two different approaches to the problem of eradicating locusts and grasshoppers. The Food and Agriculture Organization has taken an approach against large-scale spraying. They are saying that there are millions of hectares infested, but they will spray only the areas near the crops in order to protect the crops. We will let the grasslands go, we won't spray there because that's too big an effort, the FAO says. . . . What do you think?

Cavin: If we take a look at the grasshopper problem in Mali, Senegal, and Burkina Faso [formerly Upper Volta] generally, if they wanted to accomplish the job satisfactorily, they must treat the insect in its larval stage before it reaches adulthood and starts to migrate. *Those larval stages generally hatch out in the grassland areas.* Although some do hatch out in the cropland, the general habitat for the larval stage is in the grassland area. That's where you are going to have to attack them if you are going to do a successful job of preventing crop damage. Once they return as adults and enter the crops, even though you treat them at that time, by the time mortality occurs to the insect, severe crop damage is going to occur.

Q: It seems to me also that by not treating the grassland, you would guarantee that next year you would have a bigger problem.

Cavin: This is correct. You've got to treat a certain amount of the total infested area to begin to get the population to go back downhill. Generally, if you treat just the cropland, it is mainly adults that you are treating and many of those adults have already laid eggs for the next year's crop. So by merely treating in the cropland areas—what we are speaking of is migratory grasshoppers—you are not doing much toward diminishing the problem for another year.

Q: All of the U.S. entomologists whom I've talked to, who have experience in treating grasshoppers in this country, absolutely agree with what you said. I know that in Burkina Faso the FAO specifically recommended spraying only one-fifth of the area that is infested; they are ignoring the infestation in the grasslands.

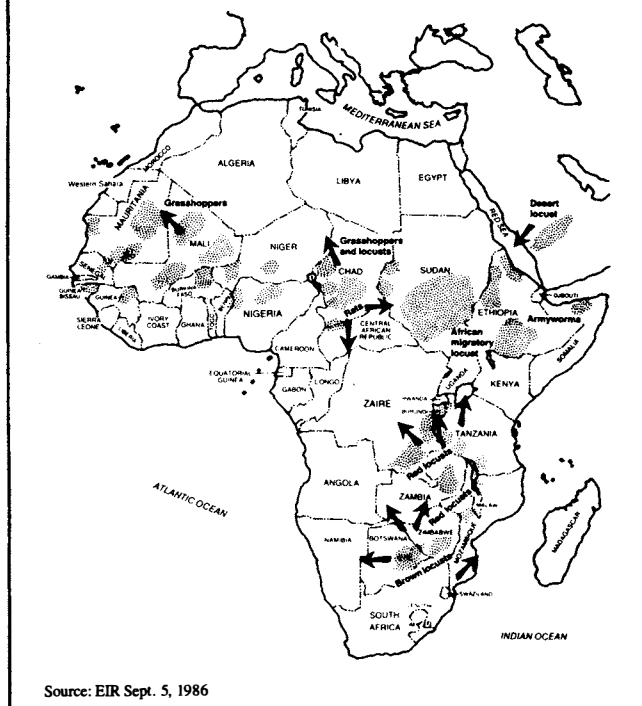
Cavin: I'm not aware of what the situation is in Burkina Faso right now. I know that they had grasshopper problems early and I'm sure that those are the migratory types of grasshoppers. They moved north, and now what they are spraying is the migratory grasshoppers coming back into Burkina Faso with the retreat of the intertropical convergence system. They are probably all adult grasshoppers, so it is likely that they have laid quite a number of eggs already. So we can expect, if conditions are favorable, that we will have grasshoppers again there next year.

Q: What is the intertropical convergence system?

Cavin: That is the weather system across Africa that moves north during the summertime and then back toward the south as it cools off in the winter. Most locust and grasshopper movement is based on the movement of the intertropical convergence.

Q: So, these grasshoppers hatch in the more southerly areas, move north as adults, and now with the change in season are coming back to the areas in which they had started out?

African locust infestations



Cavin: That's right. It's a new generation, but the same insects are coming back again.

Q: Do the grasshoppers migrate as far as the locusts do?

Cavin: No. Of course, you have to remember that all locusts are grasshoppers. These migratory grasshoppers of West Africa can move from central or southern Senegal or Mali and northern Burkina Faso up to as far as southern Mauritania and northern Mali, and then they move back again. They'll migrate several hundred kilometers. Desert locusts, the biggest and the ones that travel the farthest, in successive generations can go all the way from India to the Atlantic Coast.

Q: I've seen the maps from past plagues, and it's phenomenal to see the stretch that they travel. Some of the accounts I read from the plagues of the 1950s and 1960s show that the locusts were traveling up to 200 miles a day.

Cavin: They can, in the hot summer, fly all day and all night. It makes it very difficult for control. You said that the FAO was talking only in terms of treating cropland areas. Are they referring to all locusts and grasshoppers or just the problem that they are seeing in southern Africa and in Western Africa.

Q: FAO specifically talked about the Sahel countries, including the African migratory locust in Ethiopia and the desert locust in that area, as well as the brown locust in southern Africa. We didn't talk specifically of the red locust.

FAO said that they are just going to do the small-plane, spotty effort.

Cavin: It's hard to say how many small planes they are talking about, and overall how large an area, because normally with the desert locust you may have to treat very sizable acreages. Overall, they may not be in one location, but overall it should be very sizable acreages. So it is hard to comment on their statement unless I know just exactly what they are talking about.

Q: The FAO said that they had 1.1 million hectares to treat in the Sahel, and they had 28 small planes to do it. I calculated that the four DC-7 planes in Senegal could cover that area in just a couple of weeks, and it certainly made sense to me to use those big planes and get that area sprayed.

Cavin: I don't know where they'd get 28 small planes in the first place, because when I was in Mali there was only 1 airplane that was capable of treatment and it didn't have authority to work in Mali because it didn't have relicensing by the Dutch government. That was the only airplane that we could find in the whole country that was capable of spraying!

Q: The four DC-7s have been sitting on the ground doing nothing in Senegal since they finished spraying there more than a week ago. They could have gone to Burkina Faso, Mali, Niger—any number of countries that wanted that big plane effort, but they were not sent on. The figure of 28 small planes comes from Lukas Brader at the FAO's Emergency Center for Locust Operations in Rome. I've been having a really hard time finding out whether that meant all of the planes that had been pledged by donor nations, but weren't there yet, or just the planes that were there. I suspect that it is all of the planes that were pledged.

Cavin: Yes, because I don't know where [that number of] aircraft would be available; we know there are some available down in the Ivory Coast. . . . We could have gotten two or three out of there, but most of the planes that were present with the old locust organizations are now defunct. . . .

Q: From my understanding, most of them are virtually defunct because they don't have funds and that's part of the problem; all the infrastructure that had been established before is now inoperable. They were missing parts to planes, they just couldn't get anything off the ground.

Cavin: I think that is probably true. . . . The whole locust control organization in East Africa is probably in better shape than all of them, but it has gone downhill considerably in the last 10 years because of lack of new equipment, lack of funding. The governments there supported them to a greater extent than the other organizations, and yet they still have got a problem. Most of their equipment is old and needs a lot of replacement, they still have got a lot of old insecticides that should be disposed of, and they should start filling up the supply with some of the better, new insecticides that have much less problem of residue. So all of the organizations are

really down considerably over what they used to be. They just don't have the capabilities right now to do the job that they are supposed to do.

Q: What concerns me is that no one seems to be really doing that job on the scale that is required to prevent these things from coming back worse next year.

Cavin: This is, of course, one of the problems they are facing this year. And compared to former years, many of the areas that would be the most suitable for working in are very difficult to access: southern Sudan, for instance, Western Ethiopia, Eritrea, and places like the Ogaden desert in Ethiopia—places that are critical to good control operations are almost inaccessible to control at this time.

Q: If, in fact, you did mount a good effort every place else, you would still get things breeding in those areas and coming out of those areas to re-infest. I don't think that it is accidental either that most of those areas could be taken care of by the Soviets if they wanted to.

Cavin: This probably could be.

Q: But they don't contribute a penny to this effort.

Cavin: Yes.

Q: Now, I'd like to ask you what you would do to solve the problem, if you were not constrained by some of the obvious constraints: How would you attack this problem to prevent the locusts and grasshoppers from being a plague not only this year, but next year? What steps would you take?

Cavin: I think the main step is that these organizations have got to somehow be revitalized. They've got to train people. The people they've got now were trained back in the 1950s and 1960s, they've had a lot of experience on locust control, they have accomplished the job, they know how to do it. It is not a big matter of continued training. . . . In general, these people are capable of doing the job. What they need is the support materials and the financing to do it. That I would say would be the number-one thing, provide the support to these organizations in order to get them back on their feet.

Q: I find it particularly frustrating that the information the FAO has collected comes in so sporadically, and in a form where it is hard to tell just what the dimensions of the problem are.

Cavin: This is right. I saw that in Mali where there is just a very vast area of infestation and though the Mali government was doing what they could through their crop protection service, some of the people were quite frustrated because they did not have equipment to get out to really see what the situation was. They were only able to fund or support two or three of their field bases, and put people there, so they were having a very difficult time keeping an effective monitoring system going. They were trying to do the job, but they were doing it with very insufficient resources.

Q: In terms of the emergency situation today, what would you do?

Cavin: Of course, you've got a whole group of different types of grasshoppers and locusts involved here. None of them can be approached by the same methods. For instance, for the African migratory locust, they've got to get back and clean up things in the central area of Mali, and in the Lake Chad basin and along the river banks leading into Lake Chad, because that's where these locust infestations develop. Since swarms have already gone out of there, they are going to start breeding in other locations. But if you want to stop it from being on an almost continuous basis, you have to get back in there and knock them down in those locations. That would certainly be the approach you would take for the African migratory locust. The locust is pretty much the same in Tanzania and Zambia. You have got to get into the breeding areas and knock those populations down there. Eventually, the entire problem will die out if you can keep those areas under control.

Q: So you are talking about an aerial spraying effort.

Cavin: Yes, they have to work with air. These areas are almost inaccessible by other than aircraft.

Q: As far as what the FAO told me about Mali and Chad, everything is "under control."

Cavin: When I left, most of the grasshoppers had moved north, toward the Mauritania border, *and we were expecting them to return*. I left before they had started to return, so I can't tell you just exactly what the situation is now, but I know that the Norwegians were bringing in aircraft to do considerable work in west Mali which was going to help the situation.

Q: What about the grasshopper problem? Do you want to talk specifically about what you would do there?

Cavin: It's practically too late now [in West Africa], unless there are aircraft right on the ground, to really stop anything other than to try to protect the cropland at the present time, and really you're not going to be able to do much to protect the cropland sections. So many of those places are so isolated, that by the time the grasshoppers get there and the word gets out to the people who can do the control, so that they can come in and actually spray the area, the damage has already occurred. What they need to do now, is prepare for next year, and have equipment and materials and so forth on the ground in May and start treating the grasshoppers as they hatch out as the rains start in the south. They should then move north with the rains and beat them as they are being hatched or shortly after hatching. If they want to stop the infestation, I think that that is the primary means of doing it.

Q: I know that the critical time for the Sahel and West Africa was the month of September, which is almost over.

Cavin: You have two times to get them. You either get them as they start in the south to move north, or you get them at the northern terminus where a new generation occurs before they start to move south again. That would have been early September, when they started hatching out in that second or third generation.

Q: So for this area, we are now talking about May 1987 as the next critical point.

Cavin: That's right. When all of these new generation eggs will have wintered and carry over in the egg stage until the rains come in May or early June. They will then hatch, and the hatch keeps occurring as the rains move northward with the intertropical convergence. So you start at the south end where the rains begin and just move your control effort toward the north following the rains. . . .

Q: In the United States, in the 1930s, when the normal control procedures for grasshopper control were stopped because of the depression, the grasshoppers multiplied, eating right down to the roots of the vegetation. This destruction of the vegetation throughout the rangeland is partly what led to the dustbowl.

Cavin: This is one of the problems that hasn't been taken into consideration sufficiently in the Sahel—the damage that these things do to the grasslands themselves. They certainly contribute to the desertification of the Sahel.

Q: That is what I found particularly shocking: You have an area where the desert is encroaching anyway, and not to widely spray in the grasslands is just a gift to the desert. Also, it cuts out your source of protein; grazing animals are still a livelihood and source of meat in much of that area.

Cavin: Goats and cattle are still very important in that area. They still have large herds.

Q: So if you get rid of your grassland, even 60% of the vegetation on the grasslands, you really have nothing to feed your livestock.

Cavin: There's not very much left, that's right.

Q: On that basis alone, it seems to me that the FAO's prescription for the area is one that is bound to fail and cause a lot more starvation.

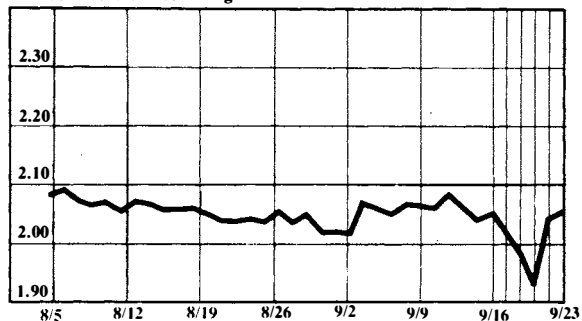
Cavin: This whole area, the Sahel, is a very, very fragile ecological zone in the first place. Anything like that tends to disrupt it; it can have a really severe effect on it.

I just think that the situation is getting to the point over there where definite action has to be taken, and it needs coordination of the governments that are assisting and so forth, because it looks like what we saw in the early 1950s, except then we really only had one problem, and that was the desert locust. This time we have several locusts plus the grasshoppers, so the situation is even much more alarming.

Currency Rates

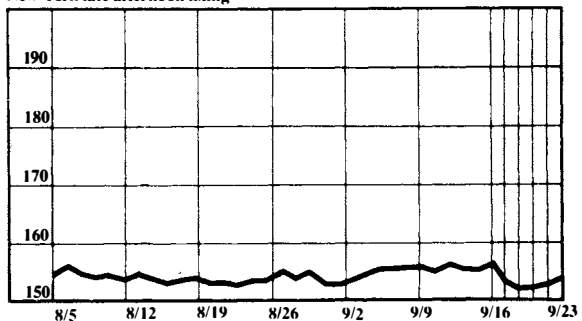
The dollar in deutschmarks

New York late afternoon fixing



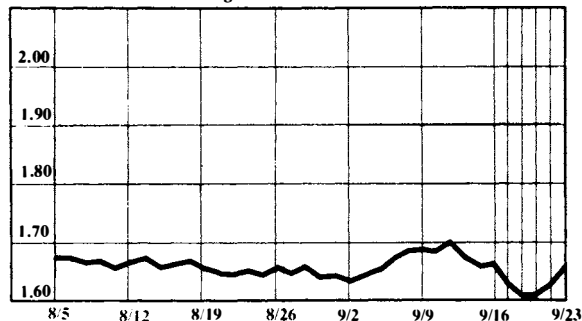
The dollar in yen

New York late afternoon fixing



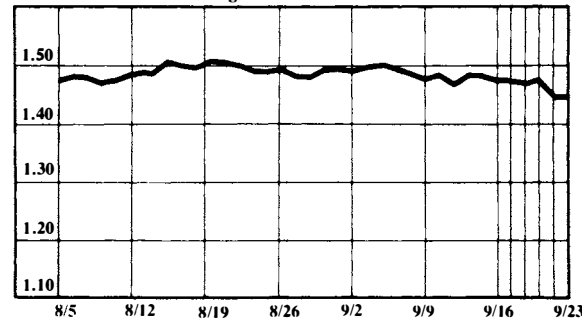
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



Isolate AIDS ill, says M.D. in Norway

Hans B. Svindland is professor of dermatology in Oslo, and former head of Reitgjerdet Hospital in Trondheim, Norway's second-largest city. A specialist in Kaposi's sarcoma, he organized an international conference on it in Trondheim in 1984. He has endorsed California's Proposition 64 (see page 62). The article excerpted here appeared on June 28, 1986 in Adresseavisen, Trondheim's major paper.

"AIDS should immediately be submitted to venereal disease legislation. In this way, with the law in hand, we can demand AIDS testing of people in the risk groups, and at the same time have the opportunity to isolate the major sources of infection. At the present time, these comprise IV drug users, prostitutes, and a number of homosexual and bisexual men who have multiple and frequent sexual encounters. . . ."

This statement comes from Chief Doctor Hans B. Svindland of the Department of Venereology at the regional Hospital in Trondheim. He is well aware that his views are, to put it mildly, controversial. Therefore, he strongly emphasizes that he is expressing his opinions as a professional and not on behalf of the Regional Hospital or the Venereology Department. . . .

"In fact, I am looked upon as far too restrictive when I demand obligatory AIDS testing and isolation of the sources of infection. However, the AIDS epidemic has become a global threat, and if there is to be any hope of restricting the disease, we have to resort to drastic means, just as we have done in the case of past epidemics. Had the matter concerned tuberculosis or a smallpox epidemic, everyone would have applauded my suggestions. But because it now concerns an epidemic involving, for instance, homosexuals, the whole matter becomes taboo, something to be hushed up and kept secret. I am by no means anti-'gay,' but the homosexual organizations are not the right ones to administer the AIDS issue. It is high time that doctors with experience in fighting epidemics start taking over the job.

"According to the latest figures from the Public Health Department, there are now 24 people in Norway who have been struck by AIDS. Of these, 18 have already died. Moreover, the indications are that between 2,000 and 2,500 persons in the Norwegian population are AIDS-infected and are thus carriers of the virus. If the epidemic continues, we will,

by the end of 1988, have 300-350 new cases of AIDS in Norway. The Public Health Department has pointed out that the AIDS epidemic will affect the majority of the administrative counties in Norway. But why don't they take more drastic measures to limit the extent of the disease?" Dr. Svindland asks.

You wish to test all carriers of the virus, but how do you intend to put this into practice? By rallying the entire Norwegian population for AIDS testing?

"Of course not. I simply insist on having AIDS brought under the same legislation as other sexually transmitted diseases. Then we would have the right to demand blood tests when we are dealing with people in the risk groups. Today they can refuse to have their blood tested and then walk out and infect a lot of people. Once AIDS is submitted to venereal disease legislation, one would also be able to quarantine carriers of the virus who refuse to comply with doctors' instructions on sexual abstinence or use condoms during sexual intercourse. I believe in educational work, but legal restraint should be permitted as a last resort. In this way we managed to eradicate syphilis in Trondheim in the early 1970s. . . ."

But tell me, Dr. Svindland, there is no real treatment for AIDS, and yet you wish to isolate the carriers?

"Certainly, it is problematic. But the alternative is that more and more people become infected and die. Do we want this to happen? For instance, if a woman becomes pregnant after intercourse with an infected bisexual, the child will be born with AIDS. And this child will die before it is three years old.

"For the time being, we have no effective treatment for AIDS, no vaccine which can prevent death. But each time the world is struck by a catastrophe, it speeds up research. This is the one positive aspect amidst all the misery. And at the present time, research on AIDS is in high tension. In Paris, for instance, development of an AIDS vaccine has been making headway. And the discovery of techniques for producing a truly workable vaccine would also prepare the way for vaccines to combat other malignant types of virus, for example, various forms of cancer. . . ."

"It would be natural and should be a matter of routine for our development aid officers, after spending months in AIDS-infected areas, to undergo AIDS-testing upon returning home to Norway. Up to this time, people have been lulled into the belief that AIDS only affects homosexual men, IV drug users, and prostitutes. This is too naive. From Africa we know that women and men in equal numbers are infected. . . . The AIDS virus, as we know, is transmitted through sperm and blood. But when a sufficiently large number of the population is infected, there is increasing danger that the virus can be transmitted by other means than through sexual contact. Also through insect bites. This, at least, is what the Africans believe, and it is my opinion that they have it from many centuries of experience with the AIDS disease," says Dr. Svindland.

The World Bank markets genocide

Its latest report qualifies its authors for the dock at Nuremberg, while allied agencies lie that "the famine is over."

A report issued on Sept. 3, 1986 by the World Bank, *Population Growth and Policies in Sub-Saharan Africa*, contains the Malthusian arguments for genocide common to supranational financial institutions: The difference, says Ernest Stern, World Bank senior vice-president, is that the "report is addressed to a broad African audience—not just policymakers in the narrow sense of top government officials, but the wider community of technical experts, administrators, academics and opinion leaders."

The introduction notes the shift over the last decade in African governments' positions on population control, recalling that at the 1974 World Population Conference in Bucharest, only three African governments, Botswana, Ghana, and Kenya, "sought to slow population growth. Today more than three-fourths of sub-Saharan governments officially support family planning."

The fact is that many governments have been obliged to accept population-reduction measures as a condition of obtaining loans from the International Monetary Fund and the World Bank!

The World Bank report makes clear its aim: "For its part the bank views population assistance as its highest priority in Africa. It will increase its spending as rapidly as the program can be developed."

The World Bank simply dismisses counter-arguments to Malthus, such as that technological change and modern agricultural methods could mas-

sively increase food production and raise living standards, saying, for example, that increases in agricultural production "would require investments in irrigation, new technology, and assistance to small farmers on a scale that is *unlikely* to be achieved soon. Just to sustain the inadequate current standards of nutrition, agricultural production in Africa would have to grow at a sustained rate of over 3% a year for the next twenty years. Improvement of agricultural policies will help. In some countries that rate of agricultural growth is not impossible. But for the region as a whole, such a growth is *unlikely*."

The World Bank then calls for Chinese-style measures, the lifting of medical restrictions on the use and provision of injectable contraceptives and of sterilization.

Famine? That's due to over-population, is the argument, so if a few hundred thousand people die, it is just the result of African governments' refusal to implement population-control programs.

Stern and his friends at the IMF and U.N. belong on trial for crimes against humanity. That's all that the report really means.

Which friends? On Sept. 19 came the announcement of the closing of the U.N. Office of Emergency Operations in Africa. The OEOA started operations in January 1985, following widespread public concern about famine in Africa. Under the pretext that "drought-induced famine" is no longer a continent-wide threat, the office

is closing down by Oct. 31. Instead, the U.N. operations will be centralized under the leadership of oil magnate Maurice Strong, a founding member of the genocidalist Club of Rome, and of many similar associations, such as "Islam and the West." Strong's policy has been to kill Africans, among others, for a long time.

In a press release issued in Geneva on Sept. 17, the OEOA announced: "The great African famine is over." But executive-coordinator Charles Lamunier said in a press conference that Africa would face a "locust-induced famine, instead of a drought-induced famine" this year. Harvests in 15 countries are facing destruction by locusts and grasshoppers. In its locust bulletin of Sept. 19, the FAO is obliged to report this increased threat, despite its attempt to play down the extent of the potential destruction. For instance, new infestations are already developing in areas sprayed by U.S. aircraft, such as in Senegal. In Chad, the Senegalese grasshoppers have started to attack crops; in Mali, 700,000 hectares are infested, with densities up to 55 per square meter. In Sudan, there are also infestations with highest densities in the Daresfur province.

The 2 million people in southern Sudan facing starvation are no nearer to receiving any aid. "Operation Rainbow" an airlift of food supplies from Khartoum into towns blockaded by the Soviet-backed rebels of the SPLA, is still not under way. The Sudanese government has refused permission to planes to fly into rebel-held territory, saying that their safety cannot be guaranteed.

Lamunier told *EIR* in an interview from Geneva that the situation in three towns is "close to tragedy." Hundreds of thousands of people face starvation, he said.

The new class of farmer-paupers

The lack of action by Congress, and the actions of the FmHA, have produced an situation of neo-feudal land-holding.

The Farmers Home Administration debt policy has produced "a new class of pauper-farmers," in the words of a prominent Wisconsin dairyman. He was referring to the FmHA farm foreclosure and farmland leaseback policy, in which farmers become serfs on their own land.

The FmHA itself owns 3.4 million acres of land, and is acquiring more every day. Millions more acres are owned by the other major holders of farm debt. Dispossessed farm families are "lucky" to get any work at all on these new, neo-feudal holdings.

As of the fourth quarter this year, the lack of effective action by Congress on the farm debt crisis, regarding all categories of debt holders—FmHA, Farm Credit System (FCS), commercial banks, insurance companies, private overseas capital, etc.—is resulting in a mass-scale shutdown of the independent family farm system, the foundation of the U.S. and international food supply. Over the last 24 months, Congress has commissioned report after report from the USDA and other agencies to "study" the problem to death, while doing nothing.

In the latest gesture of "action," Congress called on the General Accounting Office (GAO) to come up with a proposal about how to bail out the largest agriculture debtholder, the Farm Credit System (FCS), that accounts for \$75 billion of the national total of \$190 billion in farm-related debt. That beats all.

On Sept. 17, the House Agriculture Committee released a report it had commissioned by the GAO, on the fi-

nancial shakiness of the FCS. On Sept. 18, Rep. Ed Jones (D-Tenn.) chairman of the farm finance subcommittee of the Agriculture Committee, asked the GAO to come up with some suggestions on how to design a bail-out plan for the FCS.

The GAO is one of the most unlikely agencies for this task. It was set up during the 1920s, along the lines of the British Civil Service, to be a bureaucracy to monitor "how government is functioning."

However, even the GAO report on the FCS could sound an alarm in Washington, D.C., simply because the farm breakdown process is so far advanced.

The FCS lost \$2.7 billion last year. This year the GAO predicts it will lose another \$2.9 billion. This rate of loss exceeds any loan loss resources left to the FCS, and also exceeds the ability of the FCS to move money around from one geographical farm credit district to another. (The FCS is made up of 12 districts involving 37 funding banks, and numerous Production Credit Associations and Federal Farm Banks.) The GAO report said, "The exact time at which the system's surplus will be exhausted is not so important as the inevitability of the event."

The GAO request of Rep. Jones, and his colleagues in the House and Senate, is a slap in the face to the farmers now hit by PCA and Land Bank foreclosure actions. At the same time, Congress, with its inaction, is telling the public, "Let them eat cake," while the hard core, meat-and-potatoes producing sector of the U.S. economy is literally being shut down.

The administrator of the FCS, Frank Naylor, chairman of the Farm Credit Administration, is attempting to discount the GAO report conclusions. The FCS is a federally chartered organization, but raises money on the public bond market, and was always thought of as being "as good as the government." At the time of the release of the GAO report, Naylor said, "We see no basis for federal funding at this time."

Before the November elections, Congress is attempting to strike a posture of budget cutting, while expressing "concern" over the plight of dispossessed farmers. Naylor provides them with some hocus-pocus about how well he can manage the farm credit collapse.

Naylor reported that he has "creative" ways of restructuring "non-accrual loans," those farmers are not repaying, and thereby he can ease the "pressure" of paying FCS long-term bonds that were sold to raise money when interest rates were high. Besides bookkeeping tricks, Naylor is referring to the extensive powers of the new FCS-Capital Corp., created last year by Congress. This agency can order money moved from one part of the FCS district to another, and it can seize, warehouse, and dispose of land.

Many farm groups have been lobbying for some fall-back, minimal federal help in the form of orders to the FCS to lower interest rates to farmers. There are \$50 billion in loans through the FCS, and interest is running at 12% and higher. Very few loans are at lower rates.

Sen. Thad Cochran (R-Miss.) and Rep. Jones have introduced a bill to give the FCS more latitude to reduce interest rates. The measure would permit the FCS banks to separate interest rate calculations from the financial crisis facing the system as a whole.

Texas banks ready to crash

Some claim it's the fault of bad management, and prepare to invite in new, out-of-state management—but so far, no buyers.

EIR warned in February that the oil price crash would wipe out most of the big Texas banks' nearly \$200 billion in assets—not only because of bankruptcy in the oil field, but because of the collapsing commercial real-estate bubble. We showed that real estate accounted for over a third of Texas banks' loans, and that the overbuilt, speculative market could bring down 9 out of the top 10 Texas banks.

The banking crash is occurring, although still in slow motion. North of the border, three of Oklahoma's top banks have already failed, all of them billion-dollar institutions. In Texas, smaller institutions are dropping by the wayside, while a "slow-motion deposit run" bleeds the larger ones to death.

Months ago, Texas' state banking authorities vowed they would never do what Oklahoma did, and invite out-of-state "carpetbankers" in to buy out their failing financial institutions for about the cost of a discount air ticket to Dallas. Now, the Texas legislature has pushed through legislation permitting such takeovers—except there are no buyers.

On Sept. 18, Texas Independence Bank of Pasadena, a Houston suburb, became the 17th bank to fail in Texas in 1986, and the 101st bank to fail nationally; and on Sept. 17, Texas officials shut down Texas Bank & Trust in Lubbock. The bank, partially owned by the state's former governor, Preston Smith, was the 102nd bank in the United States, and the 18th in Texas

to fail this year. Federal regulators blamed a variety of bad commercial loans that showed "faulty lending decisions," for the insolvency.

But the state's top banks are also running losses that cannot be sustained for long. Allied Bancshares of Houston, the sixth-largest bank company in Texas, has announced an estimated third-quarter loss of \$40 million. Allied will increase its loan loss provision by \$110 million, and take a \$14 million write-down. Allied will charge off \$82 million in loans for the quarter, resulting in a loan loss reserve of \$140 million at the end of the quarter, up from \$111 million at the end of the second quarter. About 35% of the loans being charged off are in energy, with 25% in real estate, and the remainder in commercial and individual loans. Problem real-estate loans comprise one-half of Allied's non-performing assets, and energy loans 30% of non-performing assets.

Allied said the increase in its loan loss provision and the write-down of foreclosed real-estate assets followed an evaluation of the bank's loan portfolio by its internal credit department.

Banks across the country are faking their books to cover up the effect of the crash of real-estate prices, and nowhere as brazenly as in Texas. Houston and Dallas have 30% more office space than developers can rent out, and the situation is becoming worse, not better; that suggests that at least 30% must be written off the price of existing office space, and probably

50%. That write-off alone is sufficient to wipe out the shareholders' capital of several of the large Texas banks.

"There is evidence of a kind of slow or uneven run" against Southwest banks, an unnamed regulator told the *Wall Street Journal* Sept. 22. The *Journal* noted:

"These aren't just isolated examples of depositor skittishness. Although none of the withdrawals could be characterized as a run, InterFirst's big Dallas bank lost \$2.5 billion, or 61% of its negotiable certificates of deposit and foreign deposits between Jan. 8 and Sept. 3, according to Federal Reserve Bank statistics. . . . Similarly, First City's Houston bank, according to a second-quarter report to federal regulators, says its foreign deposits fell 37% to \$988 million, and domestic deposits slid 12% to \$3.04 billion. Domestically, the decline stemmed from a \$145 million drop in brokered deposits and a \$322 million decrease in time deposits of \$100,000 each or more."

To liquidate these deposits, the banks have had to sell off their most liquid assets, such as U.S. government and other bonds. The assets left on their books are their illiquid, and mostly dubious, loans to energy, real estate, and agriculture.

Texas Banking Commissioner James Sexton, addressing a banking seminar in Houston Sept. 18, blamed bad management, saying that many of the banks were so mismanaged, that they wouldn't have survived even under ideal conditions. He has never seen a bank failure, he said, where bad management wasn't at least half the problem. The argument is that out-of-state management would succeed where local management failed; but unless the Federal regulators subsidize takeovers to the tune of tens of billions, that advertisement is unlikely to attract buyers.

Drug may help some AIDS patients

AZT studies confirm that, while apparently not a cure, there is a lower mortality rate among those administered the drug.

At a Sept. 19 press conference in Washington, D.C., officials of the U.S. Department of Health and Human Services and representatives of the Burroughs Wellcome pharmaceutical firm announced the first drug that may help some AIDS patients. The drug, 3'-azido-3'-deoxythymidine (AZT), is an analog of thymidine, one of the nucleotide bases of the genetic material DNA, and binds to the reverse transcriptase enzyme which the AIDS virus uses to reproduce its genetic material. As a result of this binding, the enzyme is inhibited and hampers the ability of the Human Immunodeficiency Virus (HIV) to produce new particles.

AZT was one of a group of chemicals, known as pyrimidine analogs, synthesized in the 1960s as potential anti-cancer agents. The mode of action of these agents is to combine with the DNA of rapidly dividing cells, such as cancer cells, and produce a defective DNA which results in the inability of the cells to reproduce. It did not show significant anti-cancer activity and languished on the shelf until November 1984, when Burroughs Wellcome researchers found that it inhibited certain viruses in test-tube cultures.

Based on these preliminary results, the company sent the compound to three other laboratories to test its activity against HIV. Duke University, the National Cancer Institute, and the Food and Drug Administration conducted tests from November 1984 to January 1985. After subsequent toxicologic and pharmacologic stud-

ies, an application for an Investigational New Drug exemption was filed and approved in June 1985.

Phase I studies, designed to assess safety and pharmacological behavior of the drug, began in July 1985 at the Clinical Center of the NIH and were expanded to Duke University, the National Cancer Institute, and the University of Miami. The results were reported in the March 15, 1986 issue of *The Lancet*. For six weeks, 19 patients at the participating institutions were treated under four different dosage schedules.

The phase I studies showed that AZT crossed the blood-brain barrier and therefore had the potential to affect virus which had entered the nervous system. Side effects were relatively mild, and a number of patients showed evidence of partial restoration of immune function. A small number, on the highest dose, became virus negative.

On the basis of these results, the first Phase II trial began in February 1986 with 12 centers in the United States participating. The first patient was enrolled on Feb. 18, 1986 and by the end of June, 282 patients had been enrolled.

The purpose of Phase II trials is to determine if the drug is actually effective in treating the disease. This is done by a double-blind study, in which half the patients receive the investigational drug and the other half receive either a standard treatment or a placebo. In this case, since there is presently no effective treatment for AIDS, the control patients received a placebo.

Because of the potential problems of drug toxicity to the patients receiving the drug, and the possibility that the placebo treated patients were being denied a life-saving treatment, the data were monitored on a regular basis by a board of experts independent of the drug company and the researchers conducting the study. An interim analysis presented to this Data and Safety Monitoring Board showed a significant difference in death rate between patients receiving AZT and those receiving a placebo. So far 16 of 137 patients receiving the placebo have died, as compared to 1 of 145 patients receiving AZT. In addition, AZT treated patients gained weight, showed improved immune function, and have had fewer AIDS-related complications than the placebo group.

This dramatic difference in mortality prompted the Data and Safety Monitoring Board to recommend that the study be stopped and that AZT be given to all patients in the study.

Burroughs Wellcome will make the drug available, free of charge, through the NIH, to "a certain narrow category of patients with AIDS who have been shown in this clinical trial to have received some benefit from AZT."

While these studies indicate that AZT can decrease mortality in some AIDS and ARC patients, it does not yet represent a cure, in the sense of permanently eliminating the virus. The drug does show bone marrow depressing effects, and it is not yet known how long patients can tolerate it, or if the effects will last. Indeed, patients under treatment with AZT may still be infectious to others and hence AZT would do little if anything to stop the spread of the virus. The promise of AZT is that it may extend the life of AIDS victims till more definitive treatments can be developed.

Business Briefs

Construction

Shady deal bails out labor-linked company

A scandalous sell-out has saved the largest home-building complex in Germany from bankruptcy.

According to West German newspaper headlines on Sept. 19, a "rich baker in West Berlin" named Horst Schiesser bought 190,000 out of the 260,000 apartments owned by the Neue Heimat group for a down payment of only \$25 million. The news came as a complete surprise, as efforts to consolidate the financial situation of the ailing Neue Heimat were still under way.

The Neue Heimat group, owned by the Labor Union Bank (BfG), which is itself controlled by the Social Democratic Party (SPD), was facing Chapter 11-style bankruptcy because of a total debt of \$8.5 billion, of which \$530 million is short-term, expiring in January 1987. The value of the property involved is estimated at several billion deutschmarks. The purchaser, Horst Schiesser, is Germany's leading producer of shortbreads, bread, and biscuits, with a business of about \$150 million a year.

Schiesser is tied into the SPD's construction "mafia" in West Berlin, which may explain why the BfG gave him the exclusive contract. Rumors suggest that Schiesser signed the contract as a proxy, to serve as a medium for the speculative reselling of the flats at prices favorable to SPD-BfG interests.

War on Drugs

Malaysia to consider new drug legislation

Malaysia, the country where people have been sentenced to death, and executed, for possession of drugs, plans to pass legislation that will allow confiscation of property and profits derived from drug trafficking.

Malaysian Prime Minister Mahathir said a bill will be introduced at the October session of Parliament to allow courts to seize drug-traffic proceeds.

"The proposed legislation, when passed by Parliament, will leave the traffickers with nothing," Mahathir said at a U.N.-sponsored drug conference in Kuala Lumpur in late September. Since a mandatory death penalty for anyone convicted of trafficking in 15 grams or more of heroin or morphine was introduced in 1975, forty-one people have been hanged. Another 130 people, 21 of them foreigners, are now on death row.

Agriculture

European Commission proposes burning food

The Agricultural Directorate of the European Commission (EC) in Brussels is recommending burning over 1 million tons of "surplus" food in Europe, claiming that such "food mountains are inedible, are too expensive to store, and lack potential buyers," the London *Observer* reported Sept. 21, in an article entitled, "Food Scandal."

This recommendation is contained in a confidential report on the agricultural situation in Europe, carried out by an EC team, in the division headed by former Dutch Finance Minister Franz Andriessen. The report is now merely a proposal, awaiting adoption by the EC member states.

"What's involved is 750,000 tons of butter, 500,000 tons of milk powder, and considerable amounts of wheat and beef," one source said. "The prevailing view in the Agricultural Directorate is that there is no market for the food, that the existence of surpluses is keeping food prices down, and that too much money is being spent, unnecessarily, on food storage. They actually use the word 'burn,' and people here point to the precedent when, late last year, cereals were dumped into the North Sea. . . . Andriessen's people tell you the food is not suitable for famine situations like Africa."

According to an *EIR* source in Brussels, "The whole situation works to the advantage of the U.S.S.R., which only buys when the price is right, and which plays off Europe and the U.S. . . . against each other. Andriessen's personal cabinet has the attitude that the EC should follow three policy alternatives: Either store food; sell it off cheaply, increasingly to the Russians; or, destroy the food. So it's a very good situation for the Russians in Brussels."

The individual responsible for the proposal is the agent in the EC of French "Red Billionaire" Jean-Baptiste Doumeng. According to a European source, the individual is the French-born EC Director-General for Agriculture, Legras. Legras oversees the work of the Agricultural Division's department that authored the food-burning proposal.

AIDS

'Doomsday Report' fans British controversy

A confidential report has been prepared for the British Foreign Office recommending "stringent health checks, including blood tests, for all visitors to Britain" from Zambia, Uganda, and Tanzania. The report, according to the *Sunday Telegraph* of Sept. 21, is the result of a "secret, summer-long investigation, ordered by Sir Geoffrey Howe, Foreign Secretary, into the threat posed by AIDS in Africa."

The following are samples of the press response:

The *Sunday Telegraph*: The evidence in the report "has been supported by the findings of British doctors and health experts flown to Africa by Whitehall. So horrific are their discoveries and the potential threat to Britain, that the papers are being described by ministers and their senior advisers as 'The Doomsday Reports'. . . . It says that the biggest threat comes from Zambia, where 167,000 people out of a total population of 6 million are believed to be carriers, and where the figure is expected to double over

the next six months. . . .

"The incidence of AIDS in Africa is so high that medical screening is essential. . . . Ministers will certainly be accused of neglect of duty if they fail to act promptly to protect the British people from a massive health risk."

The *Times*, Sept. 22: "The spread of AIDS across many African states has reached such alarming levels that scientists believe radical public-health measures are essential."

The *Daily Express*, Sept. 22: British Conservative Parliamentarian Anthony Beaumont-Dark has called on Britain to take measures to protect itself against "plague. . . . Blood tests should be carried out. Visitors to this country should have a clean bill of health. . . . We may be accused of racism, but we should be more frightened of AIDS than of being called racist."

The head of the British National Council for Civil Liberties, William Birtles, has come out against the screening proposal, denouncing it as "racially discriminatory testing." And a senior official in the World Health Organization's AIDS monitoring and evaluation section attacked the proposal: "What these British diplomats who want screening for African visitors are proposing is not practical, and not cost-effective."

Petroleum

Senators act to protect U.S. industry

Several U.S. senators have readied legislation for an oil-import tariff to protect domestic production of oil, threatened by the dramatic drop in prices on the international market.

The concern expressed by these senators is not merely over the economic hardship caused by loss of domestic production, but the national security implications of allowing such production to collapse. "Imports of crude oil and petroleum products are threatening our national security interests," Sen. Don Nickles (R-Okla.) said recently on the

Senate floor, while pointing out that crude oil imports have increased 61.8% over 1985 for the four-week period ending Sept. 5. "We don't see pure market principles at work, but calculated maneuvers by government entities to increase their control over the world oil market," he said.

The parity (cost of production) price for domestic oil is \$22 per barrel. The proposed legislation provides that a drop of the international price below that amount would trigger the tariff.

The most recently formulated proposal is an amendment sponsored by Sens. Peter Domenici (R-N.M.), Frank Murkowski (R-Alaska), Nickles (R-Okla.), and David Boren (D-Okla.), to impose a \$4 per barrel oil-import tariff on any imported oil of \$18 or less per barrel. Sponsors hope to tack this onto some other legislation before adjournment.

While this legislation is given the greatest chance for passage by the Senate, its weakness, as producers have pointed out, is that the tariff gives little protection when oil prices fall below \$14 or \$15 per barrel.

International Trade

French oil firms seek naval protection

The French petroleum industry on Sept. 20 asked the Ministry of Defense to provide naval protection for its shipping in the Persian Gulf. The request came because of an attack on a French vessel the weekend of Sept. 19-21.

Jean-Louis Breuil-Jarrige, head of the oil workers' union, spoke on behalf of the industry, saying that oil companies could not guarantee the safety of sailors and tanker operators.

The 117,900-ton tanker *Brissac* was hit in a helicopter attack in the Gulf Sept. 13, and Breuil-Jarrige notes in his letter to the defense ministry: "It is clear that the French vessel was scrupulously identified by anonymous helicopters, which then opened fire on her with impunity."

Briefly

● **JACQUES de Larosière** has announced his decision to resign as managing director of the International Monetary Fund, effective Jan. 1, 1987, purportedly for "family reasons."

● **A 'FLASH FLOOD** of activity" is going on between the European Community in Brussels and the Comecon, the *International Herald Tribune* reported on Sept. 23. Such activity is unprecedented, since the Soviets have never officially recognized the European Community. Now, the groundwork is being laid for a top-level meeting of the EC and Comecon by early 1987, where a mutual recognition declaration may be signed.

● **VENEZUELA'S** new tax law will reduce or end taxes on tourism, foreign investments, and banks, while increasing taxes to 50% on productive enterprises with profits greater than 5 million bolivars. According to the president of Fedecamaras, the Venezuelan federation of chambers of commerce, Rafael Garmendia, the law will reduce investment needed by the economy.

● **JAPAN'S** Ministry of International Trade and Industry (MITI) has announced plans to launch a three-year, \$5.6 million effort to develop a factory automation system. MITI's plans include building a computer system to combine automation and computer-aided design (CAD) systems. General Motors is said to be cooperating with MITI in implementing a version of GM's manufacturing-automation protocol.

● **A WAR ON GERMAN** beer was declared by the Euro-Commission with the decision in mid-September that German import bans on beer that does not fulfill strict standards of "purity," violate European Community regulations. The German government has protested the ruling. If the decision is not altered, beers flavored with kiwi, orange, or chocolate will soon invade the German market.

Ibero-America's debt: It's 95% illegitimate

At the end of 1977, the foreign debt of the 20 nations of Ibero-America stood at a worrisome \$125 billion. This represented a three-fold increase over the 1973 level of \$40.0 billion. In the eight years from 1978 to the present, the foreign debt almost tripled again, and now stands at \$370.0 billion, a nine-fold increase over the 1973 level.

The jump starting in 1973 was a direct consequence of the oil shock, which sent a flood of petrodollars rushing into the coffers of the major international banks, which in turn were driven to rapidly place this new liquidity through loans, largely to the unsuspecting nations of Ibero-America. In fact, the mass of debt has grown so rapidly that it has outpaced GNP growth rates during the recent period by 3½ times. The only thing that has kept pace with the debt is the expansion of the illicit narcotics traffic—which is increasingly being suggested by the International Monetary Fund (IMF) and Ibero-America's other creditors as the best way to repay the debt.

Figure 2-1 demonstrates the result of the application of IMF policies: GNP stagnated, the drug trade grew, and the debt went through the roof. Except under the most exceptional of short-term circumstances, austerity such as that demanded by the IMF, as a policy of governments, is incompetent in principle. In the case of Ibero-America, its application has failed to reduce, or even stabilize, the total foreign indebtedness. In fact, the more severe the austerity, the more the need for foreign capital has grown.

However, this result was also intentional. IMF policies, and those of creditor institutions, are *not* principally debt-collection policies. They are policies of using the debt as a lever to accomplish economic and political goals. The world's leading "bankers," in this respect, are not "businessmen." They are ideological *oligarchists*. Their economic goal is the de-industrialization and depopulation of the global economy, starting with that of the Third World nations. Their political goal is the destruction of the sovereignty of nations, an end to the nation-state. And, they are willing to make all manner of special arrangements regarding the debtors' pyramiding obligations, in return for debtor "concessions" that will help them accomplish their goals.

Thus, debt and austerity are means of gaining power over the debtor, not means of ensuring profits per se. Not surprisingly, the bulk of the debt accumulated by Ibero-American nations since 1973, especially since 1978, is found to be illegitimate from any standpoint of sound banking practice. Ibero-America is a continent whose economies have been looted by international financial institutions, by means which have included:

Part 5

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.



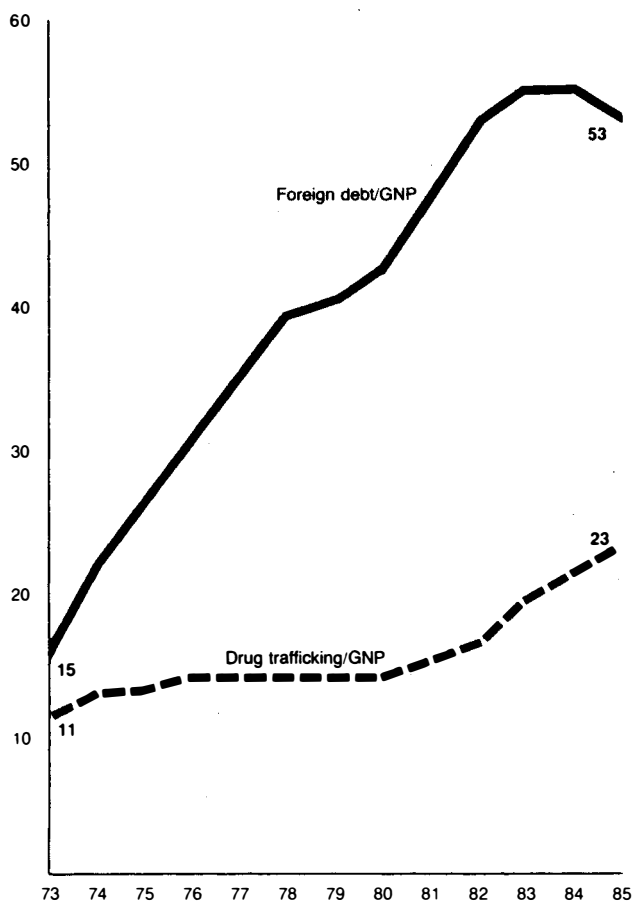
- High interest rates, dating from the onset of the Volcker regime at the U.S. Federal Reserve; in the course of refinancing, debtor nations have been paying steadily higher interest on interest, as well as principal.

- Worsening and unjust terms of trade, increasing the prices which Ibero-American debtors have paid for imports, while reducing the prices they have received for exports.

- Organized flight-capital operations, as a rule carried out by the same foreign banking institutions holding Ibero-American debt instruments.

Therefore, despite a 50% cut in the physical volume of imports and the export of everything not nailed down to earn means of payment, Ibero-America's debt has continued to rise, while tens of billions in development projects have been canceled, industrial sectors decapitalized, millions thrown out of work, roads, services, housing, and sanitation col-

FIGURE 2-1
Growth of the foreign debt and drug trafficking in Ibero-America 1973-85
 (percentages of GNP)



Sources: Economic Commission for Latin America (U.N.) and authors' estimates.

TABLE 2-1
Foreign debt and trade balance of Ibero-America 1978-85

(billions of dollars)

	1978-1981	1982-1985	1978-1985
Increase in debt	157.2	87.3	244.5
Balance of goods	-5.5	114.0	108.5
Trade balance	-26.5	105.2	78.7

Source: Economic Commission for Latin America (U.N.).

lapsed, and large sectors of the population are being driven to the edge of starvation.

Simply, the debt of Ibero-America today, after years of human suffering, is unpayable. Anyone who would insist on repayment, under present conditions, is insisting on genocide by economic means.

Debt as a looting mechanism

It has been the prevailing explanation of bankers and their press that Ibero-American indebtedness is a consequence of "profligate spending" by governments which sought to finance "overly ambitious development projects." Were that the case, the figures would show that the nations of the continent imported considerably more than they exported during the period of steepest debt accumulation, 1978-85. That is, they would show a trade deficit to supply supposedly over-ambitious development efforts. The figures show the opposite. Between 1978 and 1985, Ibero-America ran a sizable trade surplus. From 1978 to 1981, there was a slight deficit in goods, \$5.5 billion, and of goods and trade-related services of \$26.5 billion. But this is to be compared to an increase in the debt of \$157.2 billion over the same period (Table 2-1).

Since 1981, even this small deficit has turned into a surplus of \$114.0 billion in goods, \$105.2 billion if trade services are deducted. During this period, \$87.0 billion was added to the debt.

Therefore, excessive imports had nothing to do with the debt accumulation.

An honest examination of the curve of Ibero-American indebtedness prompts the question: What did all the money borrowed go for? The answer, as indicated, is *nothing*. Since 1978, the year that dollar interest rates began their climb, payments of interest alone have totaled \$237.2 billion, while the total increase in indebtedness has been \$244.5 billion. All but \$7.3 billion of the debt increase, in effect, has gone to pay interest.

Until 1982, money was borrowed to fully capitalize interest, plus additional money was used to cover capital flight and small trade deficits. Since 1982, a large trade surplus has paid off some of the interest, while an additional \$90.0 billion in borrowings covered the remaining interest plus additional capital flight. Thus, \$244.5 billion was borrowed to pay off interest and replace flight capital—none of it went to finance

TABLE 2-2

Growth and applications of the Ibero-American foreign debt

(billions of dollars)

	1978	1979	1980	1981	1982	1983	1984	1985	Total
Total debt	156.5	183.9	226.4	282.7	322.8	343.7	361.4	370.0	
Increase in debt	30.9	27.5	42.5	56.3	40.1	20.9	17.7	8.6	244.4
Interest paid	10.4	15.7	23.0	33.8	39.9	36.4	41.6	36.4	237.2
Trade balance*	-8.2	-4.5	-5.8	-8.0	3.7	29.9	40.5	32.0	78.7
Capital flight	4.9	1.5	14.0	20.4	24.1	14.0	5.8	4.8	89.5

*Balance of goods and services excepting interest.

Sources: Economic Commission for Latin America (U.N.) and authors' estimates.

development. On top of this, an additional \$79.0 billion was paid out in the form of a trade surplus.

A careful analysis of the balance of payments shows that during this time period, nearly \$100 billion of the new debt of \$244.5 billion incurred cannot be accounted for by flows captured in the balance-of-payments figures. The increase in debt was duly registered, but no corresponding inflow of capital in any form, reported new loans or otherwise, was recorded. Small portions of this may be explained by such things as disguised or unreported arms-purchases by governments. But the preponderance of this sum was flight capital in its many forms.

Bankers financed nearly \$100 billion without apparent concern for what their money was going for: It never showed up as a capital inflow to Ibero-America, much less as a capital outflow.

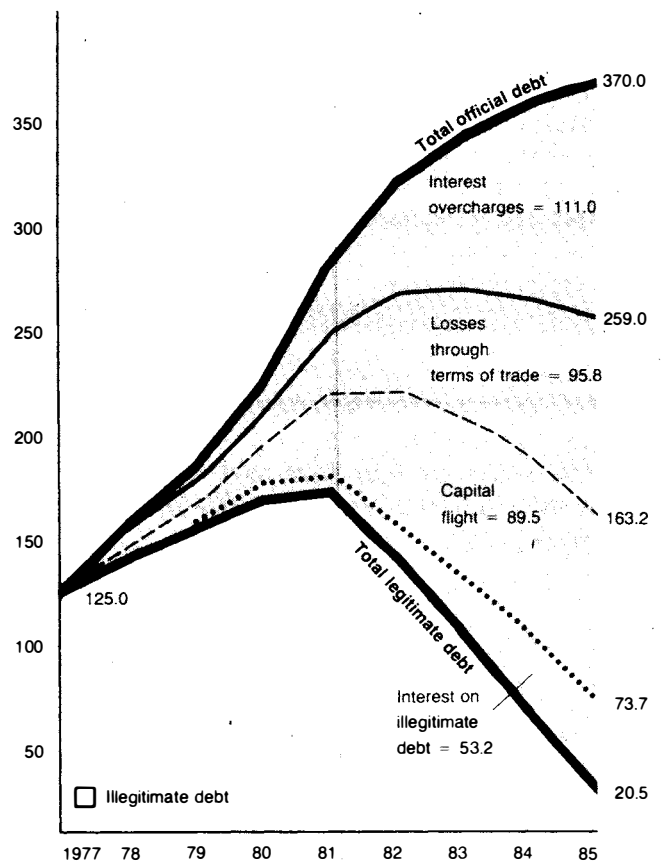
Table 2-2 shows what the total inflow of capital paid for: slight trade deficits in 1978, 1980, and 1981; the annual services deficit; interest on the debt; and capital flight. The international banks' loans to Ibero-America were thus purely speculative, unsecured by tangible wealth, merely capitalizing interest, covering current consumption deficits on the services account, unsecured borrowing against "leakage" of funds through capital flight, or were totally fictitious loans that either never left the bank vaults, or were illegally transferred to accounts outside the debtor countries. In 1982 and 1983, the latter flight-capital category far exceeded registered capital movements, totaling almost \$40.0 billion.

As Table 2-2 shows, virtually no "banking" in the traditional sense has taken place with respect to Ibero-America for at least eight years. The majority of total "loans" have been essentially only a bookkeeping exercise, in which banks have credited themselves with fictitious interest payments by debiting the books of the relevant governments. Additional unsecured loans were made to central banks, but led to no transfer of goods. Most such money returned to the lending institutions as flight capital.

Figure 2-2

Foreign debt of Ibero-America, legitimate and illegitimate 1978-85

(billions of dollars)



Sources: Economic Commission for Latin America (U.N.) and authors' estimates.

Beginning in 1982, a year of large-scale capital flight out of Mexico and several other countries, the austerity programs that have brought the continent to its knees took hold, and the region began running sharp trade surpluses. From 1982 onward, there has been a flow of real resources, not bookkeeping paper, out of Ibero-America into advanced-sector nations, in the form of exports not balanced by imports. This real transfer of wealth (trade balance line in Table 2-2), totaled \$105.2 billion from 1982-85.

Yet even these figures do not accurately reflect the full magnitude of the looting. An additional form of transfer of wealth has been caused by deteriorating terms of trade. Adjusting both exports and imports to correct for this deterioration gives a total of \$95.8 billion in lost export revenues for Ibero-America since 1978. This represents direct wealth acquired by the advanced economies as a result of unfair trade prices.

TABLE 2-3

Looting of Ibero-America through interest overcharges 1978-85

(billions of dollars)

	1978	1979	1980	1981	1982	1983	1984	1985
1. Total debt	156.5	183.9	226.4	282.7	322.8	343.7	361.4	370.0
2. Interest paid	10.4	15.7	23.0	33.8	39.9	36.4	41.6	36.4
3. Implicit interest rate (2 ÷ 1)	7.4%	9.2%	11.2%	13.3%	13.2%	10.9%	11.8%	10.0%
4. Interest calculated at 6.8%	9.6	11.5	13.6	16.3	18.4	19.0	19.2	18.5
5. Interest overcharges (2 - 4)	0.9	4.2	9.4	17.5	21.5	17.4	22.4	17.9
6. Cumulative overcharges	0.8	5.1	14.4	31.9	53.4	70.8	93.2	111.0
7. Debt without overcharges (1977) (6 - 1)	155.6	178.9	212.0	250.8	269.4	273.0	268.2	258.9

Sources: Economic Commission for Latin America (U.N.) and authors' estimates.

The debt is illegitimate

We have shown the way the foreign debt has covered up a process of looting of Ibero-America. But more can be proven: The debt itself is almost entirely illegitimate.

The balance-of-payments and terms-of-trade figures were used to recalculate the post-1977 debt of Ibero-America from the standpoint of constant 1978 interest rates, constant terms of trade, and elimination of flight capital—minimal conditions had a just world economic order prevailed. If we recalculate the debt from 1977 forward under such assumptions of equitable treatment, the conclusion is that there would be little or no Ibero-American foreign debt at all today.

The total Ibero-American debt would have risen to a maximum of \$175.0 billion in 1981 from \$125.5 billion in 1977, before starting to fall, to \$20.5 billion by 1985, and effectively zero by mid-1986. Moreover, this calculation is conservative: It assumes much less capital flight than may have occurred (Figure 2-2).

For purposes of calculation, the illegitimate debt is broken down into four components:

- 1) the direct additional burden in interest and capitalized principal from interest rates above the levels of 1977;
- 2) the effect of deteriorating terms of trade;
- 3) the estimation of flight capital; and
- 4) the compounded interest paid on the debt resulting from the latter two factors.

1) The interest-rate factor. All developing-sector economies were devastated by the rise in interest rates that began in 1978, and became extreme under Paul Volcker's late-1979 program of "controlled disintegration of the world

TABLE 2-4

Looting through interest overcharges, various countries 1978-85

(billions of dollars)

	Interest paid (1)	Interest calculated at 6.8% (2)	Interest overcharges (1-2)
Argentina	28.9	16.8	12.1
Brazil	70.8	37.6	33.2
Colombia	6.8	3.8	3.0
Chile	12.4	6.1	6.3
Mexico	62.6	33.1	29.5
Peru	7.6	5.4	2.2
Venezuela	25.0	14.7	10.3
Ibero-America	237.2	126.2	111.0

Sources: Economic Commission for Latin America (U.N.) and authors' estimates.

economy." The effect of this increase in interest rates is calculated for Ibero-America in Table 2-3. This table shows total debt, total interest actually paid, the implicit interest rate (that year's interest payment as a percentage of that year's total debt), and what interest payments would have totaled at a constant 6.8% rate (the interest rate in 1977). At this rate of interest, a yearly overcharge can be calculated as the difference between the 6.8% interest rate and the actually prevailing rate. The next line shows the cumulative saving, which by 1985 totaled \$111.0 billion, almost one-third of the total debt. In other words, if interest had remained constant at 1977 levels, Ibero-America would today have \$111.0 billion less in foreign debt, or a total of \$259.0 billion, as indicated in Figure 2-2 above. Interest-rate looting thus accounts for about 30% of the official foreign debt.

Table 2-4 shows a breakdown of this interest-rate looting for the principal nations of Ibero-America.

2) The terms-of-trade factor. The second source of illegitimate debt accrual is the sharp decline in terms of trade experienced by the majority of the Ibero-American countries; that is, the difference between the inflation rates on prices paid for imports and those received for exports. In most of these countries, import prices rose while exports stagnated. For Venezuela and Mexico, the 1979 oil price increase made their terms of trade strongly positive, and made Peru's neutral. But despite such countervailing effects in individual cases, the balance for the entire continent was strongly negative.

Table 2-5 shows the effect on indebtedness that neutral terms of trade since 1977 would have had on the major countries. This was calculated by deflating both imports and exports by their respective unit value indices, reflatting them by the average inflation of world trade, and comparing this hypothetical balance of trade with the real one. The difference was the loss (or benefit, for Mexico and Venezuela) of trade revenues from this cause. As can be seen, Brazil, the largest economy, highly dependent on imported oil,

TABLE 2-5

Looting of Ibero-America through deterioration in the terms of trade 1978-85

(billions of dollars)

	Official trade balance (1)	Trade balance with terms of trade of 1977 (2)	Net effect of the variations in the terms of trade (1-2)
Argentina	19.2	22.5	3.5
Brazil	17.2	118.4	91.2
Colombia	-8.5	9.5	18.0
Chile	-1.9	6.8	8.7
Mexico	29.9	12.9	-17.0
Peru	4.1	3.6	-0.5
Venezuela	45.1	13.9	-31.2
Ibero-America	108.5	204.3	95.8

Sources: ECLA and authors' estimates.

would have earned an additional \$91.1 billion, Chile \$8.7 billion, and Colombia \$18.0 billion. While the high relative cost of imported oil accounts for part of Brazil's high figure, falling prices for non-oil exports of all the countries was an equally significant factor, as shown by Colombia, which did not import oil, yet suffered proportionally even more than Brazil.

For the continent as a whole, \$95.8 billion was lost due to deteriorating terms of trade. Had that amount been applied to reducing the debt, it would have dropped down a second notch from \$259.0 billion to about \$163.2 billion (Figure 2-2). Terms-of-trade looting thus accounts for about 26% of the official foreign debt.

3) **The flight capital factor.** The third element, flight capital, was calculated much more conservatively than in a recent Economics Commission for Latin America (ECLA)

study, which estimates total capital flight from 1978-85 at \$160 billion. All of the "errors and omissions" category in balance-of-payments figures, and 60% of the "nonregistered" increase in yearly indebtedness, were added together to total flight capital. The close correlation between the years in which this combined total grew, and in which flight capital is known to have been at its height, confirms the validity of this measure, however approximate. Both categories showed large increases in the critical years 1982 and 1983, when capital flight is known to have been greatest. This conservative estimate places the 1977-85 total at \$89.5 billion.

Thus, if capital flight had not been induced, the foreign debt would have dropped by another \$89.5 billion to the modest sum of \$73.7 billion (Figure 2-2). This category of financial extraction thus accounts for about 24% of the official foreign debt.

4) **The interest on illegitimate debt factor.** Finally, there is a fourth category of loss: interest paid on the illegitimate portions of the debt, that is, the debts incurred to cover the deterioration of the terms of trade and flight capital. This totaled \$53.2 billion over the same period, or about 14% of the total foreign debt. Had it not been incurred, the total legitimate foreign debt of Ibero-America would have dropped to \$20.5 billion by the end of 1985.

In other words, the combined total of illegitimate debt comes to \$349.5 billion. Given that at the end of 1985, the total foreign debt officially reached \$370 billion, the *legitimate* foreign debt only reached a total of \$20.5 billion, about 5% of the illegitimate debt the banks claim they are owed! The other 95% has, by all standards of economic reality and equity, been long since paid off.

Table 2-6 is a summary of the relevant statistical documentation of this point, from which Figure 2-2 was drawn.

TABLE 2-6

Foreign debt of Ibero-America, legitimate and illegitimate 1978-85

(billions of dollars)

	1978	1979	1980	1981	1982	1983	1984	1985	Total
1. Total official debt	156.5	183.9	226.4	282.7	322.8	343.7	361.4	370.0	
2. Increase in official debt									
3. Interest rate overcharges	30.9	27.5	42.5	56.3	40.1	20.9	17.7	8.6	244.5
4. Terms-of-trade losses	0.9	4.2	9.4	17.5	21.5	17.4	22.4	17.9	111.0
5. Capital flight	7.2	5.6	3.2	13.0	18.1	18.5	14.7	16.6	95.8
6. Interest on illegitimate debt	4.9	1.5	14.0	20.4	24.1	14.0	5.8	4.8	89.5
7. Increase in illegitimate debt (3+4+5+6)	0.1	0.9	1.9	4.1	7.2	10.3	13.1	15.5	53.2
8. Increase in legitimate debt (2-7)	12.0	12.2	28.4	55.1	70.8	60.2	56.1	54.7	349.5
9. Total legitimate debt	18.9	15.3	14.1	1.2	-30.7	-39.3	-38.4	-46.2	-105.0
	144.4	159.7	173.8	175.0	144.3	105.0	66.6	20.5	

*The negative figures indicate that the debt is being canceled.

Sources: ECLA and authors' estimates.

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Fusion reactor technology

The third and final part of Dr. V. K. Rohatgi's overview of the state of fusion research and the requirements for reactor construction.

Dr. Rohatgi is head of the Plasma Physics Division at the Bhabha Atomic Research Center in Bombay, India. He also directs India's MHD (magnetohydrodynamics) program. Parts I and II discussed the present status of the two principal approaches to fusion power, magnetic confinement and inertial confinement, and began to consider the technology requirements for building a fusion reactor; that analysis is concluded here. Readers wishing to consult Dr. Rohatgi's extensive bibliography may obtain a copy from EIR.

Construction materials

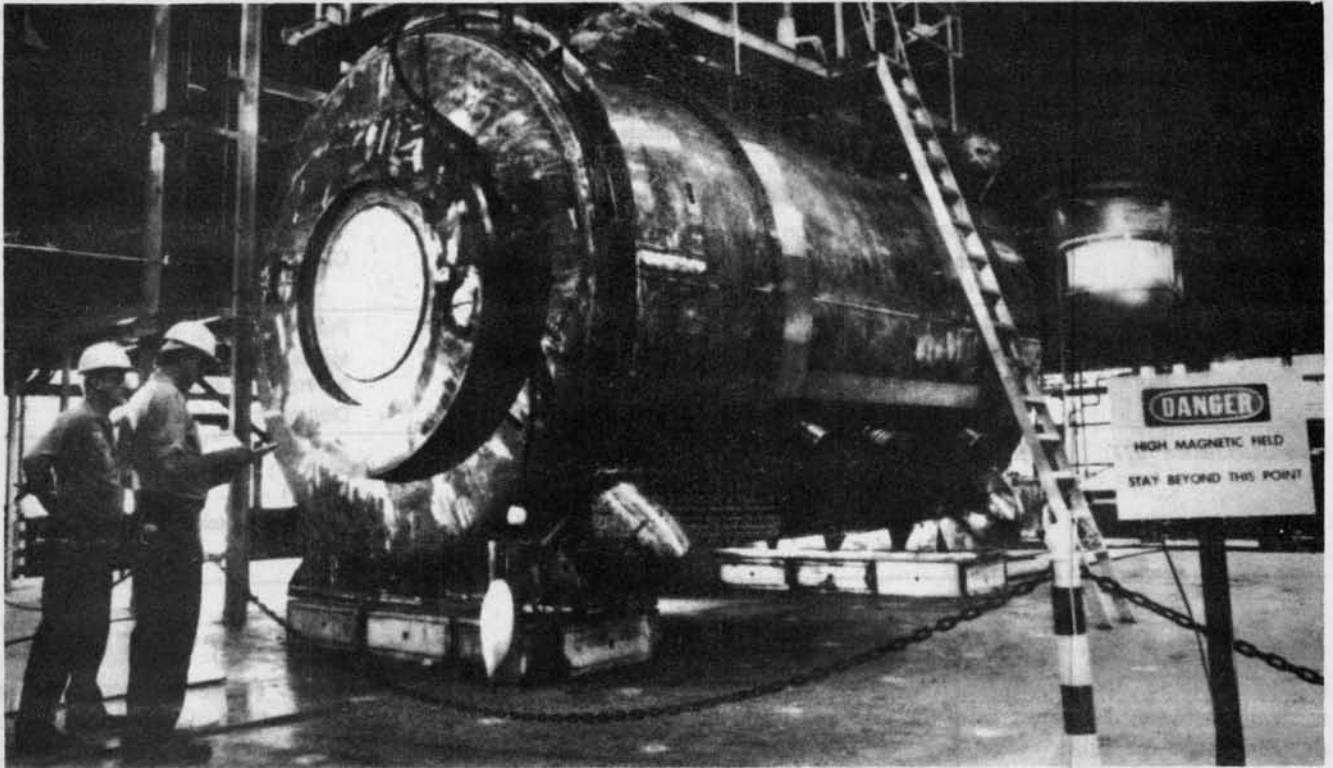
Major efforts in recent years have been focused on specification, selection, development, and fabrication of suitable materials for fusion reactors (Jarvis 1982). Both metallic and nonmetallic structures show sensitivity to a fusion environment. Accordingly, both the classes of material structure are receiving attention. At Los Alamos National Laboratory "All Ceramic" (Clinard 1979; Clinard and Huxley 1981; Clinard et al. 1983; Dike and Haberstiah 1979; and Hauth et al. 1979) and "All Metals" (Dike and Downing 1981) designs for the tokamak have been evolved. Study of plasma-boundary interaction is important, both from the point of view of creating and sustaining fusion-grade plasma, and also from the point of view of the mechanical integrity and reliable long-life operation of the vessel.

In this connection, physical and chemical erosion of reactor wall is a critical problem area in chamber design. The plasma interactions with the reactor walls of the inertial confinement fusion cavity have been analyzed by Bohachevsky (1981) and his group at Los Alamos National Laboratory. The chamber construction material also deserves consideration from the point of design of the vacuum system, as is discussed later.

The progress of fusion material research during the last few years is shown in **Table 8** (Kulcinski 1983). This table divides metallic, nonmetallic, and environmental materials into three categories. The assessment is qualitative, in terms of considerable progress, little progress, and new ideas since 1977. The map of material design and analysis program in relation to the microstructural properties of the material, as drawn up by the University of Tokyo Group (Ishino and Iwata 1983), is reproduced in **Figure 10**. This diagram clearly brings out the interrelationship between the microstructure, physical properties, and performance evaluation of materials.

It is estimated that the peak fluxes of heat and radiation will be orders of magnitude higher, in the case of inertial confinement fusion reactors as opposed to magnetic confinement fusion reactors of comparable power rating. Test facilities are being created to study the material behavior under simulated conditions. **Figure 11** shows one such facility developed jointly by Westinghouse and Argonne National Laboratory in the United States, to test fusion reactor first wall components (Varljen et al. 1983). This facility uses high-power electron beams as a source of heat to study the thermal-mechanical and thermal-hydraulic response of various concepts being considered for the first wall design. The response of metals with electron-beam heat sources has been analyzed by Vijayan and Rohatgi (1984a, 1984b).

Plans are under way to study the neutronics and radiation effects in first wall and blanket designs. The studies so far indicate that vanadium-alloyed steel is better than other alloys, in terms of activity considerations and disposal problems (Volger et al. 1983) and resistance to radiation (Bloom et al. 1982). Moreover, simulation studies indicate that ceramic structures can withstand high neutron fluxes ($\sim 10^{22}/$



The Super-Magnet, a superconducting dipole magnet from the Argonne National Laboratory in the United States, built for use in MHD power generators. These generators may solve the problem of supplying the high-voltage power required for fusion reactors.

cm²) without undergoing serious damage and changes in their properties (Porter 1982). Studies have been made with solid as well as liquid lithium breeders. In view of potential fire and explosion hazards, solid breeders are preferred to liquid breeders (Cooper 1983). Solid breeders in the form of lithium oxides are found safer, while they can also provide necessary structural insulation (Hollenberg et al. 1984; Vogler et al. 1983). Using neutron multiplier-based solid breeders like Li₂ZrO₃, the advantage of tritium breeding can be enhanced through ⁶Li reaction.

Superconducting technology

Superconducting material and technology development have attracted significant attention during the last few years (Haubenreich et al. 1982). The development of superconducting material, cryogenic system, and testing of large magnets with low risk and high reliability is still one of the major areas demanding concentrated efforts. The requirements of superconducting-magnet design should satisfy unconditional stability conditions (Cooper 1983). Apart from general studies in the development of superconducting magnet technology, specific problems related to the magnetic coils for tokamak have been analyzed (Komarek 1980). It is concluded that from the point of view of total reactor systems, superconducting-magnet technology forms the weakest link in the

chain (Shimamoto et al. 1983; Tsuji et al. 1981). Accelerated efforts are therefore recommended in order to bring this technology to an acceptable level. The design complexities of this single component weigh heavily in favor of mirror configuration for fusion reactor in place of tokamak.

High-voltage power systems

The electrical power supplies in large fusion experiments and reactors have to serve many difficult as well as varied tasks. For instance, in magnetic confinement fusion reactor power, supplies are required for generating and heating the plasma, creation of magnetic field for confinement, stability, and position control of plasma. Depending on the function, these supplies vary in peak power and duration of the pulse. The characteristics of these power supplies must match the physical behavior of the plasma. Also important are the rise time and synchronization of operation of different power supplies. Keeping in view the perspective of large fusion experiments and possible reactor designs, power supplies in the range of Megajoule to Gigajoule for durations of a few nanoseconds to seconds will be required. In the case of inertial confinement fusion, the peak power of several orders higher is envisaged. The short pulse durations are of particular interest for inertial confinement fusion reactor application. Such loads for normal power grids are rather unusual

TABLE 8
Status of fusion material research

	Metallic structures	Nonmetals plus coolants	Reactor environment
Considerable progress	FW vaporization/melting FW lifetime analysis Divertor plate, limiter design Low temperature, high He neutron data	Chemical sputtering-C High heat flux coatings	FMIT construction started Inertial confinement fusion cavity gas reradiation Charge X-change sputtering
Little progress	Pulsed neutron damage Permanent FW	Low T ₂ inv.-solid breeders High temperature n damage-C	Pulsed n source Inertial confinement fusion target spectra Disruption characteristics
New ideas (since 1977)	Martensitic alloys Rapidly cooled alloys	Pb ₈₃ Li ₁₇ breeder/coolant SiC import units	INTOR TASKA Steady state tokamak

and unacceptable. Accordingly, the total power requirement is shared between the power from the grid and from the independent power racks.

Thus far, condenser banks have been commonly used as

primary energy storage devices. The stored energy is then transported to the actual load through a suitable intermediate system, depending on the load characteristics. Only recently, governed by the requirements of the advanced fusion experiments, other energy-storage systems have been investigated. **Table 9** lists the performance characteristics of different energy-storage systems (Bertolini 1980). Because of the demand on high reliability, the power supplies have been developed with conventional equipment. This tends to make physical sizes big and also limits the applicability to a given task. The cost of power supplies can be a significant fraction of the project cost. For example, in the case of JET (the large English tokamak), power supplies take up about 17% of the budget and 35% of the hardware. This trend will continue, unless major design changes in the equipment take place.

One possibility is the use of superconducting material, both in the test equipment as well as in the energy-storage and handling systems. While small tokamaks are already operating with superconducting magnet coils (SMC), the design of SMC for large tokamaks has also received considerable attention. This will drastically reduce the power requirements of the magnet coils. Likewise, inductive energy-storage system, rotating machinery, and energy-transfer equipment with superconducting coils could also lead to compact designs with higher efficiencies.

Homopolar and pulse MHD generators offer alternatives to conductive and inductive pulse energy sources. A homopolar generator is a device in which a DC magnetic field exists along the axis of a cylinder. The homopolar machine driven by a motor/gas turbine generator, induces voltage in a radial direction which is connected to the load through brush contacts. A homopolar device can serve both for the motor as well as the generator. Besides, since it is a DC machine, no rectifiers are required. Machines in the range 50-2,000 MJ

FIGURE 10
Materials design and analysis with respect to the position of microstructural design

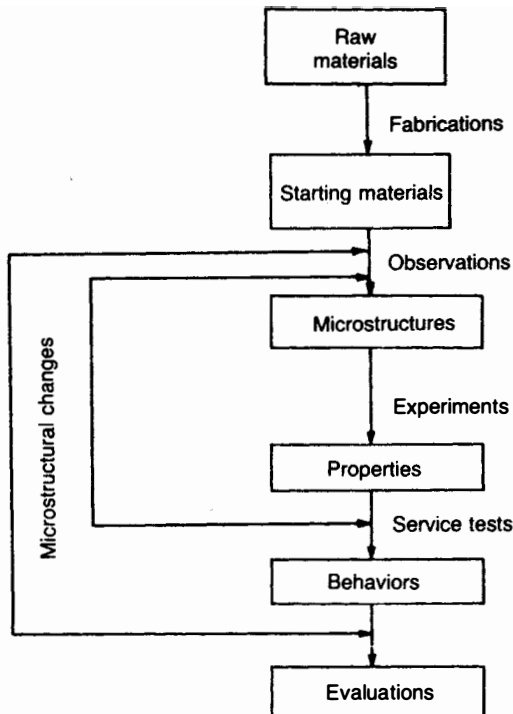
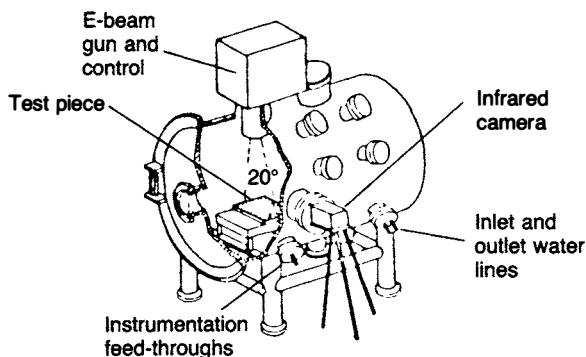


FIGURE 11

Electron beam material testing trolley

(power on test piece up to 100 watts/cm² in vacuum)



Test piece	Description
	Single stainless steel tube
	Three tubes facsimile of a stainless steel heat rejection panel
	Facsimile of a stainless steel flat plate heat rejection panel
	Full-scale graphite armor tile attached to a water-cooled stainless steel plate via a mechanical dovetail joint

Initial first wall test pieces derived from current FED design concepts

have been developed. One such machine, producing 500 MJ for 0.5 seconds, giving a current of 1.6 million amperes, has been built and tested at the Australian National University, Canberra. With rugged structure, ratings of the machine can be increased. The expected efficiencies of around 80% have been projected (Bertolini 1980).

MHD power generators work on the principle of the Faraday Law of Induction, in which a conducting fluid (plasma) flows across a DC magnetic field and the induced voltage is directly connected to the load through suitable electrodes (Rohatgi and Venkatramani 1984). Linear as well as cylindrical configurations have been developed for continuous and pulse-power generation. In general, any type of heat source such as the combustion products of solid, liquid, and gaseous fuels (including nuclear and solar energy) can drive an MHD generator. Typically, plasma temperatures of 2,000-3,000°C and flow velocities of 500-2,000 m/sec are used for combustion-driven MHD generators. Pulse MHD generators up to 100 MW(e) and of a millisecond to a minute duration, are already in use in terrestrial and space applications. The simplicity and reliability of these devices have attracted special interest in defense and aerospace industries. Long-duration generators are being developed for central power stations. Already 20 MW(e) for several hours have been generated continuously at the U-25 MHD installation in Moscow. The first commercial MHD/steam plant of 1,000 MW(th) is under construction near Moscow, and the conversion efficiencies of this power station using natural gas has been estimated to be around 50%.

In short, it is concluded that the high-voltage power supply for large fusion experiments and subsequently for power reactors will continue to claim a significant fraction of the budget and efforts. Accordingly, concentrated efforts should be devoted to the development of high-efficiency, compact,

and reliable power supplies (Ron 1982). While reliability could be achieved using conventional designs and components, there is a case for more innovative approach and designs based on advanced technology, materials, and components.

Plasma heating systems

Auxiliary heating of plasma to reaction temperatures is a must in magnetic confinement fusion reactors. Neutral, charged particles and radio-frequency beams have been attempted for this purpose. The best results in a tokamak were obtained with a neutral beam in 1978 (PLT 1978). Radio-frequency heating of plasma has also been found attractive (Porkolab 1977). At the same time, it is difficult to eliminate particle (electron and ion) beams at this stage (Arzhannikov et al. 1978; Paithankar and Rohatgi 1979; and Krakowski 1978). In the Tokamak Fusion Test Reactor (TFTR) at Princeton, neutral-beam heating has been selected, whereas

TABLE 9
Characteristics of energy storage systems

System	Performance	
	Joule/m ³	Watt/m ³
Capacitors	10 ⁴ -10 ⁵	10 ⁹ -10 ¹⁰
Inductors	10 ⁷	10 ⁷ -10 ⁸
Rotating machines	10 ⁷ -10 ⁸	10 ⁸
Batteries	10 ⁸ -10 ⁹	10 ⁶
Explosives	10 ¹⁰	10 ¹⁵

other similar devices contemplate using radio-frequency along with neutral-beam heating for experimental purposes. Radio-frequency power can be pumped into the plasma through electrons as well as ions.

Among the various modes of radio-frequency coupling to plasma, the ion cyclotron resonance and lower hybrid frequencies are more attractive. Encouraging results have been obtained in laboratory-scale experiments. Consequently, high power sources over a wide range of frequencies (approximately 0.1 kHz to 200 GHz) are of interest for suitable plasma heating. All the available sources for auxiliary heating today fall short of the requirements. For instance, neutral beams in the range of 100-1,000 kW have been developed at the University of California and Oak Ridge National Laboratory in the United States. These devices have to be scaled up in the range of 10-100 MW for reactor applications. Likewise, pulse radio-frequency sources in the range of a few megawatts are presently being used in experiments, whereas the requirement for the reactor will be in the range of 10-100 MW. Recent developments in relativistic electron beam and free electron laser (FEL) offer attractive possibilities in developing high power variable frequency radio-frequency sources, and also for direct coupling of free electron laser for plasma heating (Schwarzchild 1985).

Since they are in the experimental stages, it is not clear which of these techniques will be adopted in the final design. A combination of these may also be adopted at that stage. In any event, technologies of each of these schemes will have to be scaled up at least several fold from the present level. The final selection may also depend on the availability of the essential technology.

Laser, relativistic electron beam, and light ion beam find a place in the inertial confinement fusion reactor as well as in the magnetic confinement fusion reactor. Thus far, the emphasis in the development of these drivers has been for the pellet heating. The use of the relativistic electron beams/light ion beams for magnetic confinement fusion reactors is relatively recent. It is observed that such beams are particularly suited for linear devices (Paithankar and Rohatgi 1979; and Miller 1975), at the same time that means of injecting them into toroidal systems are being studied actively in several laboratories (Lockner and Kusse 1978).

Both from the scientific as well as from the technological point of view, particle beams offer definite advantage for plasma heating in fusion reactors. However, the beam drivers developed for the inertial confinement fusion reactor cannot be directly adopted for magnetic confinement fusion reactor applications. As mentioned earlier, the inertial confinement fusion reactor requires a compressed pulse of a few-nanosecond-duration with high-peak power and a certain repetitive rate governed by the reactor design.

In the case of the magnetic confinement fusion reactor, on the other hand, one would need pulses of longer duration (maybe on the order of seconds). Also highly focused beams may not be necessary for the optimum absorption of energy

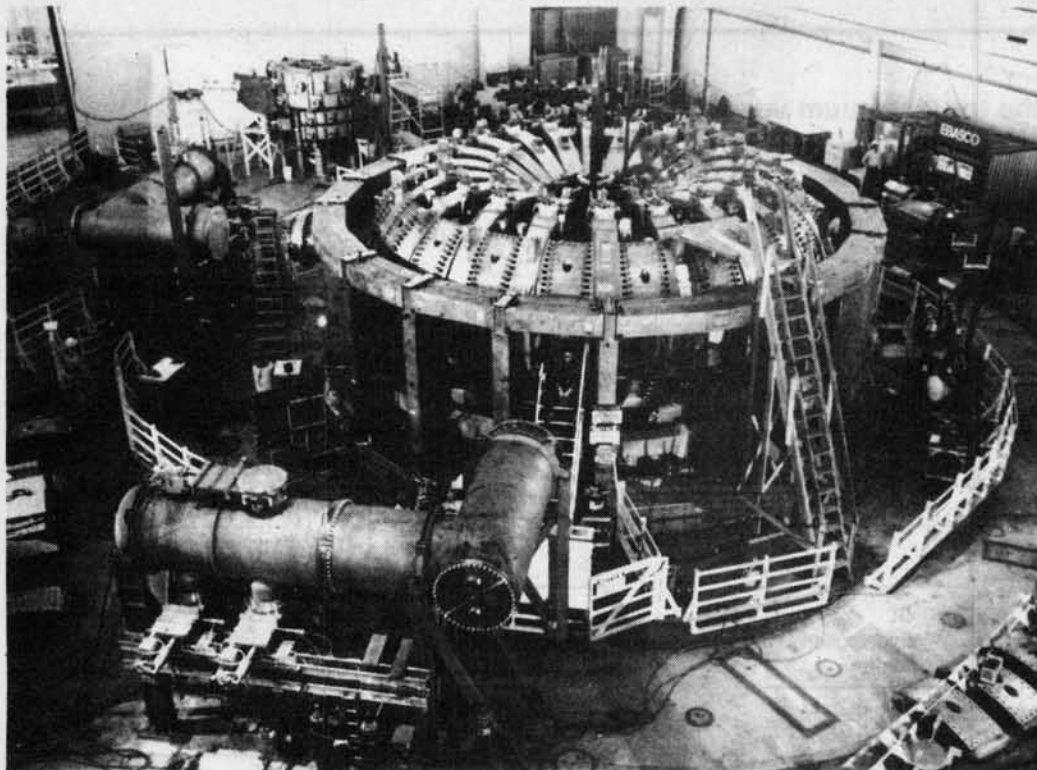
in plasma heating.

One of the major problems in the development of the inertial confinement fusion reactor is related to the high-efficiency driver which can be focused onto the target (Monstler et al. 1981). Thus the beam transport (especially for relativistic electron beams and light ion beams) has been one of the problem areas in this context (Wallis et al. 1975). An intense burst of particles must travel through gaseous or metal vapor media in the reactor chamber. This results in considerable energy loss and defocusing of the beam reaching the target. Several schemes based on (a) self-focusing of the beam, (b) passage through pre-ionized low-density cold plasma, including plasmas produced by exploding wires (Goldstein et al. 1977; Vijayan and Rohatgi 1985), and (c) guiding magnetic fields, are being considered for this purpose.

The problem of beam transport in low pressure gases and in the absence of magnetic-guide field has been analyzed by several investigators (Chodorow and Ertiza 1976; Iyyengar and Rohatgi 1983, 1985; and Ono 1979). Preliminary investigations with laboratory-scale experiments indicate that for a given energy beam, there exists a narrow window in the pressure range through which beams can be transported with high efficiency and minimum defocusing (Rohatgi et al. 1984). While passing through the media, part of the beam energy is used in creating necessary ionization in the gas, which helps neutralize the space charge. This permits the beam transport with higher efficiencies (~70%), and obviates the need for external magnetic fields or pre-ionization. Also, observations indicate that operation of a relativistic electron beam diode in the same pressure range reduces the pulse width with the increase in the beam current (Mittal et al. 1981). These results are significant in simplifying the reactor designs, and merit further investigations to establish their effectiveness at reactor scales.

Vacuum and ash handling systems

The design of vacuum systems for a fusion reactor is an interesting problem. The plasma behavior strongly influences the design considerations of the vacuum system (Miyahara 1983). For instance, the vacuum system in the magnetic confinement fusion reactor is required to maintain a particle balance between fueling particle, high-energy neutral beams (NBI) used for auxiliary heating of plasma, neutron flux, the products of combustion, and the impurities emanating from the reactor vessel (Post et al. 1978). The sources and influx of impurities in the case of Alcator C have been studied by Rice et al. (1984). The design of vacuum system will be altered if radio-frequency heating technique is selected in place of high-energy neutral beam. As the unburnt fuel (DT) passes through the vacuum system, along with helium and impurities, the system must be capable of differentially pumping various constituents in the reactor chamber. Impurities in the reactor can also enter along with fuel and neutral beam injection. Care has to be exercised to prevent the impurities from entering through this route. The plasma reaction



Princeton University's Tokamak Fusion Test Reactor, shown here under construction. On Aug. 7, 1986, scientists achieved a temperature of 200 million degrees Celsius in the TFTR—the highest temperature ever recorded in a laboratory. This temperature is in the range required for a fusion reactor, and, according to the U.S. Department of Energy, places the U.S. fusion program on target to achieve a practical fusion reactor within 15 years. The goal for the coming year is energy break-even, which means that the release of energy from the fusion process exceeds the amount of energy needed to generate the process.

products have to be effectively exhausted to avoid dilution of the fuel in the subsequent firing. In general, fuel can be reprocessed and recycled along with make-up fuel for the loss.

Thus, fuel particles recirculate through the vacuum and injection systems, while impurities and ashes are pumped using cryosurface. It is desirable that a large fraction of fuel particles recirculate between plasma and the walls of the reactor vessel, in order to reduce the tritium load through the vacuum system. The release of unburnt fuel from the reactor walls, in turn, is accompanied with the release of impurities which originate from the reactor walls. The whole phenomenon is sensitive to the plasma edge temperature which governs the unloading of fuel, as well as impurities from the walls of the chamber. Clearer understanding of the physics of this phenomena is required to evolve suitable designs for vacuum and ash handling systems. In the final stages, the blanket effect will also have to be included in the design consideration.

The role of the main pumping system is to achieve an ultimate vacuum of the order of 10^{-8} to 10^{-9} Torr and to separate the pumped gases into three fractions of helium gas, hydrogen isotope D_2 , T_2 and DT , and impurities like CO , CO_2 , DTO , CT_4 , and so forth. **Figure 12** shows a typical scheme of a vacuum system for a power reactor (Miyahara 1983). By separation of gases, handling of tritium becomes easy. Both charcoal as well as metallic cryopanel have been

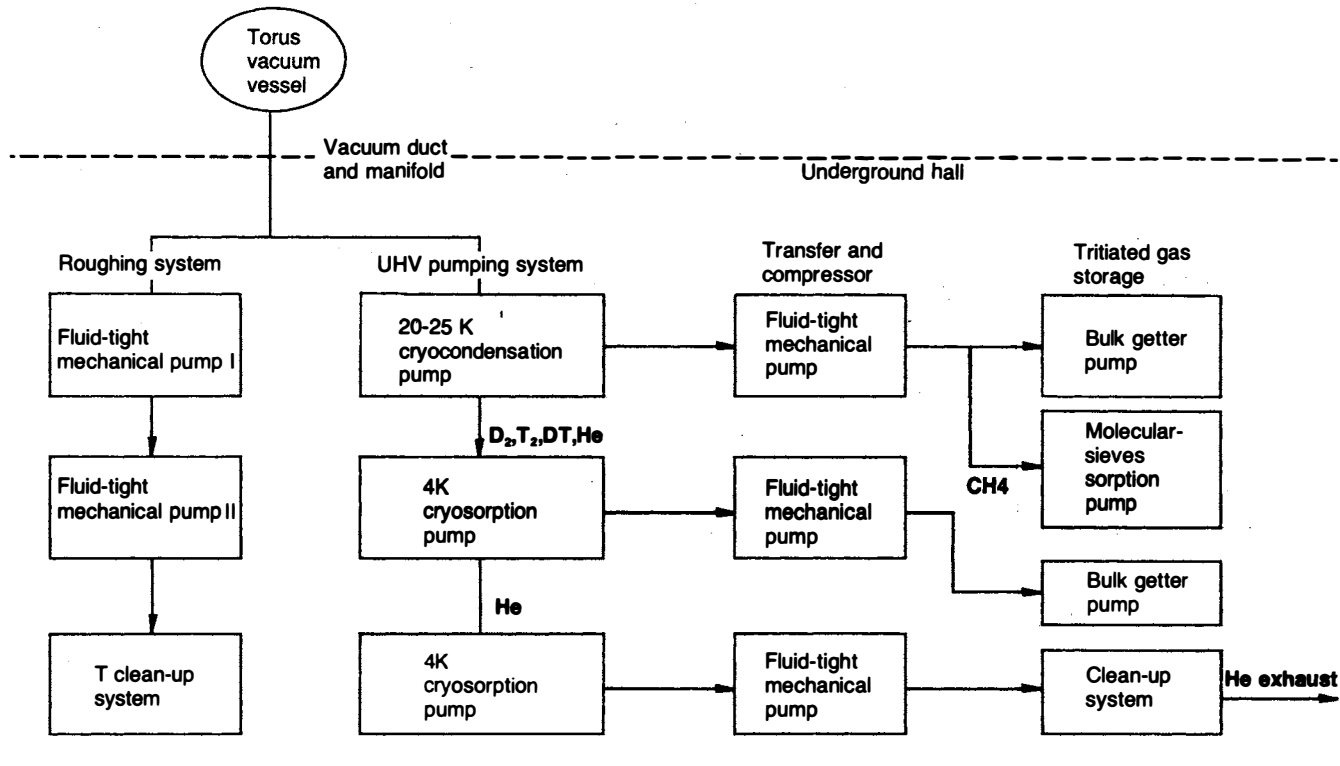
considered for this purpose in the UHV pumping system. The impurity gases from the torus walls or normal DT discharges are pumped at 20 to 25 K cryocondensation, whereas helium and hydrogen isotopes pass through the second phase at 4°K. As this stage, hydrogen isotopes are separated due to their different condensation temperatures, while helium goes to the next 4°K cryopump with charcoal absorbent. Each stage is backed up with fluid-tight mechanical pumps and a final stage of the bulk getter or molecular sieve beds. Normally, two sets of pumping systems are incorporated—one for normal operation of pumping the torus and the other for regeneration experiment at a later stage.

The requirements of the vacuum system are not so strict in the case of inertial confinement fusion reactors, as compared to the magnetic confinement fusion reactors (Yamanaka 1983). In this case, the condition of vacuum is determined by the transmittance of the driver (laser, electron/ion beams) and the lifetime of the cryogenic fuel pellet. The evacuation of the target chamber is done by the lithium flow, whereas the gases and the products of implosion, including tritium, are done by the auxiliary pumping system. The entire system has to be free from impurities to a high degree. Normally, this is achieved by proper selection of reactor material followed by provisions of discharge cleaning.

A conceptual design of a laser-induced inertial confinement fusion reactor, SENRI-1, has been developed at the Institute of Laser Engineering, Osaka University, Japan (Ya-

FIGURE 12

Pumping system for the torus vacuum vessel of the tokamak



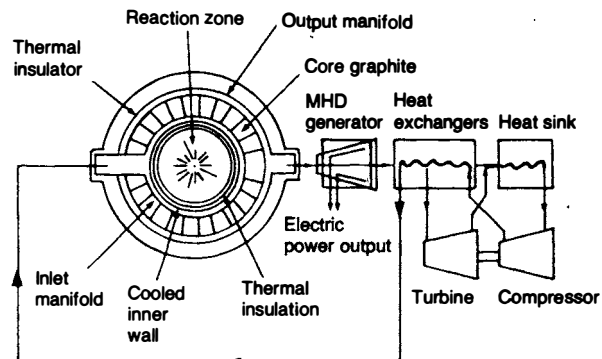
manaka et al. 1983). In this design, the operating temperature of the lithium blanket is around 750°K, while the pressure is 10^{-3} Torr. The liquid lithium covers the surface of the reactor vessel and can act as a cryogenic pump which demands no extra large pumping system. Depending on the transmittance

of the driver used, a working pressure of around 10 Torr may be adequate.

As mentioned earlier, the particle beam transport through gaseous/metal vapor media become important from this point of view. For this purpose, the design of vacuum system components and special construction materials have to be developed. The importance of selection of the construction material for the reactor vessel, which has to withstand high heat, radiation, and particle fluxes, is a different task. Preference should be given to materials of low outgasing rates both for the reactor chamber as well as for the rest of the manifold. Materials resulting in high impurities are also damaging from the point of energy confinement since they cause significant radiation loss. Other important components in the vessel are antenna for radio-frequency injection of power for plasma heating and sensing elements for plasma control and positioning. Because of the tritium pumping, oil-free mechanical pumps, reliable gaskets of large size, and gate valves must be developed for this application.

FIGURE 13

MHD system coupled to a fusion reactor



Utilization of heat of the reaction

Thus far, most attention has been focused on the development of science and technology required for achieving the thermonuclear reaction in a controlled fashion. The techno-

logical requirements listed above address this aspect only. Relatively little work has been done on the utilization of the energy released from the fusion reaction.

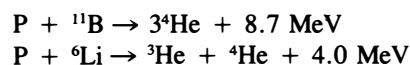
In general, it is envisaged that the energy associated with the neutron (14 MeV in a DT reaction) will be used for generating heat, tritium breeding, and interacting with fertile material in the blanket, which then can be converted into electrical power through the well-established steam cycle. In this case, a special heat exchanger suitable for the local environment may be developed which will eventually drive a steam turbine as in the case of conventional nuclear cycles. The plant efficiencies in most cases have been estimated on this basis which are of the order of 30%. This approach does not call for major technological development.

However, with the present state of the art of advanced technology, it is possible to conceive schemes which will result in higher conversion efficiencies. In particular, a binary cycle can yield conversion efficiencies in the range of 50-60%, compared to 40% with the conventional steam cycle. Also, for the optimum utilization of a high-energy-density source, one should consider a fusion reactor for cogeneration, rather than only for electrical power generation.

The MHD generator offers an attractive possibility and is ideally suited for this purpose (Rohatgi and Venkatramani 1984). A closed-cycle MHD generator operating in nonequilibrium plasma mode can be easily coupled, through a heat exchanger, to a fusion reactor. Assuming an operating temperature of 2,800°K, the overall conversion efficiencies of the MHD steam cycle has been estimated to be on the order of 60%. Further, it may be possible to extend this limit up to 80% with advanced technology. A conceptual scheme of MHD/steam binary cycle suitable for a fusion reactor is shown in **Figure 13** (Kautrovitz and Rosa 1975). Similar schemes

have also been developed for inertial confinement fusion reactors. The MHD technology for this application is well established.

Alternatively, the MHD generator can be driven by the charged particles produced in a fusion reactor. In this case, a stream of charged particles will pass through a transverse magnetic field of the MHD generator. This concept will be ideally suited when the following reactions are used in a fusion reactor:



Heat and radiation generated in a fusion reactor can also be used for other industrial applications. Typical applications include large-scale material processing, and agricultural and medical sterilization. A novel concept proposed for this purpose is to develop fusion torches utilizing the energy available with the charged particles (FEFN 1977). The beam of charged particles is focused with a magnetic field on to the material to be processed, as depicted in **Figure 14**. This arrangement will permit the processing of finished items in a simple step.

Conclusions

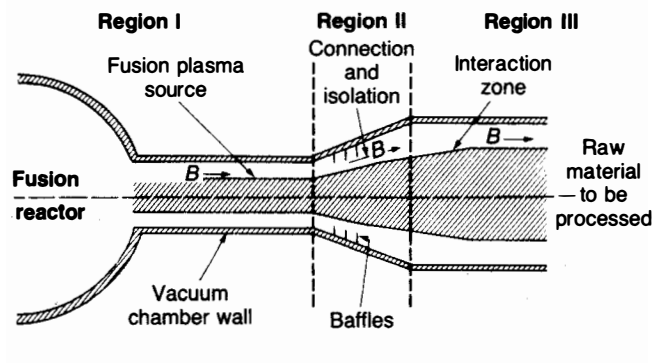
In conclusion, it is seen that the first order of physics for fusion energy has been adequately understood. Now it is possible to take up conceptual designs for fusion reactors. Both magnetic confinement fusion and inertial confinement fusion schemes are available to choose from. The present designs are based on established techniques, but require further development. As the same time, this does not preclude introduction of new ideas from consideration toward the end objective. The extent to which the technology needs advancement has been identified. Looking at the quantum of work and the spectrum of technology required for fusion energy, it may indeed appear to be an arduous task. However, it should not be forgotten that the rewards of these efforts will be far-reaching. Even the partially developed technology of fusion energy of today has started paying rich dividends, let alone the fully developed technology which promises to be the ultimate answer to the energy requirement of the generations to come. Concentrated and planned efforts, with full commitment, are required to achieve the goal of fusion energy. With the current tempo of work in the development of fusion energy in the world, it is possible to realize commercial fusion plants in the first quarter of the next century.

Acknowledgement: *The author wishes to thank Dr. P. K. Iyyengar and Dr. P. R. Oastidar for their encouragement throughout this work. The author greatly benefited from discussion with scientists in the Plasma Physics Division, Bhabha Atomic Research Center. Particular thanks are due to Dr. A. S. Paithankar and Dr. T. Vijayan, who assisted in the preparation of this report.*

FIGURE 14

The fusion torch

This torch would permit an advanced utilization of energy to produce finished materials like iron and steel in one-step processing of raw materials.



Dealing with the Russians' decisive cultural inferiority

by Lyndon H. LaRouche, Jr.

Below are excerpts of a policy-memorandum issued on Sept. 11, 1986 under the title, "The design of political counter-operations: medium- to long-term operations in dealing with the Russian empire."

This paper addresses the range of topics which must be considered individually, and together, to define both the shorter-term and long-range implications of the irregular warfare directed against us by the integrated resources of Sino-Soviet intelligence. The paper uses the hypothetical case, that, over the relatively short term ahead, a peace-through-strength posture by the U.S.A. and its collaborators, has halted the Soviet empire's active aggression. This hypothetical circumstance is posed, to define a general approach to winning of irregular warfare against that empire. The point is presented and explained, that exclusive emphasis upon methods of internal subversion of nations falling into the classes of Russia or mainland China, can not lead to a net success. Only by inducing a crisis of felt cultural inferiority within such nations, can the conditions for the needed cultural shift be induced. This can not be accomplished by narrow emphasis upon covert or other factional penetration of the inside of those nations, but only by causing such nations to feel deeply that they are culturally inferior to nations immediately surrounding them. It is shown also, that this same approach defines an effective counteroffensive against Soviet-directed irregular warfare.

A crucial feature of this irregular warfare is the Soviets' most important and masterful deception of the post-1945 period, the credulous Western acceptance of the myth of the Moscow-Beijing split.

1. Doctrine of counter-warfare: principal theses

Strategic policy-planning against Sino-Soviet irregular warfare, must begin with the broad understanding, that we are dealing chiefly with three broad classes of cultures: Russian, Chinese-mainland, and Western European. Although Moscow and Beijing have remained united, throughout the postwar period, to the



Russian ambassadors at the court of Maximilian I in Augsburg (woodcut, 1516). By the early sixteenth century, the Russians had already adopted the ideology of a Muscovite-centered world empire. This is the barbaric culture that must be defeated today.

destruction of their adopted common adversary, us, they represent respectively different, implicitly immiscible cultures. Their continuing irregular warfare is directed against nations of cultures more or less immiscible with either Russian or mainland-Chinese culture. Thus, the most essential feature of their irregular warfare, is of the form of one species of culture engaged in subversion of a different species of culture.

The proper strategic doctrine of the U.S.A. and its allies, divides its objectives into a range of objectives, from the near-term to the long-range:

1) Targeting and eradication of Sino-Soviet irregular warfare capabilities in territories outside China and the Russian Empire.

2) Military and cultural containment of the adversaries' forces.

3) Transformation of those ruling cultural paradigms of the adversaries, which dispose them to adversary posture against us, our allies, and our friends.

In all three of these phases of our strategic operations, we, too, are engaged in irregular warfare. We are thus obliged to undertake ventures broadly analogous to those of our adversaries, but from a reversed cultural standpoint.

It would be a grave, potentially fatal error, to assume that irregular warfare is in any way a game of "tit for tat." It would be a fatal error, to study Sino-Soviet warfare against us, with a view to imitating Sino-Soviet practices as countermeasures against them and their surrogates. The tiger does not combat the crocodile by imitating the habits of the crocodile. Western civilization, Russian culture, and mainland-China culture,

are three respectively distinct species of society, each as distinct from one another as animal species differ, as least as much as the cuckoo differs from the species in whose nests the cuckoo leaves its eggs.

The essence of Sino-Soviet irregular warfare against us, is penetration and subversion. International narco-terrorism, and other less subtle features of their irregular warfare, are merely a specific application of the capabilities achieved by penetration and subversion. Two practical questions lie at the center of our policy-making in these matters:

1) How do their operations of penetration and subversion express their cultures' deployment against our culture?

2) Is counter-penetration of their nations a central feature of our counter-warfare?

Sino-Soviet irregular warfare against us, is not of the form analogous to a military alliance, but rather the analogy of a joint-stock company. This joint-stock-company arrangement is analogous to Soviet intelligence's control of two U.N.O. agencies, the World Health Organization (WHO) and FAO, U.N.O. agencies which are, in practice, joint-stock-company ventures of the U.S.A. and Soviet intelligence establishments. So, Soviet intelligence dominates Sino-Soviet joint-intelligence operations.

There are important conflicts between the Russian Empire and China, essentially conflicts of immiscible cultures, an immiscibility accentuated by the conflict between the Muscovite imperial chauvinism of the one, and the hermetic quality of racialism of the other. This is a source of endemic, and indissoluble conflicts between the two states. These are echoed as discordant notes within the two powers' joint-



"We use the term 'China culture' here as shorthand for that aspect adopted by Mao Tse Tung, rooted in ancient 'legalist philosophy' and Taoism."

stock-style intelligence operations against us. They have never prevented the unbroken continuity of the Sino-Soviet strategic alliance against us. The cultural conflict exists, but it is ignorance expressed as political insanity, to adduce from this conflict any argument in support of the "China Card" delusion.

There are two outstanding instances of important penetration of Russia and China, respectively, by Western European culture. For Russia, the attempts of Peter the Great to civilize that nation. For China, the case of Sun Yat Sen. On the surface, it might appear to some that these are examples of penetration-operations; to the degree there was penetration included, to emphasize such penetrations is to fog the issues. In each case, the Western civilizing influence was the result of deep feelings of national-cultural inferiority within that nation, by an explosion of increase of economic and related power in adjoining nations. In the case of Peter the Great, it was the post-1653 explosion of economic progress in Western Europe, then centered in France, and the impact of the founding of Prussia's power by the reforms of the Great Elector. In the case of China, it was the rise of Japan. "Be ashamed not to be like Japan," was the slogan of the New China movement, based in China's coastal cities, a policy directly opposite to Mao Tse Tung's apotheosis of the countryside of the interior.

The only effective means for inducing a positive cultural shift within either Russia or China, is to humiliate the existing cultural values in the eyes of, respectively, the Russians and the Chinese themselves: not only by awesome economic and related power of the OECD nations, but by high rates of growth of nations at their borders. It is impossible to penetrate successfully either Russian or China-interior culture; one can

only induce it to become ashamed of itself, and therefore to transform itself.

How, and why this disparity between modes of Sino-Soviet and effective U.S. irregular warfare, is the case, is the subject on which we concentrate attention in this chapter of our report.

Correct definition of warfare

The principles involved overlap the folly of protracted land-war in Asia. To understand how this overlap applies, one must rid oneself of the popularized notions of the connections between regular warfare and irregular warfare. One must reject the connotations of such terms as "low-intensity warfare," "unconventional warfare," or the *Kleinkrieg* which Professor von der Heydte adopted as title of the original edition of his book. These terms connote the false idea, that irregular warfare is an adjunct, or alternative to regular warfare. In the whole span of human existence, irregular warfare is the natural and original form of warfare; what we call "regular warfare" is a relatively modern innovation, and remains merely an optional aspect of irregular warfare. It were proper to say, that "regular warfare is irregular warfare supplemented by other means." The only alternative term, for "irregular warfare," which might be recommended, is "cultural warfare." We use the two terms more or less interchangeably, according to which aspect of the common phenomenon is being emphasized in that location. When regular warfare in Asia is considered from this corrected standpoint, the perils of such enterprise are more immediately clear.

In the cases of wars within Western Europe and the Americas, the contending powers represent nations of the same species of culture. Thus, no matter what passions are aroused, the invasion of one of these nations by the other involves no fundamental cultural conflict between the invading forces and the invaded populated territory. When the war is conducted between two cultures which are axiomatically immiscible, the invasion turns the entire population of the occupied territory into an implacable foe, who must mount escalating irregular warfare as a result.

The complicating feature of the case of wars among nations of Western European culture, those of Western Europe and the Americas, is that the average of Western European culture is itself a never better than uneasy accommodation between two cultural strains which are ultimately immiscible, but which have been mutually habituated to a certain degree of cohabitation.

In the case of the Nazis, for example, the forces of the German invaders of Western nations and Poland, during World War II, were predominantly German patriots serving under the command of a Nazi state. At one level, mere patriotism dictated resistance to invading and occupying forces, because the invaders were German. The resistance grew as it became clear that the invasion was not by German culture, but on behalf of a Nazi culture implacably hostile to, and alien to Western European culture in general.

The case of the Nazi occupation of the Ukraine is one illustration of this. Originally, the Ukrainians received the Wehrmacht as liberators. Had the Wehrmacht been allowed to continue actions preparatory to establishing an independent Ukraine under Wehrmacht sponsorship, Germany would have conquered Russia in World War II. Soon, the Wehrmacht's political administration of occupied territories was pushed aside by the Nazi administration, whose brutalities turned collaborators of the Wehrmacht occupation into dedicated irregular warfare forces committed to the extermination of Germany. It was this irregular warfare, which drained the resources of the Wehrmacht to the degree Moscow could both recapture the allegiance of captive-nation sectors of its empire, and administer a defeat to the Nazi forces.

It was not Russian "distances" or the logistical difficulties of the Wehrmacht's protracted warfare which caused the Nazi defeat on the Eastern Front. These were factors, of course; but, they became major factors only because of the environment of irregular warfare enveloping the German forces.

In Asia, the rules of cultural warfare always predominate. Although not all among these cultures are as absolutely immiscible, respectively, as Western European and China-interior cultures, the axiomatic commonality generally characteristic among nations of Western European cultural heritage, is lacking, either absolutely, or almost so in degree. For example, the idea of "Chinese empire" is a policy of displacing the population representing the culture of the conquered territory, and repopulation of the seized territory with Chinese; whereas, the Russian idea of empire is based on the models of the Babylonian, Persian, and Roman empires, a system of satrapies, each of a conqueror-prescribed, distinct culture of its own, each and all subject to common overlordship by a Muscovite master-race.

Cultural warfare has two aspects. In one aspect, it is the spreading of the hegemony of one's own choice of culture. In the other aspect, it is the destruction of the opposing nations' culture and cultural-specific institutions from within. The actions taken in one respect, are designed to serve the actions taken in the other respect, but, except as the two overlap in part, they are not of the same form or nature of action.

Warfare occurs in the form of an implicit set of goals, respecting the development of one's own nation, and the shaping of affairs among the nations of this planet. As other nations have implicit goals conflicting with our own, we are in conflict to that degree. When this conflict reaches the intensity, at which the opposing set of implicit goals defines another nation or set of nations as "the face of the adversary" (German: *Feindbild*), then a state of cultural warfare exists between the two sides of the conflict; this cultural warfare is expressed as irregular warfare. We seek to assert our implicit goals, and to destroy not only the adversary's power to pursue conflicting goals, but to destroy his willingness to adhere to such conflicting goals.

Irregular warfare is the original and primary form of

warfare, with respect to which regular warfare is sometimes a subsumed feature. Regular warfare is irregular warfare implemented by aid of other means.

2. Parameters of cultural warfare

By "Soviet culture," we mean the *Raskolniki* type, and identify the relevant, characteristic features of that type as follows. We mean this type as defined by Fyodor Dostoevsky, as typified by the *Raskolniki* revolts against Peter the Great, the Pugachov insurrection, and as congruent with the philosophical outlook of 1440 Muscovy, of Ivan III, Ivan IV, the mystical 1510 prophecy of Philotheos of Pskov, the writings of Maxim Gorky, and the films of Sergei Eisenstein.

We use the term "China culture" here as shorthand for that specific aspect of China's manifold culture adopted by Mao Tse Tung, a cultural tradition rooted predominantly in ancient "legalist philosophy" and Taoism, and associated with the bestialized mode of life traditionally imposed upon the farmers of China.

We identify these two cultural types as belonging commonly to a wide range of particular forms of irrationalist cultures and religions of the same general species. In practice, we include the bestial tyrannies of such African states as Qaddafi's Libya, Idi Amin's former dictatorship in Uganda, and so forth, as regimes of the same cultural species. We include, generally, also those sorts of "nativist" cultures targeted for exploitation by the Soviet ethnology agencies of Evgenii Primakov and Geidar Aliyev, including Shi'ite and some other forms of so-called "Islamic fundamentalism."

We also include as varieties of this general species-classification, the ancient Mesopotamian culture and the Siva current in India's culture, the Egypt-Hellenistic cults of Isis, Osiris, and Horus, and so forth and so on.

As a general classification, all such cultures are usefully viewed, for purposes of strategic policy-shaping, as degenerated, or barbaric cultural types: a locust-plague of enemy forces, differing among themselves, but commonly swarming in lust, dedicated to the destruction of our civilization. These are strategically analogous to pestilences and epidemics, which threaten to destroy any civilization which lowers its cultural resistance sufficiently. Like locust-swarms, the individual member of the species may rarely be conscious of his effective intent to destroy civilization; he may destroy an entire civilization, unwitting of the nature of wrong he has accomplished against humanity generally. Yet, consciously or not, he undertakes just that in effect, as a matter of cultural instinct.

Without understanding the "mechanisms" of culture, no competent shaping of strategic policy for irregular warfare can be accomplished. By "culture," we mean the following.

Put aside the positivist concoctions called modern ethnology-anthropology, sociology, and psychology. Define culture from the standpoint of classical Indo-European philology, using this as a yardstick of comparison, for not only

the case of the Indo-European series, but all contrasting currents of culture.

By aid of examining modern European and other languages from the standpoint of functional analysis of the interrelationship of Homer's and Plato's classical Greek to classical Sanskrit, circles associated with Gauss and the Humboldts, established a more advanced appreciation of relevant points featured within Plato's dialogues: that the ancient Vedic peoples of Central Asia had developed very sophisticated, astonishingly accurate solar-astronomical calendars, and that there is a geometrical principle underlying the structure of the Indo-European languages.

The verifiable accuracy of solar-astronomical calendars in Vedic hymns, shows that a very advanced form of literate language was employed to transmit those calendars orally to the time of written documentation, and that such a literate form of language existed in Central Asia during the period 6000-4000 B.C. If we study the internal history of modern mathematical physics from the vantage-point of a synthetic geometry, we realize that a greater net advance in human knowledge was accomplished, over the span from primitive man to the emergence of the Vedic, than has been accomplished since.

Through languages, and through the religious-cosmological axiomatics conveyed through them, the substrate of the personality remains remarkably little altered over as much as hundreds of generations. This transmission occurs not biologically, but through the medium of language. Language is not reducible to a vocabulary and grammar, but rather, as Panini showed about 2,500 years ago, the self-evolving vocabulary and grammar built around axiomatic principles. This set of principles, and their elaboration, determines the way in which an individual is conditioned to define the structure of experience, to choose goals, and to frame decisions.

Culture is thus defined as both axiomatics and development on the premise of those axiomatics: A particular culture is its axiomatics as expressed by the form of development elaborated up to the time of reference.

Thus, in the largest degree, the behavior of the people of a culture, is not the sum of their individual members' decisions, nor of the interaction among individual decisions. Culture is a force in its own right, more powerful than the will of any number of individuals within that culture at any time. Nations behave not as the collective wills of a few or even all their members will it, but as culture delimits and shapes the way they respond to events. This sort of behavioral tendency rarely changes more than marginally over numerous generations, and usually predominates over scores or more of generations.

The individual is not absolutely prevented from acting in ways contrary to the dictates of his culture, but he can do so significantly, only as his actions are efficiently directed to modifying the axiomatic or axiomatically elaborated features of his culture. Fundamental scientific discovery by an individual, is paradigmatic of the manner in which this kind of

change may be accomplished.

This was more or less clearly understood by the authors of the cultural change which has been imposed upon Western Europe and North America during the past 20 years: a key feature of Sino-Soviet irregular warfare against us. The authors of this "New Age" countercultural project, referred to their efforts as a "cultural-paradigm shift." The traditional, family-centered values of our population were radically shifted, axiomatically shifted, by the rock-drug-sex counterculture.

This action has been the foundation of Sino-Soviet irregular warfare against us. Our counter-action must be to reverse this "cultural-paradigm shift" within our nations' population, and to aim to induce a desirable sort of cultural-paradigm shift in the cultures among barbaric peoples, such as the Russians.

We are not obliged to be blind slaves to cultural heritages, but we must begin with comprehension of the overwhelming force of transmitted culture, to become qualified to modify culture. We must not be blind slaves to culture, nor followers of Mandeville's fable of the bees; we must respect the force of transmitted culture, if we are to be truly effective as individuals. In the realm of irregular warfare, this view is the indispensable one.

The characteristic feature of cultures which are axiomatically adversary to our own, is that they are both irrationalist and bestialist:

1) The Augustinian heritage, the characteristic distinction of Western European civilization, is based upon subordination of every other consideration of law and policy to the essential superiority of man over beast: the divine spark of potential for reason inherent in every human individual.

2) The existence of a universal truth, expressed in the lawful composition of the universe as a whole, which mankind's reason enables us to discover.

3) That the function of individual life, and society, is essentially fostering the development of the individual's powers of efficient reason, governing the practice of individuals and society, according to knowledge of universal truth: natural law.

4) That this defines, axiomatically true individual self-interest, and the true self-interest of states.

Barbaric cultures are essentially racialist, "blood and soil" cultures, whose form of belief is consistent with the worship of capricious tribal gods. They reject the existence of an efficient and knowable universal reason.

The greater facility with which Western European culture generates scientific and technological discoveries, and assimilates these into productive and other practice, is a benefit of the association of the notion of superior social identity of individuals, with qualities of reason. In Western European culture, we normatively consent to modify our culture according to standards of reason. Barbaric cultures, which reject this, are "traditionalist," and assimilate technological progress with difficulty.

The barbaric culture willingly modifies itself only when it accepts the painful recognition that its culture is inferior (hence, the formerly revered tribal gods are no longer respected). Irrationalism, by rejecting the principle of knowable universal reason, adopts, instead of reason, the notions of power and the will to use that power, as the only recognized *lingua franca* of relations among peoples. Only the perception that other nations are intrinsically superior on these latter accounts, enables the barbaric culture to be penetrated by superior cultures.

In order to transform the culture of China, the essential thing is to promote high rates of progress among the nations of the Asiatic Rim, including India. For the culture of China, this is a humiliating, as well as confining "geopolitical-cultural" experience. The establishment, and persistence of such a phenomenon, would wear down the barbaric aspect of Chinese culture, with beneficial effects echoing the philosophical posture of Sun Yat Sen.

In dealing with Moscow, long-range irregular-warfare policy must be premised upon something a bit more than simple "peace through (superior) strength": a growing gap between Soviet power and that of the nations it desires to conquer, to the increasing advantage of the United States. This means rates of growth of gross output, and physical productivity per-capita, not only exceeding those of the Warsaw Pact nations, but with such emphasis on technology-intensive investment and production, that the Western margin of advantage on these counts is increasing consistently.

The hysterical Soviet reaction against the Strategic Defense Initiative (SDI), was motivated not by considerations bearing upon regular warfare, but cultural considerations bearing upon irregular warfare:

1) Over the past 20 years, the Soviets have achieved a margin of strategic superiority for regular warfare, less for reason of Soviet economic success, than because of the West's "post-industrial" self-destruction of its own development. Any major technological drive within the West would reverse this trend.

2) The Soviets would never enter into an actual arms-control cooperation with an adversary power, as sharing technology would imply this ("arms-control" is a hoax we have imposed upon our deluded selves; they never actually supply data on their strength).

3) Moscow is equal to or even significantly ahead of us in developing and deploying strategic ballistic missile defense based on new principles, and in passive measures of strategic defense. All Soviet statements to the contrary are simply lies. Their real objection, is that under any "crash program," around projects such as SDI, the U.S. would sustain high rates of technological attrition comfortably, both economically and culturally. For reasons of inferiority of Soviet culture, Moscow could not match the rates of technological attrition which the U.S. would reach during the medium-term.

The Soviet dictatorship of imperial Russia quickly rec-

ognizes that SDI's success is less a military threat to them, than, rather, a direct cultural threat to the Russian empire. It is this cultural-threat aspect which drives them into a frenzy. . . .

3. The 'New Age' aspect

The key to all activities of Sino-Soviet foreign intelligence and irregular warfare against us, is a proper comprehension of the "Trust." The power of Russia or China as such, is only somewhat greater than the capacity for regular warfare, and for support of "Trust" activities. At present, the Soviets are at the verge of overpowering, and perhaps devouring many among the other partners of the joint-stock company which the "Trust" is. Each of these matters is, relatively speaking, one or another of the particular organs of the entire organism, which the "Trust" is.

To define the "Trust" as an organism, overlay every fact which "Trust" connotes, with an another set of facts, those connoted by "New Age." Such an overlay leaves a few important things to be explained, but not many.

This view of the matter has its predominant practical importance, in dealing with Soviet irregular warfare against us; but, there are very significant aspects of Soviet Russian behavior as such, which can not be understood except as effects of the "Trust's" constraining influence. Each of these two leading aspects of the phenomenon has independent importance for our work. It is chiefly with the "Trust" as an integral organism, that we are concerned.

The focus on a "Soviet adversary" signifies aiming our fire against only one aspect of an adversary deployment, and leaving the other components free to do much as they might please. The chief technical flaw in our defensive policies to date, is that our institutions of lawmaking and enforcement have been victims of precisely this sort of fallacy of composition in policy-making.

In counter-terrorism, for example, the only effective modes deployed have concentrated on destroying what is usually named "the infrastructure" of the terrorist operations. It is shown, that in the cases the command and logistical infrastructure is virtually demolished, the terrorists' "infantry" is effectively neutralized by mopping-up operations. In other cases, where leading elements of the political and logistical infrastructure are defined as lying outside the target-area, and efforts are concentrated on the "infantry," the outcome is a failure.

The failure, so far, to control Soviet-directed narco-terrorism in West Germany, is an excellent, well-documented example of this point. The relevant law-enforcement agencies of the Federal Republic of Germany include commands and professionalized ranks which have the knowledge and skills sufficient to eliminate the problem, at least at the level of irregular warfare deployments there up to this time. Political and legal decisions have prevented these resources from

being deployed effectively. Policy and legal decisions have thrown a protective cloak around the infrastructure of narco-terrorism.

A somewhat similar circumstance exists in France, where, in latest developments to date, French government officials and leading "old boys" of the military-intelligence establishments have identified the correct counter-terror policy. These French statements have been echoed by such figures as Lord Chalfont in Britain, and Horst Herold in the Federal Republic. Included, is a concerted effort by relevant French, Italian, and other agencies, to force an exposure of, and crack-down on, the witting conduiting of funds for European terrorist deployments by prominent Swiss banks in Geneva, Lausanne, and Zurich, including the Geneva and Zurich offices of the same *Crédit Suisse* massively implicated in the laundering of monies of narco-traffickers.

The same principle applies to broader aspects of Soviet-directed irregular warfare. Except as prominent and other figures may be deployed as penetration-agents, with sanction of relevant agencies, no person or entity implicated as an agent, agent of influence, or dupe of adversary irregular-warfare operations, is in a class "above suspicion." Even putatively sanctioned "penetration" by our agencies, is used by the adversary as a form of cover for his operations; so, even this area is not entirely in a class "above suspicion."

The first question posed, in the choice of applying or not applying the label "agent of an adversary," is "agent of what?" Of Moscow, or Beijing? Often, in very important cases, conclusive, courtroom-quality proof of a direct Moscow, Beijing, Damascus, Teheran, or Tripoli agency is not available. In these cases, often, conclusive proof does exist showing the suspect is an agent of the modern version of the "Trust." Unfortunately, many among such suspects are either very powerful themselves, or are under the protection of forces which are very powerful; nonetheless, privately, the conclusive proof is available for such purposes as a discreet adjustment of the environment in which the suspect is operating as an agent.

Irregular warfare subsumes three classes of surreptitious activities: 1) Activities which are surreptitious for almost no other reason than the guile of the responsible agency; 2) activities whose covert character lies entirely in the eye of the beholder; 3) mixed types, in which the responsible agency exploits the flaws of the "eye of the beholder," to cause something to be surreptitious which would not be so to an onlooker with unflawed vision.

In defining those aspects of irregular warfare in which the "Trust" channels as such are the predominant immediate factor, it is the latter two types of surreptitious action which concern us.

"X" is an agent of the "Trust," but prevailing opinion or policy asserts that any identification of "X" with the "Trust" will be rejected as "incredible." "Y" is an agent of "X," and can be proven to be an adversary agent only on the basis of the connection to "X." Or, event "Z" injures the U.S. inter-

est, to Sino-Soviet or "Trust" advantage. Event "Z" was assisted to occur through actions of "Y." These are typical of the second class of surreptitious action.

The same person, "X," is given a reputation of being "very respectable." The adversary agency is therefore able to deploy actions through "X," which would be viewed as suspicious if not perpetrated or sponsored by a person wrongly considered "very respectable." Or, event "Z" is of a type which would be considered reprehensible, unless it were endorsed by "very respectable" people, or by misguided prevailing popular opinion. These are typical of the third class of surreptitious action.

For such reasons as those identified in this chapter so far, our defenses against irregular warfare are virtually nil, unless we escape from the "left-hind-leg of the dog" narrowness of focus, to adopt a correct conception of the dog as a whole organism. We must proceed from a narrow focus upon Russia and China, to situate the relevant adversary features of these nations as sub-features of the real dog, the "Trust." A clear conception of the "Trust" must be adopted, so that the class of facts classifiable as "Trust" actions can become visible objects of counterintelligence sense-certainty. The "Trust" can not be defined accurately, without incorporating the overlay of "New Age."

We do this now, as concisely as the nature of the subject permits, with respect to prevailing patterns of errors and ignorance of this subject among policy-shaping circles generally.

How Bolshevism was created

Both Bolshevism and fascism were creations of the "New Age" movement in which Dostoevsky, Nietzsche, and Crowley were prominent figures. The connection between the "New Age" and fascism is more widely understood, because the wild mysticism of the Nazis and other fascists is rather well known, and because the defeat of German fascism brought many of the direct connections to light. This view of Communism is not widely accepted, largely because popular opinion views Communism as the psychotic phase of the social-democratic neurosis, and has selected and arranged only those facts and legends which appear to coincide with such a popular prejudice.

In the last analysis, there is a much more weighty reason that Communism is not recognized as a "New Age" spin-off. This particular error is key to the bungling which permeates even the most weightily documented publications and papers on the subject of the "Trust."

The "New Age" was immediately a production of a large and growing degeneracy among the European aristocracy and financier families. The relatively plebian intellectual figures of the "New Age" movement, as Dostoevsky and Nietzsche, were under the patronage of such wealthy degenerates. It was impossible to conceal these "class" connections of the fascist movements. The popular notion of "class" affiliations and enmities of the Communists, views fellows such as Corliss

Lamont as “defectors from their social class,” and rejects out of hand the notion that any large component of the “wealthy upper classes” could have sponsored Communist insurrections. The very idea of such “class” connections puts the popular delusion into jeopardy: that politics is arranged, “from right, to center, to left.” People will tolerate refutation of those ideas they have reached by processes of reason; they will more rarely tolerate “any further discussion” of evidence contrary to their delusions.

That is the only honest reason the phenomena of the “Trust” are either ignored or fundamentally misinterpreted strategically.

The case of the French Jacobins’ leadership and Paris mobs is rather exhaustively documented. If we trace the history of European radicalism, from the Jacobins, through Mazzini’s “Young Europe” and “Young America” conspiracies, into the formation of the socialist and Communist movements of the present century, and the functional coincidence of the “New Age” and “Trust,” as institutions, the popular prejudices are supplied devastating refutation. At that point, real comprehension of the “Trust” begins.

Robespierre and the Jacobins’ rise to power in France, was a joint enterprise of French-speaking Swiss bankers, the Duke of Orleans organization, and the British East India Company of William Pitt the Younger. The pivotal Swiss figures involved directly, were the French finance minister who bankrupted France and brought on the revolution, Jacques Necker, and his notorious daughter, the Madame de Staël. The siege of the Bastille, is the best-known instance of such direct connections. The mob was organized and armed by the Duke of Orleans. As the mob left the Bastille, bearing the heads of the murdered on their pikes, at the head of the procession was borne the bust of Jacques Necker, whom the mob demanded be appointed immediately the prime minister of France. The storming of the Bastille was an election-rally for a Swiss banker, organized by the French King’s cousin, the Duke of Orleans. One wonders what the French imagine they celebrate annually, on July 14!

Robespierre’s career was molded in the salon of Madame de Staël. Danton was appointed to power, after being deployed from London by British intelligence for this purpose. Marat was a Swiss mental-case, trained in London by British intelligence, and deployed to France, to replace Danton, by the same agencies which had deployed Danton. All leftist radicalism, and fascism, have been creations of this same sort of patronage. In each nation, there are local wealthy patrons, usually working in cooperation with some police or intelligence agency, which run several “extremist” and otherwise kookish groups as “controlled assets.” This has been the history of every nation of Europe, and the Americas. Yet, the most important local varieties of radical organizations have always been part of an internationally coordinated operation, to the effect that the ownership of the radical movement has always had the form of a joint-stock-company operation among the wealthy patrons and governmental agen-

cies using these as controlled assets.

We must be more specific. Radicalism of the right and left varieties has been controlled predominantly, not by wealthy people in general, but by a well-defined faction among the wealthy. The required definition is the international mobilization for and against our War of Independence. For a clearer empirical distinction, draw a line defining the opponents of the American Revolution and the winning faction at the 1815 Congress of Vienna. Since 1653, there has been

All leftist radicalism, and fascism, have been creations of wealthy patronage. In each nation, there are local wealthy patrons, usually working in cooperation with some police or intelligence agency, which run several “extremist” groups as “controlled assets.” This has been the history of every nation of Europe, and the Americas.

only one kind of revolution in the history of Europe and the Americas, the American Revolution. Every other event classed as a revolution was either an echo of the principles of the American Revolution, or was a counter-revolution against those principles. The Russian Revolutions of 1905 and 1917 were such counter-revolutions. Those are the only two consistent sides in the sweep of historical events in Europe and the Americas over the past four centuries.

If we include on the American side, monarchs and aristocrats who espoused the principles of natural and constitutional law associated with the American Revolution, we are clearly understood when we class this faction as the “republican.” The opposite side, aristocrats and financier families, are of a type sometimes clumsily identified as the “feudal reaction” against the American Revolution, as Metternich and Castlereagh so classed themselves. A better term, a term more consistent with a science of history, would be “oligarchical faction.”

Despite the oligarch’s partial victory at the 1815 Congress of Vienna, the principles of the American Revolution had shown stubborn powers of recovery during most of the 19th century. So, during the 1870s and 1880s, the same oligarchic interests who had prevailed in establishing the Holy Alliance, moved to plunge civilization into a “New Dark Age,” to thus eradicate those Augustinian traditions from which the principles of the American Revolution derived their stubborn cultural strength.

Dostoevsky, Nietzsche, and Crowley typify the doctrine of the "New Dark Age." They were not only prophets of that calamity, but each was the intellectual center of an organized effort to make the prophecy reality. Of these more celebrated figures, although movements were built around the writings of Dostoevsky and Nietzsche, the organizations which Crowley built around himself are outstanding in their direct influence, and continuing counterintelligence importance, to the present day.

Crowley's organization is the major, "Trust"-linked counterintelligence adversary inside Britain, the Commonwealth, and the U.S.A. today, as we have already indicated some of the extent of that. This is the organization which produced the "recreational drugs" movement in the U.S.A. It was Crowley's organization which invented and which still controls "the rock industry." Without this organization and its powerful protectors and promoters, Sino-Soviet narco-terrorist warfare against the United States would have been impossible. The "rock-drug-sex counterculture," the principal irregular warfare weapon exploited against us by Sino-Soviet intelligence capabilities, is of the form of event "Z."

The Crowley organization is "X," and those deployed in "X's" actions to produce event "Z," are "Y." The Crowley organization, "X," is the majority of the Anglo-American-Canadian membership of today's revived version of the "Trust."

The demonstrable practical connections of sundry aspects of the "New Age" to both the "Trust," and to Moscow and Beijing directly, are abundant. By statistical correlation alone, the "New Age" and the "Trust" overlap to such a degree they are virtually one and the same. However, we require proof of principle more precise, than inductive statistical reasoning. We wish to be able to aim precisely at the head of the snake, if we find it necessary to do so, rather than wishfully throwing random pattern-fire into the snake's general vicinity. We must know the beast and its habits so precisely that we can adduce his most vulnerable flanks from his organization and nature. Our object must be to destroy the infrastructure of this organized criminality.

We shall not succeed all at once. Massive hard investigative work and evaluations must be done in the course of improving war-plans for our conduct of irregular warfare. A correct scientific definition of the problem's nature, is an indispensable guide to investigations and estimates, but is not a substitute for the hard work to follow. We need a veritable army of professionals dedicated to planning and winning this war; but the army must be unified around a correct definition of both the face of the enemy and of the creature's species-determined habits and vital interests.

The key to understanding fascism and Bolshevism, is to start from the "New Age." It would be a mistake to proceed in the reverse order. Once the "New Age" program is understood, one is able to understand both fascism and Bolshevism correctly and, relatively speaking, immediately.

To define this approach, recognize that all three specific

targets, the "New Age," fascism, and Bolshevism, are creations of the wealthy oligarchic faction. This faction is defined with reasonable approximation, most readily, from the standpoint we have indicated: the issue of the principled features of the American Revolution, as those principles are seen, hatefully, through the eyes of a feudal-minded aristocrat and medieval "Lombard" usurer. The social composition of the oligarchic families emulates the legendary daily life of the pagan gods of Olympus, and the imperial courts of Caligula, Tiberius, and Nero. Today's "jet-set" degenerates exemplify the type.

To understand those who do the thinking for these wealthy degenerates, take St. Augustine, Charlemagne, Otto I, Frederick Barbarossa, France's Louis XI, as republican types. Locate as their principal immediate enemies, such Byzantine rulers as Justinian and Photius, plus Mount Athos, Venice, and the old Roman imperial families of Rome. Put special emphasis on the Byzantine control over the Vikings, through both the "Nordic" version of the Olympus pantheon imported to these barbarians earlier, and the Arian heresy imported later.

See the Byzantine and Venetian deployment of such barbarians against the order established by Charlemagne and Otto, including Venice's role in creating the "Mongol hordes," and steering them southward and westward: to adduce thus a very specific feature of the adversary's habits, relevant for today.

The "New Age" is not the first time the adversary has consciously fostered a "New Dark Age," such as that of the 14th century, in an effort to eradicate the Augustinian cultural heritage. Barbarians overrunning Western Europe from the East, is part of the enemy's stock-in-trade in ancient and medieval times, as well as in the instance of the Holy Alliance's adoption of Russian hordes as the "policeman of Europe." Moreover, remember, that unlike modern-day, pragmatic Americans, who study the pabulum of textbook history essentially to pass the course, our adversary's brains-trust really studies history in great depth, and very seriously, in order to discover scenarios and principles by which to shape the present and future. In respect to that brains-trust, you are not dealing with a stupid enemy, but a very satanically clever one.

"New Age" is short-hand for Nietzsche's and Crowley's defining the twentieth century as "The Dawning of the Age of Aquarius." Both defined this as an end to "The Age of Pisces," which, for them, was the age of Jesus Christ and the Socrates of Plato's dialogues. As their new god, which they defined as the "anti-Christ," Nietzsche proclaimed Dionysos, the Phrygian name for Satan. Crowley proclaimed Lucifer, the Mithraic-cult form of Satan, known in Greek as Apollo.

The "New Age" adopted a specific current within Russian culture, as the leading instrument for their destruction of Western civilization during the course of the twentieth century. They rejected the Westernizing culture current sponsored by Peter the Great, and embraced the Romanovs' dead-

ly and implacable enemies, the *Raskolniki*. Dostoevsky expresses this culture and its implicit goals most precisely, in the terms the "New Age" admired and promoted the *Raskolnik* current. Out of this came the image of a century of great, protracted wars, social revolutions, and titanic cultural-paradigm shifts, echoing the cult-proliferation of 14-century Europe. Out of this upheaval, at a later phase in the process, the armed *Raskolniki* of Russia would obliterate the cultural institutions of Western European civilization.

That, Ladies and Gentlemen, is the true face of our enemy.

So, to destroy German culture, Russian *Raskolniki* culture was imported to foster a mystical variety of German racism which was the mirror-image of Dostoevsky's *Raskolniki*. This was Nazism. The credulous myth-spinners attributed Hitler's "Third Reich" to the succession of Bismarck's, Weimar, and Nazi Germany. The Nazis took the name directly out of Dostoevsky's prophesying the coming of the "Third Rome," an eternal world-empire whose appointed capital was "Holy Moscow." Dostoevsky's German translator, Möller van den Bruck, was the one who contributed the "Third Reich" myth directly to the Nazis.

The problem posed to the "New Agers" by Dostoevsky's program for establishment of a "Third Rome," was how to industrialize Siberia without Westernizing the *Raskolnik* out of the Russian? How to industrialize the *Raskolnik*, so that he might conquer the world like the Mongols before him, without Westernizing him. This required a form of society so totalitarian, so brutishly so, that the industrial and cultural objectives could be reached simultaneously. "Communism" was the chosen solution: grafting the idea of industrial communism upon the *Raskolnik*'s deeply embedded commitment to rural communism.

Too much emphasis is placed usually upon the economic features of Bolshevism. The popular idea of "godless materialism," is a dangerously absurd misestimation in practice. The Bolshevik is deeply mystical, and has very pronounced agreement with the priestless faction of Old Believers during the 18th century. Essentially, he is very religious. The problem lies not in the wrongly supposed fact, that he is "godless," or, more accurately, "priestless." The problem is that his god is the "anti-Christ," Cybele, the mother of Satan (Dionysos) in her Russian costume, as the pagan earth-goddess Matushka Rus.

A correct collection and arrangement of the facts about Bolshevism, adopts the cultural side of Bolshevism as its primary feature. If the attempt is, to explain the Soviet mind-set from the starting-point of economics, we have the popular misconception of Bolshevism as a result. One must begin with Bolshevik culture, the Soviet mind-set, and discover how this mind-set governs Soviet economic policy.

This is key to understanding the significance of the recent statement, against President Reagan's July 25 letter to General Secretary Gorbachov, by Soviet military spokesman Col. Vasily Morozov:

" . . . the SDI is aimed at a triple goal. . . . Last, but not least . . . the Americans would like us to try to create our own SDI, because, in their view, this would put such a strain on the Soviet economy that it would collapse under the strain."

Morozov is restating an estimate reached by the Soviet leadership some time prior to February 1983, presented as official Soviet response to the LaRouche design for strategic ballistic missile defense based on "new physical principles." Morozov is speaking for a Soviet military establishment which projects LaRouche's design for SDI policy upon President Reagan, and which bases that projection on an interpretation of the President's July 25 letter and statements and actions of the President and other leading SDI spokesmen since that time. This is the leading reason the Soviets refuse to accept the proposal for cooperation in SDI; nearly all others are propagandistic subterfuges. Their thinking on this subject, is one of the simplest and most conclusive demonstrations of the way in which Soviet culture determines Soviet economic policy, rather than the reverse.

If SDI were limited to some systems-analysts' conception of a perfectly pre-tested, fixed type of SDI, the Soviets would have little difficulty in matching us, along lines they have been working for years. If, however, SDI is not a fixed system, but is, rather, a continuing process of technological attrition, the Soviets would be unable to match this after a span of 5 to 10 years of cooperative progress among the U.S. and its allies.

The problem is analogous to the disagreements between Japan and China, on the subject of development of China's basic economic infrastructure. China has a "two legs" cultural policy, a "Western leg" and a "China leg." China desires a relatively superficial use of Western technological culture, in compartmentalized sections of its topmost governmental functions, and within the confinement of coastal urban centers as industrial-development zones. However, China is also determined to prevent so deep a Westernization as to threaten the continuity of what is viewed as the traditional China-culture of the interior. Japan rightly argues: Without progressive development of basic economic infrastructure in depth, general economic development is not feasible. China responds: Since such a policy would undermine our cultural policy, basic economic infrastructure in depth is clearly not necessary.

The inability of Moscow to match us in technological attrition modes, is not an economic problem, but a cultural one. *Raskolnik* is a cultural "traditionalist," passionately so. Technological change is contrary to his deep, mystical feelings. The Soviet hierarchy refers to this phenomenon of the Soviet economy as "the peasant problem." On the one side, from the standpoint of economic imperatives, they know that the peasant (*Raskolnik*) must be taken out of the industrial operative and local industrial management. On the other side, like China's bureaucracy, the traditional, *Raskolnik* character of the population, is an inviolable leg of their national policy.

This "peasant problem" is one aspect of Soviet motives

for backing the "environmentalist" and "post-industrial" movements in the West. Russian cultural policy will not permit Russian economic policy to adapt to high rates of generalized technological attrition in basic industry and agriculture. Therefore, a self-imposed "post-industrial" practice among the Western nations, is indispensable to Soviet strategic objectives.

Only in a fully rational form of culture, do rational forms of economic considerations induce nations to adapt their cultural policy to economic-science principles. Even then, it is the culture which determines a choice of rational form of economic-science principles. Thus, even in the case of the periods of highest rates of realized scientific progress in Western economies, there is no case in which "economic determinism," of the sort often attributed to Communism, prevails. Economic policy is always an expression of the cultural impulses of a nation; "economic motives" influence cultural policy only in the manner culture itself determines.

The foregoing points of illustration illuminate the fact, that to understand Bolshevism, we must understand how the process of evolving a design for Bolshevism was addressed to the indicated paradoxical feature of Dostoevsky's program. What, in short, is the difference between Peter the Great's program of Westernization and the Bolsheviks' industrialization policy?

The "secret" is to be found in the Grotto of Alex Münthe's Isle of Capri, where "New Ager" Maxim Gorky molded the cultural policy of the future Soviet state.

The mind-set of the "New Age's" authors and leaders, is a deeply mystical one. What is called often "symbolic philosophy," is their alternative to reason. Astrology, witchcraft, paganist varieties of cult-rituals, and a magician's trickery, are the hallmarks of such mystics' mental life. At the center of the unleashing of the program for "The Dawning of the Age of Aquarius," was the adoption of the figure of the Emperor Tiberius as the model incarnation of the anti-Christ, and the resurrection of Tiberius's Mithra-cult center, the Isle of Capri, as the spiritual center of the movement. The chief priest of the cult on Capri, was the notorious Alex Münthe. To this center, leaders of fascism, such as Hitler's emissary, Hermann Goering, were drawn on pilgrimages. Here, Maxim Gorky gathered the Bolshevik leaders for instruction in what he was fashioning as the future Bolshevik culture.

Bolshevik culture is a dichotomized one: the sword of iron, subordinated to the sword of the spirit. Jeane Dixon, using computers to churn out marketable horoscopes, is in keeping with Bolshevik culture. Soviet industrialization must be seen in this light. Russian science and industry are, for the Bolshevik soul, a necessary evil: the sword of iron. Bolshevism proper, is the mystical sword of the spirit. The spirit belongs to the mother of Satan, Matushka Rus.

Thus, in technical matters, the Bolshevik is rational, but only up to a point. On matters which touch the essence of Bolshevism, he is a raving Russian mystic, a *Raskolnik*.

Art and religion, are where men and women are them-

selves.

In Augustinian civilization, art, religion, and the spirit of scientific inquiry, are one and the same: the experience and celebration of the unity of truth, beauty, and *agape*, are the essence of Western classical fine art. In these things we are at peace with ourselves; we are at home, come in from the hurly-burly of daily conflict, to renew ourselves spiritually for the struggles of the coming day.

See the Russian professional musician attempting to perform the classical repertoire. He is typified by an extraordinary degree of physical proficiency, but he makes everything sound like an echo of drunkenly sentimental Red Army soldiers singing "Kalinka." With few exceptions, his mind can not capture the essence of classical composition; he simply does not know what it is all about. He is a Romantic, like Richard Wagner's circle, like Schopenhauer, like Rilke, and so forth; for him the rigorous rationalism of the classical repertoire, in which creativity is of the form of mental activity associated with scientific discovery, is an alien thing, in which he finds no pleasure. In art, he mistakes rigor for the mechanistic, as the Russian neo-classicals attempt to do. He prefers unbridled, irrationalist, sentimentality.

This is the state of mind with which he undertakes the painful duty of technological progress.

Thus, all of the most gifted Soviet scientists walk the perilous edge of heresy to Bolshevism. Outwardly, the heresy is to Friedrich Engels's lunatic concoction of "dialectical materialism," the formal source of that radical nominalist's jiggery-pokery called Bolshevik "diamat" and "histomat": the mechanistic view of Descartes, but with a magical element added in. The truth is, that science as such is itself already heresy to Bolshevism. It is something which Matushka Rus eyes as evil to her, something she is obliged to tolerate for sake of establishing Moscow as capital of the "Third Rome." She permits some Russians to occupy themselves with this sinful practice, a practice of which she hopes to purge herself once the empire is consolidated.

The leading "New Agers," such as Bertrand Russell, always viewed the Bolsheviks as so many characters from a Dostoevsky novel. On this, they were never deceived. The Bolsheviks were, for them, the new berserker Vikings sent against Charlemagne's order, the new Mongol hordes. Was it not satanic of Russell and others, to favor the looting of Western civilization by such a pestilence? Of course; they are as satanic as the London "Hell Fire Clubs" of the 18th century, as satanic as Crowley professed himself to be, and proud of it. Of course, many features of Bolshevism disgusted them, but they viewed it as a necessary evil, a lesser evil than the Augustinian principles expressed by the American Revolution. They saw the Taoist traditions of China and the Russian *Raskolnik*, as the leading candidates to serve as an armed cultural force for destruction of Augustinian civilization, with a bit of Sufism thrown in. For the twentieth century, they saw the Russian empire as the most credible selection, and Taoist China culture perhaps a future successor.

This view by the "New Agers," has produced two World Wars, fascism, and Bolshevism during this century, with outright satanism coming up as the new form of this pestilence. The course of events, so unfolded, transformed the sponsorship of the Russian Revolution into an uneasy, but otherwise efficient partnership with the entity created. That partnership, so defined, is the organism to which we must correlate all of the relevant facts of irregular warfare.

4. The 'New Renaissance' strategy

Modern European history begins out of the 14th century's "New Dark Age." The program of Dante Alighieri, continued by Petrarca from his spider-web's center at Avignon, was developed as the Golden Renaissance of the 15th century. The period from the Hapsburg sack of Rome, in A.D. 1527, until Mazarin's defeat of the Hapsburgs, in 1653, is sometimes described as a "Little Dark Age," less disastrous than that of the 14th century, but severe. Centered around Mazarin's successor, Jean-Baptiste Colbert in France, and the reforms of the Great Elector of 17th-century Prussia, the methods of the Renaissance were used to rebuild Europe. The creation of the United States was a major accomplishment of that latter renaissance.

Over the known history of Europe, the history of particular nations, and sometimes Europe more generally, has been an alternation of new "Dark Ages" and new renaissances. For this reason, Friedrich Schiller, in his capacity as Jena University professor of history, proposed that European history must be studied as essentially a fight between two opposing types of forces: the one typified by the slave-society of Lycurgus's Sparta, the other by Solon's constitutional reforms at Athens. The republican tradition, typified by Solon and St. Augustine, builds society by means we associate with new renaissances; the oligarchic tradition of Sparta, seeks to destroy the institutions of such renaissances, using methods which are either intended to introduce a new dark age, or which tend to cause that result, whatever the intent in the matter might be.

In this aspect of the matter, we are close to the essence of Europe's experience with irregular warfare. Those of us who are educated to become conscious of the thousands of years of republican history, draw upon that historical knowledge for guidance in our crisis of today. Our enemies, the oligarchic faction, draw upon knowledge of their faction's long experience, to shape their policies for today. Those, on both sides, who do not know this history, flounder in their own confusion and blunders.

We republicans have one essential thing in our favor. Thousands of years of experience show this to be true. We are able to show what this potential advantage must necessarily exist for us today. This factor is the secret of winning irregular warfare against present-day forms of our ancient enemy.

This special knowledge is the true secret of Dante Alighieri's famous *Commedia*, sometimes recognized by the name *Divine Comedy*. Before Dante, Plato and Christianity taught us, that the nature of man is twofold. On the one side, there is the aspect of the newborn child which has moral resemblance to the condition of the beasts, irrational hedonism, the mere seeking of pleasure and avoidance of pain. On the higher side, there is that which distinguishes us absolutely from the beasts, the "divine spark" of our potential for developing reason. This, according to Plato, St. Augustine, and Dante, delimits the variety of personalities which humans can assume to three broad classifications: 1) the pure irrational hedonist, the man of Dante's *Inferno*; 2) the purely reasonable type, the man of Dante's *Paradise*; and, 3) the mixed type, the person whose conscience is governed by the desire to be a person of reason, but who is nonetheless gripped strongly by irrational forms of hedonistic impulses.

The immediate source of potential strategic advantage of the republican cause, is that our support within the populations is derived from the quality of reason, whereas the source of political support for our enemy, is man's capacity for bestiality.

The simplest kind of illustration for the intrinsic strategic superiority of our cause, is the fact that technological progress is the only source of increase of the productive powers of labor. That aspect of our nature, which enables us to effect valid scientific discoveries, on the one side, and also to assimilate new discoveries efficiently in the form of technological progress, depends upon mankind's potential for reason. Thus, given two societies starting from a level of equal development, the one which is loyal to the principle of scientific and technological progress, will become more powerful, per capita, than the society which is not.

This advantage is not limited to the work of science and technology. It pertains to every facet of our personality. The immediate source of strategic strength of our cause, is that, provided we adhere to our own right principle, we foster the superior development of people. Our society produces a better, more capable individual personality.

The secret of successful republican strategy in irregular warfare, is that we must promote that kind of development of our people, and apply that superiority of our culture to attack the characteristic weaknesses of the opposing culture. We must foster our strengths, and use those strengths in such a way that we effectively exploit the inherent weaknesses of our adversary.

The example we have used twice earlier, the role of technological attrition in connection with implementation of the SDI, is a good illustration of this principle of irregular warfare strategy. We use the fact that our culture makes us superior in technological attrition, to play upon the fact that the adversary's culture makes him inferior. We serve our culture best, by using its inherent superiority as a weapon; we defeat the adversary's culture, by treating his culture's inferiority as its weak flank.

Reagan shakes Soviets with proposal to share SDI

by Kathleen Klenetsky

President Reagan delivered a stunning propaganda defeat to the Kremlin, in his address to the United Nations General Assembly on Sept. 22. The President temporarily abandoned diplomatic niceties, to publicly discuss the new package of arms-control proposals he had first made in his confidential July 25 letter to General Secretary Mikhail Gorbachov.

As the President reported in his speech, the cornerstone of the American proposals is joint U.S.-Soviet deployment of a strategic defense system that would protect both countries and their allies from nuclear attack.

Moscow well knows, that this concept for establishing the basis for an enduring peace was first proposed by *EIR* founder and contributing editor Lyndon LaRouche in 1982. Reagan's adoption of the idea is being read by the Soviets to mean that LaRouche's influence within the administration is on the increase, not only in the realm of the Strategic Defense Initiative (SDI) and other military matters, but on other crucial issues as well, which explains the recent savage attack against LaRouche in the Soviet Central Committee's international magazine *New Times*, as well as the long period of Soviet official silence after receiving the Reagan proposal.

In his speech to the United Nations, the President motivated U.S.-Soviet cooperation on strategic defense as the most fruitful way to diminish the prospects of war. "We have gone far to meet Soviet concerns expressed about the potential offensive use of strategic defense systems," Reagan said. "I have offered firm and concrete assurances that our SDI could never be used to deploy weapons in space that can cause mass destruction on Earth. I have pointed out that the radical reduction we seek now in offensive arsenals would be

additional insurance that SDI cannot be used to support a first-strike strategy."

He added, "Our preference from the beginning has been to move forward cooperatively with the Soviets on strategic defenses, so that neither side will feel threatened and both can benefit from the strategic revolution SDI represents."

The President then spelled out his proposal:

"We have told the Soviets that if we can both agree on radical reductions in strategic offensive weapons, we are prepared, right now, to sign an agreement with them on research, development, testing, and deployment of strategic defenses based on the following:

"First, both sides would agree to confine themselves, through 1991, to research, development, and testing, which is permitted by the Anti-Ballistic Missile (ABM) Treaty, to determine whether advanced systems of strategic defense are technically feasible.

"Second, a new treaty, signed now, would provide that, if after 1991, either side should decide to deploy such a system, that side would be obliged to offer a plan for sharing the benefits of strategic defense and for eliminating offensive ballistic missiles. This plan would be negotiated over a two-year period.

"Third, if the two sides can't agree after two years of negotiation, either side would be free to deploy an advanced strategic defense system, after giving six months' notice to the other."

It was clarified at the White House the next day that the "two-year period" would begin Jan. 1, 1992.

The President's public discussion of the proposal, in front

of an audience consisting of the top diplomatic representatives of nearly every country on Earth, caught the sly peasants in Moscow completely off guard. Reagan not only made it palpably clear that he has not retreated one iota from his commitment to the SDI, but placed defensive technology at the center of U.S.-Soviet relations.

Calling Moscow's bluff

The Soviet leadership had already been thrown into a panic by Reagan's July 25 letter, since it put them in a position where their hypocrisy on the question of the Strategic Defense Initiative could easily be exposed. After all, on what possible basis could the Soviet leaders (who are known to all but the most naive or deliberately blind observers, to have been working for the past 17 years on developing their own strategic defense capability) refuse to cooperate with the United States to end the threat posed by nuclear missiles—unless it's because they simply don't want the West to have a defense under any circumstances.

By openly discussing his proposal, the President called the Soviets' bluff. According to reliable sources, Soviet Foreign Minister Eduard Shevardnadze was so taken aback that he was forced to rip up the speech he had been scheduled to deliver to the U.N. the next day, and sat up most of the night drafting a new one.

It showed. Ninety percent of the Soviet foreign minister's address consisted of filler. The part that wasn't, consisted of violent, lying attacks against the President's SDI proposal.

Shevardnadze railed that Reagan's address was "full of misconceptions and prejudices." He accused the President of "evil designs": trying "to pass for good intentions," while trying to pass "a sword for a shield."

Failing to mention his country's systematic effort over the better part of two decades to develop an SDI of its own, Shevardnadze accused Reagan of "camouflaging" his real intentions with "high-sounding pronouncements about defensive programs which supposedly do away with the threat of attack." He added that the Soviets "will continue to protect outer space from the attempt to turn it into a military domain of one or two powers."

Trying desperately to salvage the "arms-control process," the U.S. liberal media, has been making rather futile attempts to cast U.S.-Soviet relations as somehow more positive than events suggest. The Sept. 25 *New York Times* published a lead article by Michael Gordon, claiming that Gorbachov had signaled a shift in the Soviet position on the ABM Treaty, in his reply to the President's July 25 letter, which Shevardnadze hand-delivered to Reagan on Sept. 19. Gordon wrote that Gorbachov had "moved toward compromise" on the question of how to limit the SDI, proposing that adherence to the ABM Treaty be continued for "up to" 15 years. The previous Soviet position called for each side to abide by the treaty for 15 to 20 more years.

That could hardly be considered a compromise; in any event, statements made by Soviet Deputy Foreign Minister

Yuli Vorontsov at a Moscow press conference Sept. 23, canceled any suggestion that the Kremlin was open to negotiations on the President's offer. Vorontsov said that Reagan knew in advance, from Gorbachov's letter, that the proposals he put forward at the U.N. were unacceptable to the Russians. "The President was warned we would not accept that," he said. He repeated the Soviet vow to "do everything in our power" to counter the "star wars" program. Reagan's U.N. speech "forces us again to ask: 'Is the American leadership really ready for any agreement leading to complete disarmament?'"

The President, however, seemed undeterred by the harsh Soviet reaction. Speaking to a group of conservative activists at the White House Sept. 23, Reagan reiterated his offer to share SDI technology with the Soviets. "In pursuit of a safer world, we're determined to move toward a future of greater and greater reliance on strategic defense. The only question for the Soviets is, do we move toward strategic defense together, or alone?"

World War III?

Secretary of Defense Caspar Weinberger made the point even stronger in a speech to the Executives Club of Chicago on Sept. 25, in which he presented a spirited defense of the SDI. The Pentagon chief deftly shot down criticisms of the SDI, and excoriated Moscow's "brazen hypocrisy" for attacking American strategic defense efforts, while working on their own. Situating the SDI in the context of "the desire to explore the vast unknown of nature and to grasp possibilities when others have given up hope," which he identified as the "life blood of American democracy," Weinberger explained that the "heart" of Reagan's proposal for U.S.-Soviet collaboration on strategic defense "is aimed toward the day when both sides will be free of the ballistic missile threat. What we seek is a stable and agreed transition period, in which Moscow and Washington jointly move toward greater reliance on defensive weapons for their own security. . . . There is in this proposal the same kind of hope, exploration and belief in the future that characterizes the American spirit. It offers the Soviet Union and the world the potential of a stable shift in the entire strategic framework that has dominated the world since 1945. If it desires, the Kremlin can lay aside propaganda—its accusations that we are the only ones working on strategic defense—and grasp this opportunity for a safer world."

But peace and stability are not what Moscow wants. Assessing the Soviet response to the Reagan speech, high-level U.S. intelligence analysts now believe that the powers-that-be in Holy Mother Russia, having judged that Reagan will not be weaned away from total commitment to strategic defense, have decided to devote the next 18 months to deciding whether or not it is feasible to launch preemptive war on the United States. A final decision, these analysts believe, will depend particularly on developments in naval and anti-submarine-warfare technology.

France rallies support against Soviet-sponsored terrorism

by Thierry Lalevée

French Premier Jacques Chirac flew into New York City for just a few hours on Sept. 24, from the battlefield of France's war against terrorism, to deliver an appeal at the U.N. General Assembly, for the nations of the world to rally with France and deploy "all appropriate means to eradicate terrorism," which he described as a "war waged without boundaries." Fresh from a cabinet meeting in Paris which dealt with the challenge to the French State, Chirac did not accuse any specific individuals or nations of promoting terrorism. Indeed, one-third of the delegates to the UNGA might have been forced to get up and leave the Assembly if he had done so. Instead, he denounced those states that are "allowing the terrorists to use their territories, those which are supporting the terrorists, and those which are encouraging them to their own benefit." The French press promptly interpreted his comments as directed against Syria, Iran, and Libya.

Chirac was speaking as a representative of a nation at war, with its citizens fully mobilized in a kind of "new Resistance," as the editorialists are calling it. Recent public opinion polls show that more than 75% of French citizens agree with Chirac: France is at war, and must respond to the terrorist assault with the methods of warfare. These citizens endorse whatever measures the government may have to decide upon, to fight against the terrorists. That includes security measures which have restricted the normal freedoms of citizens in France's major cities—e. g., constant checks of ID papers and bags. The polls show that most Frenchmen are convinced that the terror war has little relation to the presence of Arab prisoners in France's jails—the ostensible reason for the terrorists' provocations—but rather stems from a policy of confrontation headquartered in Damascus and ultimately in Moscow. Indeed, on Sept. 19, French government spokesman Denis Baudoin declared that the terror wave has "much wider international ramifications" than the mere presence of Arab political prisoners in France.

Interior Minister Charles Pasqua emphasized on Sept. 25 that "there is no discussion, no negotiations" with the terrorists. Asked about the possibility of using intermediators to negotiate between France and the Middle East, Pasqua commented, "We cannot reject those negotiators, but we are sending one clear message: No negotiation. We won't give in to blackmail."

Since Sept. 4, at least 11 people have died in the terror

bombings which have primarily hit the French capital. The 11th victim was a policeman who, on Sept. 14, was injured while carrying a bomb out of a restaurant to keep it from exploding and killing some 1,000 persons. A second policeman died on the spot, and a waiter is still in a coma from injuries received during the blast. The recent bombings have wounded a total of more than 250 persons.

Although, as we go to press, some have been lulled by a false sense of security since the last massacre on Sept. 17, intelligence reports underline that in the following days, more than four bombs were defused by the police before they could go off. This has not been made public, and there is no reason why it should be immediately. In the days following the major bombings, there have been hundreds of false alarms, some from panicked citizens, others of more dubious character. The ability of the police to move in quickly underlines the spirit of mobilization of the citizens at large, the degree of national unity and cooperation with the police, which is rare in France. This cooperation has allowed the police to rapidly identify some of the terrorists.

On Sept. 18, witnesses came to the police to identify Emile Ibrahim Abdallah and Selim al Khoury as the bombers of the Sept. 17 Rue de Rennes massacre, which killed five on the spot. The same day, as wanted posters were put up all over the country by the police, other witnesses identified Robert and Maurice Abdallah as those responsible for the Sept. 12 restaurant bombing.

On that very day, as a challenge to the French government, the Abdallah brothers held a press conference in their native village of Khobeyat, Lebanon, to claim that they had not left the country for the last four years. But subsequent investigations proved beyond the shadow of a doubt that the brothers were the kidnapers of French diplomat Sydney Peyrolles in March 1985. It was also proven that Emile Abdallah had taken the 20:50 Paris-Vienna plane on the evening of Sept. 17, giving him enough time to return to Khobeyat by the following afternoon. Other culprits have been positively identified, including the cousins Caroline and Jacqueline Esber, and the sisters Ferial and Fayouz Daher. Jacqueline Esber, wife of George Ibrahim Abdallah, the leader of the Lebanese Armed Revolutionary Faction (FARL), was identified as the woman who entered Paris police headquarters pushing Abdallah's son in a baby-carriage. She was

checked by the police, but the carriage was not.

Abdallah's group is responsible for the 1982 assassinations of Lieutenant-Colonel Ray, military attaché at the U.S. embassy in Paris, and Leamon Hunt, CIA counterterror specialist in Rome. The group is also blamed for the Sept. 22, 1986 murder in Lebanon of French military attaché Colonel Goutière, a director of French intelligence operations in the region.

The Syrian connection

No one in France really believes that the terror war is just one family's vendetta against the French State. On Sept. 25, Interior Minister Pasqua said for the first time, "Such bombings could not have been done without logistical help within France. I want to warn those Frenchmen that, whatever public position they have, they will be hunted and prosecuted without pity." The same day, French police succeeded in arresting Frederic Oriach in Paris. A founding member of the Direct Action terrorist gang and the FARL, Oriach made his way to Damascus immediately upon his release from jail last spring. Police sources who considered Oriach the coordinator between Syrian intelligence and French-based agents, knew that he had re-entered France on or about Sept. 5. The day prior to his arrest, some five active sympathizers of Direct Action, who were known to have been in Damascus in August, were also arrested.

The precise leads which were leaked to the French press in the days prior to Oriach's arrest, indicate that this was not an accident, but the first result of a full-fledged mobilization conducted in tandem by all of France's intelligence services. Such revelations led Oriach to attempt a replay within France of the Abdallah brothers' challenge. Hours before his arrest, he called radio and television stations announcing a press conference. But the unfortunate fellow was arrested as it started, always claiming his innocence and his opposition to terrorism. With Nazi-communist Jacques Verges as his lawyer, Oriach obviously was trying to test the political will of the government.

French intelligence sources revealed to the media before Oriach's arrest, that the origins of the terror wave in France were to be found in a series of gatherings held in Beirut and Damascus under the leadership of both Gen. Ghazi Kheana, Syrian intelligence chief for Lebanon and controller of Frederic Oriach, and Gen. Mohammed al Khouli, chief of Syrian air-force intelligence and personal friend of Syrian President Hafez al Assad. According to *France Soir* of Sept. 20, these meetings in mid-August were also attended by Iran's Mohsen Rafigh Dust, minister of the Pasdarans (revolutionary guards) and Libya's Ahmed Qaddafi, Colonel Qaddafi's personal representative.

Following the decision to launch the current terrorist assault against France, Syria's President Assad flew to Moscow, then to Tripoli on Aug. 24, revealed *France Soir*. These reports were later confirmed in other media, as well as by

EIR's intelligence sources.

Though no French government official has yet publicly accused Syria, Libya, or Iran, the message has been all too clear, and the nations most directly deploying the terrorists have begun to try to cover their tracks. The day after the *France Soir* leaks, Qaddafi told a mass rally in Tripoli that he was opposed to "the terror wave in France." Damascus, which had previously expressed regret for the murder of the French military attaché in Beirut, Colonel Goutière, but had said nothing on the French situation, abruptly changed its line on the very same day. A new communiqué expressed Damascus's "regrets" for the attacks against France. On Sept. 23, Syrian Foreign Minister al Sharah told the Paris daily *Le Monde* that Syria even supported the French presence within Unifil, the United Nations peace-keeping forces in Lebanon. The words reveal the embarrassment of the Syrians to have been caught at their game, but the words may not save them from punishment.

Indications are that the French government is preparing to launch an air strike against Lebanon, as the aircraft carrier *Clemenceau* left its port in Touloun, and began moving into the eastern Mediterranean. The carrier, according to U.S. intelligence sources, will be used to target the Lebanese village of Koubeayat, home of FARL leader George Ibrahim Abdallah.

In Defense Policy and as a Military Phenomenon

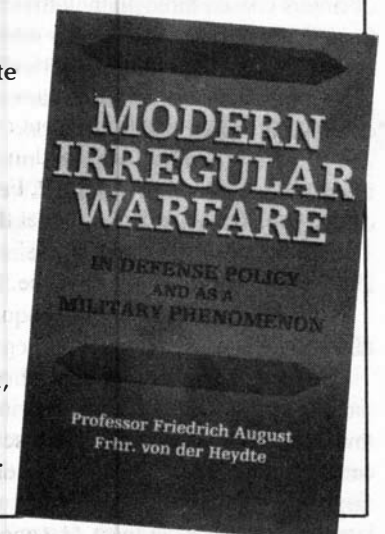
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Terror command ran Danish house riots

by Poul Rasmussen and W. Engdahl

On Sunday evening, Sept. 14, Danish police found that demonstrators had barricaded a six-block section of Copenhagen, the capital, with huge steel trash cans, wooden beams, garbage, and piles of earth. The orange and red flag of the notorious Christiania alternative city near Copenhagen was raised over the rubble sealing off an old apartment building at Ryesgade 58. A "living wall of peace" against police was formed by terrorists wearing the same black and red ski masks worn by professional terrorists at Wackersdorf, Bavaria and throughout West Germany to conceal their identities.

According to police, the eight-day siege, which ended inexplicably late Sept. 22, was the beginning of a new phase of terrorism and civil disorder. A spokesman for the Danish Police Association declared, "One day, Sept. 15, will be known as the day that a state of civil war came to Denmark." On that day anti-riot police units, under orders to evict illegal squatters from the building, were hit with the deadliest barrage in recent memory.

At 11:00 in the morning, the rioters attacked oncoming police with a barrage of stones, lethal sling-shot barrages of the type used against police at Wackersdorf, tear gas, and Molotov cocktails. Rioters formed batteries behind the barricades with Molotov cocktails to ward off police. One group of rioters chased three plainclothesmen into a hospital across from the barricade, where they smashed the windows in the maternity ward. Inside the barricades, rioters had prepared gasoline bombs inside large barrels which were ready for detonation should police penetrate. Police suspect they also had prepared chemical weapons made of stolen water pumps filled with hydrochloric acid. Twelve police were injured during the attack. At least one loaded pistol was found and 11 arrests were made, among them two West Germans, one Dutchman, one Irishman, and one Swede.

Radikal

Police and intelligence specialists have not fully revealed what is known about the bizarre riot. There are strong hints that discovery of a secret international terrorist command center at Ryesgade 58 triggered the explosive barricading siege as well as the sudden abandoning of the site eight days later, as a smokescreen to destroy relevant documents and

other material. What is clear is that the criminals were no mere counterculture group seizing abandoned buildings.

According to West German authorities, sometime last summer, German terrorist command operations, under increasing police pressure following the Wackersdorf riots in Bavaria in May, at least partly regrouped in nearby Copenhagen. A mimeographed terrorist bulletin, *Radikal*, has been secretly printed and smuggled back into West Germany to serve as the coordinating organ for the terror bombings and assassinations there. The official address of this outlawed terrorist command paper, since summer 1986, has been "International Green Association, Ryesgade 58, 2100 Copenhagen."

Radikal is no ordinary "peace" or "ecology" newsletter. Its premier issue, printed at Ryesgade 58, contains the official July 9, 1986 communiqué of the Red Army Faction terrorist commandos who claimed credit for the brutal assassination of Dr. Karl Heinz Beckurts in Munich on that date.

This "anti-imperialist" diatribe reveals that Beckurts was involved in top secret SDI research for Siemens. The newsletter, written in German, carries a hit list of NATO-linked high technology firms and military installations in West Germany which have been hit with targeted terror attacks in recent weeks. Articles include detailed instructions for making timing devices for terror bombs, and are signed by names such as "For Communism!" "Apocalypse Now" and "War Against NATO." *Radikal* is the coordination center for hits against companies across Western Europe, especially West Germany, involved in nuclear power construction, city by city, firm by firm.

The "ID-format" of the attacks on Western companies follows to the letter recent Soviet-authored attacks on West German and U.S. figures of the type, "military-industrial complex equals fascist/kill the fascists."

According to an interview in Sept. 15 by *Ekstra Bladet*, a Copenhagen tabloid, the Ryesgade 58 rioters admitted their number included cadres trained in the Soviet client-state, Nicaragua, and collaborators with the German section of the Red Army Faction, the reorganized Baader-Meinhof terror commandos. They work closely with similar groups, operating out of terrorist collectives in occupied houses in West Berlin, Amsterdam, and Hamburg. Only 24 hours before the Copenhagen seizure, the Danish consulate in Hamburg was vandalized and sprayed with the sign "WG Ryesgade." On the walls of the Ryesgade barricades, police found sprayed a fraternal answer, "Weapons for Hafenstrasse," the occupied collective/safe house in Hamburg believed behind the consulate attack.

On Sept. 23, the Danish Communist Party paper *Land og Folk* ran a picture of a strange group, also involved in the Ryesgade operations, using the name "Danish Underground Consortium." The communist paper praises this group for its demonstration against the U.S. ship, *Nevada*, docked in Copenhagen harbor in connection with just-concluded NATO maneuvers.

'Peru's terrorists are the Anti-Christ'

by Mark Sonnenblick

Peruvian President Alan García offered 1,000 peasant leaders from the southern Andean region of his country a chance to help save Western civilization from the threat of a new Dark Age. The peasants come from the miserable communities which have become a prime recruiting ground for the Shining Path (*Sendero Luminoso*) terrorists. In the Puno region, where the meeting took place Sept. 19-20, Shining Path recently murdered several local leaders, inscribing on their corpses the message that their crime was to belong to García's party.

The President exhorted the peasants to combat, with "Christian severity and the force of the law, the Anti-Christ which comes to us to take the lives of other Peruvians." With that expression, he drew the line between the work of the devil and the Augustinian tradition in Catholicism—including Peruvian Catholicism—as recently expressed by Josef Cardinal Ratzinger, the Vatican's Prefect of the Congregation for the Doctrine of the Faith. García's statement was understood in Lima as a declaration of Holy War on terrorism and its controllers.

García used the term "Anti-Christ" scientifically. Shining Path is a fruit of the long-term project of the Soviets and their Gnostic European allies to erase Western Christian civilization from the Andes. As the Soviets' top Andean specialist Yuri Zubritskii bragged on Aug. 4, Shining Path has revived an old Inca apocalyptic religious myth which ordains, "The country shall inundate the city in darkness and then mark out the Shining Path which will lead to the New World."

García discredited the lie appearing regularly in most U.S. news publications, which glamorizes Shining Path as a spontaneous peasant uprising against misery and injustice. García pointed directly to the European-trained anthropology professors who, from the comforts of Lima, deploy their students to recruit peasants into the terrorists' Pol Pot-style cultural-extermination project.

"Have the Lima theoreticians who launched terrorism died?" he inquired. "But I can tell you that the sons of peasant communities, who have been used as cheap canon fodder, have." He defined terrorism as "a criminal ideology which

sells disillusion, despair, and death." In contrast, his government puts human life first.

"With this new democracy we are building without hatred, without injustices, and without abuses, we want to say that violence is nothing but an unjustifiable crime, and that it cannot go on grabbing our children by force to make them kill or be killed," he added. García urged the peasants to join with the police and soldiers as the first line of defense against homicidal subversion.

A bill legalizing the village militias which protect peasant communities and their cattle from robbers and terrorists, has now passed the lower house of Peru's parliament. It is being held up in the Senate by Manuel Ulloa, the Chase Manhattan Bank representative who was Peru's finance and prime minister when Shining Path's violence first erupted.

Creditors brought terrorism

Ulloa and his ilk created the conditions in which subversion could thrive, García implied. "The best strategy against terrorism," he said, "is to have left behind the old governments which obediently followed the foreign banks and other countries, the governments which ended us and made us poorer." García has stripped foreign creditors of that power. He has limited debt-service payment, and on Sept. 24 proposed to the banks that Peru pay interest at the U.S. inflation rate (3%) and, at least partly, in products which Peru is having difficulty selling. The banks are no happier with his principle of putting human civilization first than is the Shining Path, and are seeking to eliminate him.

García explained to the peasants that the economic theory applied by the central bank during the past two governments had destroyed the economy. He elaborated the new policies his government has implemented to rebuild it. He has given preference to the poorest areas, allocating credit for productive investment there at 0% interest. These programs have been sabotaged, however, by bureaucrats encysted in second-level positions, who loot the most marginalized and defenseless Indians.

García denounced the central-bank officials who have blocked the funds the Agrarian Bank needs to lend to productive investments in places like Puno at 0% interest. These functionaries, he charged, "served other governments, other ideologies, other social sectors." He admitted that the Constitution obliges him to respect the central bank's "autonomy," but insisted that the central bank respect the rights of the people.

"We want a decisive and different economy," he concluded, "and that is what the peasants of Peru demand."

Far from pulling up stakes and running from the terrorist-infested highlands, García has broached the idea of moving the capital up to the Mantaro valley, over a mile high in the central Andes. While such a move is not imminent, it is a rebuke to the racist prophesy embraced by international communism since the 1920s, that "The Fire Will Descend From the Andes" and push Judeo-Christian civilization into the sea.

Venice plays host to 'the Third Rome'

by Mark Burdman and Rachel Douglas

During the first days of August, the Soviet Union formed a new Culture Foundation, which is aimed at enhancing the cultural expressions of the worship of "Holy Mother Russia." One of the four individuals chosen to head the organizing committee for the Foundation's founding conference in 1986 is Academician D. S. Likhachov, a chief spokesman for the "Russian Party" of the U.S.S.R., who, in the late 1940s, authored a pamphlet on Russian history that featured the support of the Senate of Venice, during the 16th century, for Russia's announced mystical ambition to become the "Third and Final Roman Empire," succeeding Rome itself and Constantinople.

Events which transpired at the Cini Foundation of Venice's San Giorgio Maggiore Island, during the week of Sept. 14-21, would seem to be a chapter lifted from Likhachov's pamphlet. The Italian region of Veneto, of which Venice is the main city, sponsored a series of cultural meetings, art exhibitions, and "folklore" gatherings, under the theme, "Europa Genti"—"European Peoples."

Chief organizer Carlo Bernini, president of the Region of Veneto, announced on Sept. 14 that the aim of the events would be to forward "European unity." From the evidence of the events themselves, this "unity" would be on the basis of destroying European Judeo-Christian culture and the nation-state, by advancing localist, linguistic-separatist movements, and praising the decadent cultural models of Mother Russia. Italy's *La Repubblica* reported in its Sept. 13-14 edition, that the conference would draw up a map of a "Europe of the regions, emphasizing the singular culture of localities." This, however, would be a Europe under Soviet cultural, economic, military, and political hegemony.

Chagall and Mother Russia

The featured art exhibition was a collection of works of Russian-born lunatic-abstract painter Marc Chagall, the works exhibited at Venice's Church of St. Stae, and loaned to Venice by the Soviet Ministry of Culture and by museums in France and Italy, as well as by galleries and private collections. According to Italy's *La Stampa* Sept. 15, the works invoke the "childhood and youth of Chagall, spent in Vitebsk," a town in Russia. These works, said the Turin daily,

express Chagall's "nostalgia for his own ethnic roots."

One must set this report side by side with that of the Soviet "cultural" journal, *Literaturnaya Gazeta*, Sept. 3, in an article entitled, "The Culture Foundation Prepares for its Constituent Conference." One of the main aims of the new Foundation, *LitGaz* stressed, would be "active participation in the development of international cultural ties and exchanges, and the tracking-down and return to the Motherland of national treasures of our fatherland's culture."

A similar eruption from the blood and soil of Holy Mother Russia came from a second direction. Among the Cini events were panels with the titles, "The Ethnic and Regional Roots of Our Continent, From the Atlantic to the Urals, From the North Sea to the Mediterranean," and "The Cultural and Local Traditions and the Roots of Europe." A featured participant was the head of the Institute of Ethnography of the Soviet Academy of Sciences, Yulian Bromley, whose activity puts him in a central post for coordination of terrorism, in both its "communist" and "Nazi" forms, as seen most eloquently in the role ethnic-separatist and linguistic-separatist groups play in terrorism in Spain and France in particular. As vice-president of the International Society for Ethnography and Folklore in Europe, Bromley will be a sponsor of an ethnographers' conference in Zurich, Switzerland, in the spring of 1987.

In his Sept. 15 presentation, Bromley informed his Cini audience that the Soviets have abandoned the objection to traditionalist cultures in the U.S.S.R. characteristic of the "post-revolutionary phase" of the Soviet Union. In recent years, he asserted, "there has prevailed, and is continuing, the tendency toward the concrete recuperation of these cultures."

A third prong of the Soviet thrust in Venice, was on the economic side. On Sept. 19, there was a Cini panel on "Economic Cooperation in Europe," featuring Vyacheslav V. Sychev, the secretary-general of the Soviet-led Comecon economic bloc, speaking on the same podium as high-level officials of the European Community and the European Free Trade Association (EFTA). Four days later, the *International Herald Tribune* reported a "flash flood of activity" between Comecon and EC officials, over economic deals.

Without question, Mother Russia was pleased by all this attention and help from Venice.

On Sept. 16, the Soviet government daily *Izvestia* reported favorably on the Venice events, noting that the goal of the symposiums "is for the voice of the European peoples to sound ever louder in the struggle for a peaceful future."

One day earlier, *Izvestia* had also featured "The Venetian Peace Regatta," reporting on a race of 400 boats, which took off down the Grand Canal, from St. Mark's Cathedral, "resurrecting a tradition of the past." In this setting, various ostensible "Western tourists," American and otherwise, were quoted, attacking the United States as war-mongering, and proclaiming, "I personally know and see, what care the Soviet Union takes for the fate of the world."

Reluctance in the war on terrorism

Without German assistance, France won't be able to get terrorism under control.

To succeed in crushing the challenge of terrorism, France's Premier Jacques Chirac depends on full support from the governments of neighboring countries. The most important ally in the French war on the terrorists must be Germany. Since there are no passport controls between France and Germany, this border is one big escape door for terrorists from either side.

Meeting over the weekend of Sept. 20-21 in Bonn, West German security officials stated their concern that "French terror groups may escape the police by entering German territory." Since about 3,500 exile Arabs working with extremist groups, plus another 2,500 activists from the various Iranian, Kurdish, and Armenian extremist organizations, are known to live in West Germany, terrorists from France would have no problem disappearing into this exile underground.

Security experts fear that under these conditions, heavy terror attacks on Germany's civilian population will be "imported from France." A similar type of terror has already been applied by terrorist groups in Germany, however. For example, the bomb attack weeks ago against the training center of the German border police (BGS) near Bonn featured three bombs: The first went off, causing considerable damage; the second was timed to detonate while the anti-bomb experts searched the site; and the third, which was defused, fortunately, was filled with thousands of metal splinters, to

have a maximum killing effect.

Another such vicious bomb trap was placed at the Institute of Optics Research, near Tübingen. Again, a smaller bomb detonated, causing minor damage on an instrument-pylon. Anti-bomb experts, checking the place carefully, found a second bomb nearby, which detonated while it was being investigated and almost killed one policemen. While the first bomb caused minor material damage of only the equivalent of about \$2,500, the second bomb caused \$50,000 in damage, with great killing potential.

This is apparently what future terror attacks will look like in West Germany. These are professional methods, the sabotage and terror methods of irregular war. Does this mean that the country's extremist "scene" has achieved such a high skill in professional mass killing, or could it mean that "experts" in irregular warfare, like the Soviet Union's spetsnaz, have been activated?

This question itself marks the gray zone that has developed in West Germany: The level of terrorist and other extremist activities is such, that one cannot say with certainty that this specific terror attack was carried out by German extremists, or by spetsnaz.

The targets of the terror attacks are the same. According to a new report which all of the member-governments of NATO received in September, the existence of Soviet spetsnaz units—specialists in sabotage, terror, and disruption techniques—among the

Red Army troops stationed in East Germany is a proven fact. Trained to hit targets in Western Europe, and predominantly in West Germany, they are even deployed "in peace time, just for rehearsal." Rehearsal targets are, among the obvious military ones, also nuclear power stations, the railway and transport system, radio and television stations, and the electricity grid, as well as "leading personnel in military and political life."

These are the targets which were hit by terrorist attacks over the past few months and weeks in West Germany. This pattern will not have escaped the attention of the German security service; it may not even have escaped the attention of the relevant politicians in Bonn.

But there has not been one politician, not even from the most anti-Soviet currents, to pose questions on Moscow's role in the Western underground. There is a pact of silence in Bonn, because the liberal partner in the government, the Free Democrats, thinks that such questions "do not fit in the present landscape of East-West relations." Such questions would, thinks Foreign Minister Hans-Dietrich Genscher, a Free Democrat, have ruined the East-West Security Conference in Stockholm, which just signed a multilateral "commitment to fight terrorism"—the Soviets being among the signatories.

The Germans, whose country is hit almost by daily terrorism and sabotage at all levels, should have raised in Stockholm the issue of Soviet spetsnaz operations in the West. Because of its intensity, the terrorist situation in Germany is the best for studying the East's role. And in the war on terrorism, it would help a lot if the French-German border were tightly controlled. One does not fight criminals at the back door, while keeping the front door wide open.

The Buddhist factor in Sri Lanka

Monks have launched a campaign to sabotage talks between the government and the Tamils.

On Sept. 19, at a meeting of 5,000 monks in the holy city of Kandy, one of Sri Lanka's top-ranking Buddhist priests, Palipase Sri Chandananda, issued a call for a campaign against the peace proposals made by President J. R. Jayewardene's government to resolve the three-year-old Tamil insurgency which has taken thousands of lives and wrecked the economy.

The Buddhist high priest's call is ominous. The Sangha order is the main repository of Sinhala chauvinism, and for the past year has been the standard bearer for the "military solution" to the ethnic crisis. With its cadre of monks and extensive organization among the population, the Sangha is a potent force which no Sri Lankan government has been able to ignore. It is the Sangha which ultimately dictated the succession of cultural and other provocations against the Tamil minority that led to the 1983 crisis.

The venerable Chandananda issued the call to arms as head of the so-called *Jatika Peramuna* (National Front, NF) formed under his leadership to oppose Jayewardene's handling of the crisis and prevent a "sell-out" to the Tamils. The NF, inaugurated in the Asgiriya Temple in Kandy, where Chandananda is the chief monk, was floated in the wake of the May 1985 massacre of Sinhala civilians in the sacred city of Anuradhapura.

The NF's proposals include a vitriolic denunciation of Jayewardene for trampling on Sinhala sensitivities, and a harsh blast against India's efforts to

solve the problem. There should be no negotiations until terrorism is wiped out and all Sinhalese refugees are resettled, says the NF, and any negotiated settlement must be put to a referendum.

The NF includes a strange coalition of opposition parties, the most important of which is the Sri Lankan Freedom Party (SLFP) of former prime minister Firimavo Bandaranaike. The NF is also supported by Prins Gunasekera, a recognized front-man for the Janatha Vimukti Peramuna (JVP), a Maoist sect that led an insurrection against Mrs. Bandaranaike in 1971. Lately the JVP has been working with one of the left-wing splinters of the Tamil movement, the so-called People's Liberation of Tamil Eelam (PLOTE), for the revolutionary overthrow of the government.

With the launching of the NF, Mrs. Bandaranaike gave up fence-sitting and threw her full weight on the side of communal chauvinism. The former prime minister, who headed a "united front" government of socialists, communists, and social democrats during the late 1960s and early 1970s, promptly began giving fiery speeches about the threat to the existence of the Sinhala race and Buddhism. It was under her regime, some Tamil leaders point out, that the constitution was written which eliminated Tamil as the second national language—one of the last straws for the Tamils.

At the moment, Mrs. Bandaranaike is trying to prevent the Sri Lankan

parliament from voting up the legislation to implement the government's proposals. In Kandy, recently, Mrs. Bandaranaike promised "full protection" to any government MP who rejects settlement-related legislation.

The negotiations between the government and the Tamils, meanwhile, the critical third round, in which an effort will be made to involve all the principal parties, are due to be held in India in the near future. The Sri Lankan government wants all the major Sinhala political parties invited to the talks, but acknowledges that Mrs. Bandaranaike is unlikely to cooperate. The Indian government is working to get the leaders of Tamil United Liberation Front (TULF) and the various Tamil militant groups—the latter walked out of the first round and boycotted the second—to meet and work out a collective approach to the core issues. India had successfully prevented the militants from sabotaging the second round of talks. Now, although terrorist attacks and government reprisals continue unabated, the Sri Lankan cabinet vowed on Sept. 24 to continue the peace talks.

The TULF has rebutted President Jayewardene in his claim that "90% agreement" had been reached during the talks, but the government is apparently going ahead with legislation for setting up provincial councils with greater powers than the existing district councils. These are the crux of the plan for the "devolution" of power that stops short of destroying constitutional unity.

Jayewardene's announcement of the government's plan was greeted by new threats. In a press release, the Eelam Revolutionary Party said it would kill the President and his cabinet and blow up parliament if 5,500 Tamils jailed on the island were not released immediately.

Televisa and presidential hopefuls

The powerful Televisa empire is cleaning up its image, in hope of choosing the next President.

The most powerful radio and television chain in Mexico, also owner of Spanish International Network, the largest Spanish-language television chain in the United States, Televisa, has just undergone some drastic changes by "exiling" its president, Emilio Azcárraga Milmo, to the United States. In his place was named Miguel Alemán Velasco, the son of Mexico's President from the 1940s, Miguel Alemán Váldes.

The significance of the change lies in the fact that Emilio Azcárraga over the years had accrued enormous political power in the country, power that no President has been able to limit. Televisa is the country's leading opinion-maker, and as such is considered more powerful than the ruling PRI party itself. The television chain has the largest number of viewers in the country. Azcárraga was in a position to determine the rise or fall of politicians, governors, political parties, and cultural figures. If he decided to discredit someone from the public or private sector, that person was finished. The bestial despotism of Azcárraga was not limited to sinking careers. A promoter of pornography, banality, drugs, and alcohol, Azcárraga was the number-one threat to Mexican security.

His association with organized-crime figures like Arturo Durazo Moreno, one of Mexico's most important drug traffickers, and Manuel Espinosa Yglesias, former president of Mexico's largest private bank, Banco de

Comercio, had earned Azcárraga the reputation of being organized crime's highest official.

Televisa was founded in the 1930s as a radio chain. Station XEW was known then as "The Voice of Latin America," for its influence not only in Mexico but throughout the Spanish-speaking continent. The company was originally founded by RCA Victor and National Broadcasting Corporation (NBC).

In the '30s, Televisa head Emilio Azcárraga Vidaurreta received the backing of NBC through New York's Alfred Cleveland Bloomfield, representative of the U.S. mafia chieftain at the time, Arnold Rothstein. Bloomfield controlled or had contacts with the major casino owners of the United States, all of whom sent their stars to Mexico to support the business deals of the old Azcárraga Vidaurreta. In New York City alone, Bloomfield controlled more than 200 movie and drama theaters. He was also Gloria Vanderbilt's lover, whose family was tied to the Morgan dynasty.

Bloomfield arrived in Mexico at the end of the '30s and created an empire of movie theaters, casinos, hotels, and drug dealing. It was in this period that he linked his fortunes to Azcárraga and to the business group around Miguel Alemán, Sr. Bloomfield turned Acapulco into a "world class" tourist center, with the backing of Alemán—who became known thereafter as "Mr. Acapulco." Bloomfield was also the protector of Virginia

Hill, the "ambassador" of Ben "Bugsy" Siegel, who thus established his "Mexican connection" in the drug world. It was through that connection—which also involved the Nazi-loving Errol Flynn—that many illegal fortunes of those now known as "leading free enterprise entrepreneurs" were made.

Azcárraga's departure from the chairmanship of Televisa does not mean that the policy of the empire is going to change. His dismissal is what is known in the business as a "facelift." Azcárraga's highly controversial image was not exactly what the interests behind Televisa wanted to project, as Mexico enters into the process of selecting its next President.

The naming of Miguel Alemán Velasco to the throne of Televisa, means that the families which hold the real power in Mexico have decided to employ the power of the Alemán political network in a deliberate bid for the presidency. The preference of Alemán is well known: Manuel Bartlett Díaz, Mexico's interior minister. The relationship between the two is close and goes way back. Bartlett is a political creation of Mario Moya Palencia, interior minister during the 1970-76 period, who was also the presidential candidate of the Alemán group at that time. But due to the opposition of then-President Luis Echeverría, Moya's aspirations were nipped in the bud—the reason, by the way, for the filthy campaign of villification run against Echeverría by the press, radio and television stations under Televisa's control.

Curiously, Charles Pilliod, the new U.S. ambassador in Mexico and former president of Goodyear Tire and Rubber (Goodyear Oxo in Mexico), is a friend of Romulo O'Farril, president of the Administrative Council of Televisa and the authorized distributor of Goodyear Oxo.

To spray or not to spray

With an anti-coca herbicide in view, the fight over eradication of drug crops in Colombia is heating up.

It was the decision of the previous government of Colombia, under President Belisario Betancur, to enforce a standing extradition treaty with the United States that triggered the wholesale flight of Colombia's leading drug kingpins from the country, and the mafia's declaration of war against the government. Less prominently played in the news, but of comparable importance, was President Betancur's decision to use the herbicide glyphosate against, especially, the vast marijuana plantations of northern Colombia, a decision which resulted in the elimination of 90% of the country's marijuana trade.

EIR has watched for a continuation of that eradication effort under President Virgilio Barco, and its ultimate extension to burgeoning coca cultivation in Colombia, as a litmus test for the new government. With the Barco administration nearly two months old, that policy is now under heated dispute.

The original harping about ecological damage from herbicides died down not long after the government initiated marijuana crop spraying, when it became evident that the government was not to be dissuaded by the self-serving denunciations of the country's "pot lobby." But with the ascension of Virgilio Barco to the presidency, and his appointment of a cabinet stocked with associates of former President López Michelsen, the dope mafia saw cause for hope.

The press drumbeat against herbicide eradication began, with charges

that the only beneficiary of the glyphosate spraying was the United States, whose domestic marijuana cultivation soared while Colombia's disappeared. Then, in early September, three "farmers" from the region surrounding the Caribbean drug port of Santa Marta made a stink about the destruction of their commercial banana, corn, and cacao crops by the glyphosate herbicide. A local councilman added his political weight to their protests.

Leaping to the rescue of the poor benighted farmers was the López-linked daily *El Tiempo*, which on Sept. 17 devoted one of its editorial cartoons to an attack on the herbicide, based on the "farmers'" complaints. *El Tiempo* regularly provides its editorial columns to advocates of drug legalization. Similarly, the daily *El Siglo*, owned by López intimate Alvaro Gómez Hurtado, covered the so-called glyphosate scandal in a sensationalist article entitled "Glyphosate? No Thanks, I Prefer to Live!" The title was especially cynical, since it was a take-off on the government's campaign against consumption of the deadly coca paste reefer, *bazuco*.

Just when the López forces had succeeded in creating a furor over the incident, however, they were forced to eat crow. On Sept. 19, *El Tiempo* was obliged to report on "a veritable war by the marijuana growers against the police in the beautiful Sierra Nevada of Santa Marta." It turns out that three scientists from Colombia's scientific agricultural institute (ICA), had

visited the lands of the three "farmers," and discovered that the police had indeed destroyed their crops—because hidden among the rows of corn, yuca, and other food crops were flourishing marijuana plants! The growers, according to *El Tiempo*, confessed to growing marijuana, but excused the illegal act on the basis of low market prices for their food crops. The compromised Santa Marta councilman charged that he had been "misled" and had not known "the source of my information."

The dope lobby has not given up, however. The National Institute of Health (INS), which violently opposed Betancur's approval of herbicide eradication of marijuana, has announced that it is sending its own scientists to Santa Marta to evaluate the effects of the herbicide on the population and traditional crops of the region. The INS coordinator of the investigation, one Francisco Rosi, has already called for suspension of glyphosate use.

And on Sept. 22, *El Tiempo* triumphantly published a letter from President Barco to the Scientific University of Magdalena, pledging a careful review of the glyphosate eradication program.

Not accidentally, one day earlier the rival daily *El Espectador* had carried the report that a new defoliant produced by Dow Chemical, Triclophyr, had been experimentally used against coca crops in Colombia, and found effective in destroying the plant. Eradication efforts against coca have traditionally been manual, since it is destruction of the roots which is necessary to kill the hardy and extremely prolific bush. If the new herbicide, reportedly safe for humans and animals, proves a success against Peruvian and Bolivian variants of the coca plant, a new phase in the war on drugs will begin.

Moscow loves Brazil

Gorbachov has personally extended a hand to Brazil's pragmatic leadership, the centerpiece of a broader plan.

The Soviets are making their biggest diplomatic play ever toward Ibero-America, with Brazil a key element in the scenario. General-Secretary Mikhail Gorbachov is building for a triumphal tour next year of Brazil, Argentina, and Mexico, among others, the first time a top Kremlin leader has ever been in what are considered major countries of the United States' "back yard."

At the United Nations on Sept. 24, the Soviet and Brazilian foreign ministers reached a geopolitical agreement to support Brazil's call for a demilitarized South Atlantic. Soviet Foreign Minister Eduard Shevardnadze formally invited Brazilian President José Sarney to visit Moscow later this year, hard on the heels of Argentine President Raúl Alfonsín. Mexican President Miguel de la Madrid holds a similar invitation.

"In just a few months, we have progressed further" in our relations with Brazil than in many years, was the evaluation of Soviet Ambassador Vladimir Chernichov, during an audience granted by President Sarney in May.

As opposed to the rumors spread by the press organs of the Sun Myung Moon sect and by the British intelligence services, which say that Peruvian President Alan García is being wooed by the Kremlin, the reality is that a heady romance is taking place between the Brazilian Foreign Relations Ministry (Itamaraty) and its Muscovite counterpart.

In particular, the commerce department of Itamaraty, in charge of

designing Brazil's foreign-trade policies, is responsible for the new "broad political and economic understandings" that have been struck with the U.S.S.R., Cuba, and China.

The degree of understanding that now exists between Brazil and the U.S.S.R. is exactly as the now ex-ambassador Chernichov stated it. In sharp contrast to the insulting treatment offered Sarney during his recent state visit to Washington, the Gorbachov government has leaned over backward to prevent any friction with Brazil's government.

Itamaraty is similarly protecting its "Soviet card" from behind-the-scenes efforts to spoil it, by Brazilian military factions still sympathetic to the Western Alliance. It is using the experience gained in protecting the sale of arms and industrial equipment to Libyan dictator Muammar Qaddafi.

The U.S.S.R. has delineated three facets of a scenario for bilateral cooperation with the South American giant:

- 1) Sell Soviet technology to Brazilian companies;
- 2) Create associations for utilizing Soviet and/or Brazilian technology, as per the needs of either partner; and
- 3) Seek partners with tropical experience to manage projects in third countries, especially African nations allied with the Soviet Union.

The Soviets mounted their "High Tech/86" industrial exposition here in September. The Brazilians are so skeptical of Soviet technology that the Russians offered some of it for free. Gorbachov, in fact, is much more in-

terested in being able to employ modern Brazilian technology, especially in the electronics and computer industries, to salvage his depleted consumer goods industry. His plan, ironically, is aided by Washington's pressures on Brazil to produce U.S. computers, such as the state-of-the-art VAX.

Concrete deals with Brazil in the area of telecommunications and certain areas of the computer industry are already in the works. Of course, Brazil's role as a nation of abundant strategic mineral reserves has not been ignored. The Soviets have just closed a deal to obtain manganese, a requirement for the production of specialty steels.

Meanwhile, both countries are exchanging caravans of businessmen seeking trade deals. One of the more prominent ones took place in July, when the head of the Brazilian bankers' association, Theophilo Azeredo, imitated Occidental Petroleum's Moscow-loving Armand Hammer and headed a delegation of Brazilian industrialists, who enjoyed the distinction of personally meeting with Gorbachov.

In view of all this, it is not so strange that there exists a tacit agreement between Soviet imperial diplomacy and the U.S. State Department regarding policy toward Brazil. In the past few months, each of the "powers" has sought a "special relationship" with Brazil, manipulating the giant nation's pragmatism in hope of pulling it toward its own strategic objectives.

There is no real conflict between the State Department and the Soviets in this. While the former seeks a "hemispheric agreement" with Brazil, Russian diplomacy is procuring a more practical de facto alliance that will guarantee Brazilian backup for its imperialist plans in Africa, including control of the world's primary strategic minerals.

International Intelligence

'Jewish mothers' blamed for Israelis' poor shape

Jewish mothers are to blame for the fact that Israel "can conceivably claim the worst record on earth for the physical condition of its teenagers," charges Israeli Gen. David Gerstein, who is responsible for the fighting fitness of Israel's soldiers, in statements in the *Jerusalem Post* Sept. 14. The *Post* reports:

"Gerstein lays a major part of the blame with the Jewish mother, and the 'People of the Book' syndrome. 'The Jewish mother wants her son to become a doctor, a lawyer, banker, computer expert, rabbi, or at least a teacher, but she has no ambition for him to win medals in a sport,' he said. 'My mother used to ask me 20 times a day: 'Dudu, are you hungry?' he recalls."

General Gerstein told the *Post*: "Seven out of every 10 new recruits joining the army are overweight, flabby, fat and bent. . . . Even with the lowest criteria set by the Israel Defense Forces for physical fitness, half to three-quarters of the new recruits fail to meet the minimum standard. Only between 20 to 30 percent can be considered okay."

The article is headlined, "Physical condition of Israeli youth 'worst in the world'/' Army general blames the Jewish mother."

Colombian killed after urging death penalty

The assistant editor of the Colombian newspaper *El Occidente*, Raúl Echavarría, was murdered at his home by mafia assassins on motorcycles Sept. 17, one day after writing an editorial supporting U.S. congressional action for the death penalty in some categories of drug-related crimes.

"Any form of drug addiction is genocide," wrote Echavarría. "Those who produce cocaine and its derivatives, those who plant marijuana, those who bring these tox-

ins into their nations and put them within the reach of the public are executioners; they kill and bestialize. And in addition, they form a class of criminals who assassinate in cold blood, with a cruelty never before known to mankind."

The same day that Echavarría was slain, Monsignor Gustavo Ferreira, president of the Colombian Church's Superior Ecclesiastical Tribunal, called for the death penalty for drug traffickers. He declared that the drug trade "is a crime that has not been limited to a single society, but has transcended the limits of any one nation. Thus, there has to be an equivalent sentence, because I do not believe time in prison would be sufficient. The maximum penalty is justified. . . . because the death penalty is applicable to any horrendous crime."

Ferreira added that this did not contravene church doctrine, since that doctrine argues that society has the right to "extreme defense." Ferreira acknowledged that establishing the death penalty would require a constitutional reform, but added he would not object in the slightest to such a reform.

NATO study warns of Soviet spetsnaz

According to *Welt am Sonntag*, Germany's second-largest Sunday newspaper, the member governments of the Western Alliance have received a report pointing to the existence of special sabotage units operating within the Red Army, known as spetsnaz (special forces). The study says that 90 such units are stationed at posts in East Germany, and indicates that at least some "terrorism" attributed to home-grown radicals may in fact be direct Soviet spetsnaz operations.

The units are trained to deploy against special targets such as energy and transport grids, nuclear power stations, radio and television stations, key industries, and NATO installations, as well as leading political and military personnel—predominantly in West Germany.

The spetsnaz units operate on the direct orders of Gen. Valerii Belikhov, the commander of the 400,000 Soviet troops stationed in East Germany. The article points out that spetsnaz are sometimes deployed into West Germany clandestinely, "just for rehearsal practice."

Canada's Mulroney favors drug testing

Canadian Prime Minister Brian Mulroney, in a Sept. 18 interview in *La Presse*, said he favored the idea of imposing anti-drug tests in Canada, "for the best interests of the nation." Mulroney noted that any new such laws would have to be framed within the context of the Charter of Rights and Freedoms, whose terms might actually prohibit measures such as mandatory drug-testing as a threat to individual liberties.

Although Mulroney does not presently have a clear strategy on how to win the "war on drugs" in Canada, or even how the Charter (like the U.S. Bill of Rights) can be changed, he is apparently seeking "guidance" on the matter.

In a Vancouver interview, published Sept. 18 by the *Montreal Gazette*, the Canadian prime minister was a bit vague about his plans. When asked "where would this testing take place?" Mulroney responded: "We're looking at a. . . . Perhaps I could just limit it to this today, is that we're looking at a number of things including some that have a legal import, and we're examining it. We know full well the Charter implications are such that if you get half way down the road—-poof!—-you could be cut-off if you're in violation of it."

On the idea of waging a nationally coordinated "war on drugs" in Canada, long a center for money-laundering because of its lenient banking laws, or even implementing legislation to mandate drug testing, Mulroney admitted: ". . . It's new, it's brand new for us. For Canada, unlike the U.S. where a lot of these have been much more accurately

defined with judicial decisions and traditions and so on. We don't have that. It's brand new . . . and so we're trying to get some guidance."

Peres: East bloc harbors terrorists

Israeli Prime Minister Shimon Peres has accused Eastern European countries of harboring terrorists, but he notably refrained from directly blaming the Soviet Union.

In an interview with the Israeli newspaper *Ha'aretz* published Sept. 18, the Israeli leader said that in his view, the Soviet Union "secretly objects" to terrorism, but nevertheless, terrorists maintain bases and receive support from East bloc countries.

Peres predicted closer U.S.-French-Israeli cooperation in the fight against terrorism.

He said that he hadn't expected that his proposals to set up an international anti-terror force would be accorded "such a serious reception," when he brought them up during recent meetings with President Reagan and other U.S. and Canadian officials in Washington.

Drug-fighter shot in Sinaloa, Mexico

A Mexican political leader who told *EIR* correspondents he could not travel to Sinaloa state because the mafia had put out an order to kill him, was shot by gunmen there on Sept. 14.

Saul Rios Beltran, the most outspoken anti-drug fighter in the state, had a bullet put into his brain during a kidnap attempt by a team of three gunmen. He fought back and was shot. His cousin escaped during the fight. If Rios survives, he will be paralyzed in at least half his body, doctors say.

In July, Rios told *EIR* he could not go to the state because there was an order out to

kill him. He is a former congressman and peasant leader in the northern part of Sinaloa. During his congressional term, he distinguished himself by his denunciations of the growing power of the dope mafia in Sinaloa and the passive attitude of state Gov. Antonio Toledo Corro.

When *EIR* correspondents were jailed in Venezuela in February 1985 in relation to the publication of the book, *Narcotráfico, S.A.*, Rios dispatched a telegram demanding their release.

During March of this year, Rios and several other federal congressmen issued a statement demanding federal government action against the mafia in Sinaloa. The national uproar that ensued almost led to the resignation of Gov. Toledo Corro.

Rios has many friends in the hierarchy of Mexico's ruling PRI party. The attempt on his life has produced a sensation nationally inside the party.

Peru may build new capital city

Discussion is under way inside the government of Peru on building a new capital city—as part of the nation's desperate war against the savage narco-terrorist guerrillas called Shining Path (*Sendero Luminoso*).

Retired Gen. Mercado Jarrín, president of the Institute of Political and Strategic Studies, met with President Alan García on Sept. 18 to discuss a proposal to transfer the capital to the Mantaro Valley in the Central Sierra Mountains.

"Lima is vulnerable to be destroyed" by the guerrillas, because the food supply of its 6 million inhabitants could be cut off, Mercado told the press afterward.

In the Mantaro Valley, 3 million hectares of land could be opened for agriculture, and mining and hydroelectric facilities could be established nearby. The valley could easily be secured against attack.

He and the President, Mercado Jarrín stated, would soon inspect the proposed site of the new city by helicopter.

Briefly

● **GNOSTICS** are planning "spectacular provocations" against Pope John Paul II's scheduled visit to Lyon, France on Oct. 4, according to Swiss sources. By way of preparation, on Sept. 24, the "memoirs" of Father Krohn, who tried to kill the Pope in Portugal in 1982, were published in Geneva under the title, *The Crazy of God*.

● **TONY NEGRI**, accused supporter of Italian terrorists now living in France, spoke to Italy's *Il Giornale* about the current terrorist wave in France. "We are looking at an attempt to transfer Beirut to the European heartland," he stated. He called the current wave "promotional terrorism . . . action organized like when you launch a new product onto the market. . . . These are promotional bombs. . . . Remember well what I am saying: This will be the terrorism of the future."

● **CIA DIRECTOR** William Casey, in a speech before veterans of the OSS, predecessor of the CIA, Sept. 19, stated: "What we face again has much in common with what we faced in 1944. The West again is faced with the Four Horsemen of the Apocalypse—famine, pestilence, war, and death."

● **'STING,'** the satanic British rock star, has suddenly renounced his brand of non-music for another. Interviewed by the Italian *Corriere della Sera's* Mario Luzzatto Fegiz, he stated: "I do not believe I am materially capable of writing rock or pop. For a while I have not been able to bear listening to rock-and-roll. All my interests are addressed to classical music of the 20th century [sic], in particular Shönberg, Lutoslavsky, and Stravinsky."

LaRouche presidential landslide projected

by Patricia Salisbury

Controversial remarks by Democratic Party presidential candidate Lyndon H. LaRouche were the subject of a national wire story carried by UPI on Sept. 24. The story reported that LaRouche had confounded opponents of Proposition 64, the California ballot initiative which would apply standard public health measures to the deadly disease AIDS, by asserting that critics of his initiative are, "perhaps unwittingly," helping him to win the 1988 presidential election "by a landslide." What was striking about LaRouche's remarks was that he asserted that whether Proposition 64 won or was defeated in the California balloting, the outcome would benefit his 1988 presidential campaign, as the hideous reality of the epidemic's spread showed him to be the only major figure in American political life willing to stand up and tell the truth, whatever authority had to be confronted.

LaRouche's remarks were wired around the country, as the roster of opponents of the initiative, which begins to resemble the "Who's Who" of California and the nation's degenerate political and cultural machines, continued to build. The Red Cross and foul-mouthed comedian Joan Rivers joined the opposition in mid-September. On Sept. 15, California's 20 Roman Catholic bishops, members of the American heresy wing of the U.S. Church, attacked Proposition 64, terming it an attack on the civil rights of AIDS victims. They are among the latest to join the strange coalition of sexual lower-class activists, The Communist Party U.S.A., nominally conservative political figures and institutions like California's Governor Deukmejian, the California Republican Assembly, "One World" Democrats like the Sen. Alan Cranston and Tom "Mr. Jane Fonda" Hayden, Hollywood stars of all sexes, and once-respected medical authorities including the California Medical Association.

Opponents of the initiative and related homosexual civil-rights causes are escalating a non-stop series of rallies, marches, TV and radio shows, and paid political ads in opposition to the initiative. On Sept. 15, 1,000 homosexual radicals and Los Angeles area political figures led by Hollywood personality Patty Duke held a candlelight march past

the offices of PANIC, the L.A.-based group organizing for the initiative. Speakers at this event characterized LaRouche as a "Nazi," and promised an escalating series of actions "to smash the initiative." Hollywood also did its best with a gala benefit honoring Liz Taylor, an outspoken opponent of the initiative, for her campaign to "help" AIDS victims. On Sept. 20, an audience of 2,300 paid \$100 to \$1,000 each to see the "stars" present—Linda Ronstadt, Billy Crystal, opera-singer Julia Migenes-Johnson, Madonna, Cher, Richard Gere, and Whoopi Goldberg. Ushers included 36 movie and TV stars—including Diane Keaton, Carrie Fisher, Ted Danson, and John Lithgow.

Yet, every move taken by the opposition seems to backfire. When PANIC organized a speaking tour for Dr. John Grauerholtz of the *EIR* Biological Holocaust Task Force, leading members of the California Medical Association including the president-elect, Dr. Fred Armstrong, agreed to a series of debates and joint appearances. At well-attended press conferences in Sacramento, San Francisco, and San Diego and at debates and on talk shows, Grauerholz was ready with the facts and figures: He pointed out that whatever the origins of the Acquired Immune Deficiency Syndrome, there can be little doubt of its potential effect. Upwards of 50 million people are probably infected worldwide today, and the disease is always fatal. In addition, each infected individual is a potential source of infection to others. In California alone, over 5,500 cases of full-blown AIDS have been reported since 1981 and senior health officials estimate that half a million people in the state carry the virus. Passage of Proposition 64 is the first step in mobilizing to meet the threat of this disease.

To experts who claim that AIDS is difficult to catch, Grauerholz emphasized that AIDS is a deadly "time-bomb" whose spread can only be halted by emergency public-health measures. As evidence, he presented the Mortality-Communicability Index—a new index for assessing the AIDS pandemic—which shows that AIDS is about 100 times more communicable *over time* than the common cold, given an

equal number of people infected.

Grauerholz also reviewed the current medical evidence, stressing that homosexual sex, blood transfusions, and IV drug abuse are highly *atypical* modes of transmission of retroviruses like AIDS. They are merely the "fast-track" route, with the "normal," but slower, mode of transmission primarily through blood-sucking insects, infected saliva, and respiratory aerosols.

To this scientific evidence, opponents like Armstrong could only regurgitate arguments that Proposition 64 is "unnecessary," "expensive," and would "drive AIDS victims underground." The debate was similar when PANIC vice-president Brian Lantz met Dr. Mervyn Silverman, the head of the AIDS task force of the California Medical Association, in debate.

The debates created a sense in the anti-Proposition 64 camp that they were losing the war. In an article in the *San Jose Mercury* of Sept. 17, reporter Stephen E. Wright headlined "Debates on AIDS Initiative Worrying Its Opponents." Wright reported that proponents of the AIDS initiative have been so convincing in television and radio debates that those opposing Proposition 64 were planning a special meeting "to consider abandoning on-the-air confrontations." However, it was also reported that some opponents of the initiative with the California Medical Association felt that they should continue to debate, since anyone else who stepped forward to argue against the proposition "would be creamed."

On Sept. 22 an op ed appeared in the L.A. *Herald Examiner* by David Kirp, who had previously been published in the *New York Times*, as a leading spokesman against Proposition 64. Kirp warned that despite the massive war chest and innumerable endorsements of the opposition, the initiative could win in November because of unabated popular fear and concern about AIDS. "The AIDS initiative," Kirp wrote, "may yet be approved by panicky voters who believe tough measures are necessary to stop the contagion. Several surveys, including one done by the *L.A. Times* and another carried out by the U.C. Berkeley Survey Research Center, report that a sizable proportion of the electorate believe that AIDS is transmitted by saliva, toilet seats, sneezes—even by shaking hands."

Kirp, however, seemed unable to spell out any strategy for opponents of the initiative except "more of the same." He wrote that the corrupted California medical community had not gone far enough in opposing the initiative, and called on doctors to abandon what he termed "medical hyper-caution. . . . Doctors regularly talk in terms of probabilities, not yesses and noes," wrote Kirp, "but jittery laymen translate statements about how 'highly unlikely' it is that AIDS can easily be passed along into fears that they might be among the exceptions." Kirp's approach has the appearance of a finger in a rapidly crumbling dike, as medical experts around the world rally to support the initiative which is increasingly being seen as an international turning point in the fight against AIDS (see box page 64).

The Gaystapo in the California GOP

by Ira Liebowitz

Robert Romanella, the head of Klinger International, Inc. in Los Angeles, a publisher of hard-core pornographic magazines, revealed in an interview that he is authorized as an official fund-raising agent for the "No To Proposition 64/ Stop LaRouche" coalition in California by Bruce Decker, the coalition's Republican finance chairman. He is running the fund-raising operation from Klinger offices. Romanella, who publishes magazines such as *Jocks' Torso Stars*, revealed this shocker after the appearance of fund-raising ads for Decker's coalition in homosexual-oriented peep-show porn magazines across the nation.

This coalition link to porn money—an industry which has been shown to be dominated by organized crime in the recent report of the U.S. Attorney-General's Commission on Pornography—poses a major crisis for the California Republican party. Decker, Gov. George Deukmejian's chief aide on "gay" politics, is believed to be responsible for the governor's recent surprising decision to oppose Proposition 64. Describing himself (believe it or not) as the "governor's house fairy," Decker chairs the state "AIDS Advisory Committee (AAC)," which oversees a \$27 million state budget, much of which is believed to fund myriads touchy-feely county, municipal, and community-based homosexual organizations now in the process of being retooled as "Republican."

Log Cabin Club

Decker is a leader of the state's growing Republican homosexual machine, the Log Cabin Club (LCC), which runs branches in Los Angeles, San Francisco, and San Diego. Since 1981 LCC has run a political action committee called "Circl-PAC," (Californians for Individuals Rights and Civil Liberties-Political Action Committee), chaired by Frank Ricchiazzi. The Log Cabin "Gaystapo" has substantially funded campaigns such as those of State Sen. Ed Davis, the former chief of the Los Angeles Police Department who has been spearheading recruitment of the homosexual movement to Republican electoral activity. Davis's ties to Log Cabin followed his decision in 1983 to become the chairman of "California High Frontier," at the behest of Lt. Gen. Danny Graham.

Log Cabin is also linked to the Republican U.S. senatorial candidate, Ed Zschau of San Francisco, whose Concerned Republicans for Individual Liberties (CRIL) organization,

the San Francisco branch of Circl-PAC, marched in the freakish "Lesbian and Gay Freedom Day" June 29, held in opposition to Proposition 64.

Log Cabin and Circl-PAC are reported to control 20% of the seats on the Central Committee of the GOP. Given all this, it is not entirely unbelievable that communists involved in the "No To Prop 64" operation in Los Angeles report that Decker's circle—and not the Democratic homosexual apparatus—is providing the "big money" to finance the anti-Proposition 64 effort in the state.

Lesser of two evils is still evil

On Sept. 19, a rearguard effort to block this lower-sexual-class power bloc in the Republican Party was made by state leader H. L. Richardson, at a press conference in Sacramento. Richardson announced that he would not endorse Zschau in his Senate race because of "his position on abortion, and other issues." He added "choosing the lesser of two evils is still evil." Zschau is running against Sen. Alan Cranston.

Richardson's announcement grabbed press headlines on Sept. 24 when Republican state chairman Claire Burgener attacked him for this move. The *Herald Examiner* reported that Richardson's real concern is that Zschau "will let the Log Cabin Club run the entire Republican Party." Zschau had been closely linked in his Senate campaign to David Packard, of Hewlett Packard, who recently chaired the Packard Commission on reorganizing U.S. defense.

The long-term problem of communist sponsorship and manipulation of the "homosexual movement"—dating from at least since the formation of the "Bachelors for Henry Wallace" organization in 1948—with its potential for espionage and blackmail, should form the background for any estimate of this situation in California.

On Sept. 10, the state chairman of the California Communist Party, Kendra Alexander, boasted that the CP is now "mobilizing its influence against Proposition 64, in a broad coalition with the Democrats and Governor Deukmejian," as part of its mobilization against Reaganism, and apartheid, and to repel right-wing attacks on Senator Cranston. She also declared, "The Communist Party absolutely opposes Proposition 64 as a fascist-like measure. We are actively participating in all coalitions. This is an official decision of the party."

The shocking extent of the Gaystapo's penetration of the Republican Party can be traced, starting in Decker's Los Angeles, where a communist-led gang of the lower sexual classes, calling itself the "Alliance Against LaRouche (AAL)," surfaced on Sept. 15, to announce plans for a "militant moving picket-line" of up to 300, outside the office of Proposition 64 supporters. AAL is being headed by one Franz Martin.

Martin and leaders of two similar militant gangs, are former leaders of the "Lavender and Red Union," a self-avowed "communist gay liberation" gang, that was active in

Los Angeles from the 1960s until three years ago. Despite the effort to run them at arms length, it has been established that the three gangs are operating under the umbrella of both the Republican-dominated and Democratic-controlled "big money coalitions" that oppose Prop 64: the "No on 64/Stop LaRouche" coalition, and "No To LaRouche" coalition, respectively. Because the two coalitions share the same offices in both Los Angeles and San Francisco, a better way of defining the distinctions among these groups, is by tracking cash flows.

One of the militant gangs, the "Stop AIDS Quarantine Committee (SAQC)," held a torchlight march of 3,000 members of the lower sexual classes to the Prop 64 office on Sept. 15. A third gang, "The Lavender Left (LL)," is now agitating in Los Angeles for a "militant protest movement, similar to the Stonewall/Christopher Street Gay Rebellion," in New York City's Greenwich Village, which signaled the launching of the "Gay Liberation" insurgency movement in the late 1960s.

SAQC's rally was addressed by Rabbi Allen Freehling, the former Los Angeles chairman of the American Jewish Committee, and currently the spokesman for the Los Angeles "Interfaith Council" opposing Prop 64. SAQC was also

More British medical experts back Prop. 64

Dr. Adrian Rogers of Exeter, the Medical Adviser to the Conservative Family Campaign, a lobbying group on pro-Christian moral issues which is associated with 12-15 Members of Parliament, on Sept. 22 became the second prominent British physician, along with Dr. John Seale of London, to explicitly endorse California Proposition 64.

Dr. Rogers made the following statement on the California proposition, which would add AIDS to the list of reportable communicable diseases. "The sponsors of this initiative must win, because this will become a useful precedent for us here in Britain. One would support this initiative, both on basic medical grounds, and on basic humanitarian grounds. We have failed to get AIDS declared a notifiable disease here in Britain, and, if this wins in California, we will have a better chance of doing that here."

Earlier in September, Dr. Rogers had written a report to the British Health Ministry, calling on the government to implement basic health measures, including isolation, for AIDS carriers and victims.

founded by three close friends from the "Lavender and Red Union": Chris Brownly, Paul Coleman, and Michael Weissman. Coleman, who keynoted the Sept. 15 rally with Screen Actors Guild (SAG) president Patty Duke and Freehling, is a lapsed member of the Spartacist League, according to Brownly.

Information from Brownly indicates that the AAL gang was intentionally spun out of the "No To LaRouche" coalition by its "grass roots coordinator," Ivy Bottini, in order to credibly distance a potential for violence during the two months leading up to the November elections. According to Brownly, originally AAL was the "rally committee" in Bottini's coalition, with designated seats on its board of directors until she "inexplicably" ousted it two months ago.

The real difference between Martin's AAL and the SAQC is that Bottini is still conduiting "No To LaRouche" monies to the latter for phone banks, and computerized voter registration operations. AAL was formatted to play the "more left-wing" role. More broadly considered, Brownly's remarks indicate that the entire "alphabet soup" of organization-names and networks opposing Proposition 64 is merely a "division of labor" within a unified California homosexual political machine.

The Log Cabin circles run the "No on 64/Stop LaRouche coalition." In Los Angeles, its leaders are Diane Abbott and Decker. The Democratic "No On LaRouche" is headed by Dave Mixner, Tore Osborne, and Dick Pabisch. This side overlaps an organization calling itself "CAL-CAN" (California Community Action Network) centered in San Francisco.

The Log Cabin and Circl-PAC network

Although the Log Cabin Club formally began in 1981, the major shift to deploy homosexuals into the Republican Party under a "right-wing, libertarian-hedonist" profile, began in a big way in 1983. Major tracts of real estate in West Los Angeles were bought up by this machine, thereby transforming the area into a homosexual neighborhood. Trading leather jumpsuits for three-piece suits, so to speak, the newly planted "movement" flocked in. Meanwhile, Bruce Decker emerged in L.A. as a top activist to be brought into the governor's office.

The first political figure to "cross the line" to advocacy of "Republican homosexual politics" was the pathetic state senator, Ed Davis, when he cast the key Senate vote in 1984 for a bill banning discrimination against homosexuals. He also received the first funding from Circl-PAC. In 1986, Davis took between \$30,000 and \$35,000 from these networks in his unsuccessful bid for the Republican nomination for U.S. Senate. In 1986, he also received \$3,000 from the New York-based "Human Rights Campaign Fund (HRCF)," a primarily Democratic PAC, one of whose board members, Virginia Appuzzo, has "critically supported" the North American Man/Boy Love Association (Nambla), a pederasty organization. Appuzzo was the keynote speaker in June at the San Francis-

co "Lesbian and Gay Freedom March," which was held to oppose Proposition 64.

Southern California

According to various accounts, Southern California Log Cabin Club leaders include: Frank Ricchiazzi, the current head of Circle-PAC, who was a founder of LCC; Los Angeles LCC former president, Leo Habel, who is currently the treasurer of the LA County Republican Party; and Dan Genhart, who is current head of LA's LCC.

In Orange County, Alexander J. Wentzel is the current chair of LCC. Another leader, Dr. Donald Hagan, heads the Orange County Circl-PAC, helps fund the anti-Proposition 64 coalitions, and is also a member of the Republican State Central Committee.

In San Diego, the Log Cabin machine achieved major inroads in municipal government in the two years between the election of insurgent Roger Hedgecock as mayor, in 1983, and his conviction in 1985 on campaign-law violations. In San Diego, Susan Jester and Alan Giesen are Log Cabin Club leaders. In San Diego, the LCC interfaces the larger Democratic homosexual club, "San Diego Democratic Club," headed by Doug Scott, and founded by Robert Lynn.

Decker, who is one of the most prominently placed Log Cabin figures in the state, currently heads the Governor's AIDS Advisory Committee. Members of the AAC include Dr. Michael Gotlieb of the UCLA School of Medicine, and Dr. Martin Roth, a Santa Monica allergist.

Included in the sprawling network of community "Gay AIDS organizations" under the purview of Decker's AAC, is the Metropolitan Election Commission of Los Angeles (Mecla), a primarily Democratic group which funds homosexual political campaigns. Mecla is headed by Larry Sprengher. Also included is the L.A. "Gay and Lesbian Community Services," run by Duke Comegys.

In Los Angeles, Episcopalian Rev. Albert Ogle leads the city-funded "AIDS Project Los Angeles," which operates on a \$3.4 million budget, and from whose offices he also runs the staff of the Interfaith Council. Rev. Carl Bean runs the L.A. "Minority AIDS Project," and Daniel Tsang runs the "Gay Asians" organization.

Northern California

In San Francisco, the offices of Assemblyman Art Agnos (D-San Francisco) serves as a headquarters for Decker's statewide coalitions.

Then, California Community AIDS Network (CAL-CAN), based in San Francisco, brings this scan full circle. CAL-CAN is divided into five regions: San Francisco, East Bay, Sacramento, Orange County, and San Diego. Temporary chairs in San Francisco are Laurie McBride, head of Community Partnership, and Ralph Paine, a leader of the Stonewall Democratic Club. In Los Angeles, CAL-CAN's leader is Ivy Bottini.

Democrats pro-defense? Emperor's new clothes

by Kathleen Klenetsky

Two Democratic Party policy groups, the Democratic Policy Commission, established in 1985 by Democratic National Committee chairman Paul Kirk, and the ostensibly more conservative Democratic Leadership Commission, currently chaired by former Virginia governor Charles Robb, issued reports in late September which amply testify to the bind in which the party finds itself.

Billed as signifying a shift from McGovern-style liberalism to a more "mainstream" stance, the policy statements contain little that is new, different, or positive. They show only that the party's current leadership is congenitally incapable of policies in the national interest.

The reports are the result of several years of "soul searching," which the party leadership has allegedly engaged in since Walter Mondale's humiliating defeat in November 1984. That disaster forced even the dumbest DNC members to wake up to the fact that the party, as reflected in its 1984 platform endorsing sodomy, the nuclear freeze, etc., had fallen so far out of step with the mainstream, that unless its image were radically retooled, it would either wither away or, worse, be taken over by a coalition of moderate and conservative Democrats catalyzed by Lyndon LaRouche.

With these reports, no wonder LaRouche is smiling.

This is pro-defense?

Loftily titled "Defending America: Building a New Foundation for National Strength," the DLC statement deals specifically with defense and foreign policy. Its explicit task—and what a challenge it is!—is to eliminate the party's anti-defense, pro-Moscow image. It fails miserably.

Authored by the party's leading "defense experts"—House Armed Services Committee chairman Rep. Les Aspin (Wisc.), Sen. Albert Gore (Tenn.), and Sen. Sam Nunn (Ga.)—the report attacks the Reagan administration for failing to develop a "cogent" strategic policy, for spending too much money on the military, and for creating a "mismatch" between strategy and forces. Admittedly, the report has some bold anti-Soviet rhetoric—for this gang, at least—and even supports some weapons-systems, Henry Kissinger's Midgeman missile, for instance.

The Democratic leadership is as committed as ever to institutionalizing U.S. military inferiority. Among the key

proposals are the following:

- Defense "reform," including the wholesale reorganization of the Pentagon, cutting the size of "bloated headquarters staffs and defense agencies by . . . more than 17,000," and changing the Joint Chiefs of Staff. In this, the report merely echoes the defense reorganization legislation recently passed by both Houses of Congress. Although President Reagan was somehow persuaded that defense reform will help the military, the heads of all the military services have protested the legislation, charging it would make a "hash" of the defense structure, and could cause a significant decline in military efficiency and effectiveness. And without "bloated" headquarters staffs, no capacity for emergency mobilization exists.

- Dismembering NATO. The report calls for "redistributing the allied defense burden to bring about a more sensible division of military responsibilities within NATO"—a euphemism for Henry Kissinger and Zbigniew Brezinski's demand for America to withdraw troops from Europe, ceding the continent to the Soviets. Two of the report's authors, Nunn and Aspin, have backed a U.S. troop cutback.

- "Defining a vigorous—but more clearly defined program of strategic defense research. . . ." By vigorous, the authors apparently mean dead. All three have led the fight against full funding for the SDI, and Nunn is personally responsible for an amendment that would restrict the SDI to missile defense—a proposal the report also embraces—and would preserve Mutually Assured Destruction. In addition, it calls for the United States to continue to honor the ABM Treaty, and castigates President Reagan, not only for trying "to sell the American people the dream of erecting an impenetrable 'peace shield' over the U.S. and its allies," but for proposing to share U.S. strategic defense technology with the Soviets.

- Sticking with arms-control. The report demands that the United States continue to abide by SALT II, and lashes out at Reagan's decision to break out of the treaty as a "serious step backward" which will "accelerate the superpower arms race."

Most of the same recommendations are repeated in the Democratic Policy Commission study, "New Choices in a Changing America," another laughable instance of the Emperor's new clothes.

For example, "New Choices" calls arms control one of the most important aspects of the U.S.-Soviet relationship, says it is "crucial" for the United States to abide by the SALT accords and a "restrictive interpretation" of the ABM Treaty, and urges negotiations for a comprehensive test-ban treaty. In sum, Gorbachov's program.

On the SDI, the study says the program "must be limited to research until the fundamental questions of feasibility are qualified," which "can be accomplished at levels far lower than the excessive budgets now being requested by the administration."

'Who lives, who dies' when budget cut?

"Who Lives, Who Dies, Who Decides?" was the ominous title of an unprecedented nationwide closed-circuit teleconference that originated in Washington, D.C. to brainwash 14,000 doctors, health workers, and clergymen into accepting the need to answer these "tough questions" about the social acceptance of euthanasia in an age, as they put it, of "scarce resources." ABC-TV's Ted Koppel was the host of the four-hour marathon, which was beamed into 136 meeting halls to be viewed by carefully selected audiences.

The teleconference was a well guarded secret. Worried that normal Americans, or at least so-called "right to life" groups, would rise up in mass protest if the contents of such a pro-euthanasia conference were widely known, the sponsors responded with suspicion to every inquiry made by someone they didn't hand pick to inform about it.

As it turned out, the Club of Life, founded by Helga Zepp LaRouche, notified every major "pro-life" organization in the United States, but as Club of Life secretary Linda Everett reported, no one responded. Nevertheless, a lively Club of Life picket line rattled the panelists and audience that entered the "Biznet Studios" at the U.S. Chamber of Commerce national headquarters.

The conference was composed of three panels of "experts" which included Senators Albert Gore (D-Tenn.) and Paul Simon (D-Ill.), Rep. James Scheuer (D-N.Y.), ex-Secretary of Health and Human Services

(HHS) Joseph Califano, and Judge Paul Liacos, who made a recent ground-breaking court decision mandating the withholding of food and water from a patient in a coma in Massachusetts. To a greater or lesser degree, all the panelists were advocates of euthanasia.

The organizers of the conference, the so-called "21st Century Society" of the Pacific Presbyterian Medical Center in San Francisco (with funding from Blue Cross and a long list of other corporate interests), also were not beneath resorting to false advertising to draw their crowd. Current HHS Secretary Dr. Otis Bowen was falsely listed as a participant.

When Dr. Bowen's office was reached by the Club of Life, a spokesman expressed horror that Bowen's name was being used in conjunction with the conference. Although Bowen has a pro-euthanasia record of his own, he has apparently become very sensitive on the issue since taking over at HHS. His spokesman said that while Bowen once tentatively agreed to participate, "when he learned more about the kind of conference it was going to be, he quickly withdrew." Conference organizers, however, continued to use Bowen to attract participants, at \$75 a head, using his name on press releases sent out only days before the conference.

The conference format was a classic example of "consensus" brainwashing. Participants, including the pre-selected audience, were put into a controlled environment where they were misled into believing there was an actual free exchange of ideas occurring.

Koppel pretended to be merely the moderator, and ignorant of the issues involved, but was like the insidious controller of the "leaderless group" who craftily steers it toward predeter-

mined conclusions. He did this by repeatedly sounding the theme: "We are operating under conditions of limited resources." This evil fallacy was sufficient, virtually by itself, to insure the brainwashing impact of the exercise—and no one challenged it.

Koppel was aided by three theme-setting dramatic portrayals on video tape, played before the start of each panel. Diminished in their impact only by the dismal performances of the actors, the scenes included one of a man pulling a gun on a nurse who refused to "pull the plug" on his father. The video vignettes portrayed the "individual wishes" of the patients to die, against the "heartless" insistence of the hospital, or "the system" to keep them alive using life-support systems.

Koppel repeatedly intervened, even though claiming to be a "know nothing" surrounded by experts. In response to a question from a handicapped woman, Koppel preempted panelists by answering, "Listen, if we had unlimited resources, then, of course, there would be no question but that we would do everything in our power to provide the best health care possible to everyone. But we have a limited reservoir of resources. There has to be allocation." Repeating this refrain a half-dozen times during the event, Koppel chastised members of one panel for not having the nerve to advocate doctor-assisted suicide.

Alexander Capron, the former executive director of the President's Commission on Ethical Problems in Medicine, challenged the view that a patient can be in such "intractable pain" that he can be justified in wishing to "be put out of his misery." Medically, he said, that is very rare. But that didn't stop Koppel, who ignored the remark and asked again why anyone, even if only because of losing a leg, shouldn't be allowed to be put to death if he wished it.

Defense conference committee stacked

On the recommendation of House Armed Services Committee chairman Rep. Les Aspin (D-Wisc.), House Speaker Tip O'Neill has stacked the House participants in the House-Senate conference on the 1987 defense bill. The conference faces a major fight to resolve differences between the Senate-passed anti-defense bill and a far more anti-defense House version.

In a move that Rep. Jim Courter (R-N.J.) termed unprecedented, House conferees will not be allowed to vote on all issues, but only those which come before their panel in the conference (there are eight major panels). This will give anti-defense liberals much greater strength. A member of the Armed Services Committee, Courter said that his committee "has precious little to do with the important issues that our committee has jurisdiction over." It's "rigged in the sense that the votes are predetermined," he said.

For his part, Aspin was open about the anti-defense outcome which he was striving for. "I would love to have more liberals on the committee," Aspin was quoted in the *Washington Times*. "The committee is not where the House is."

President Reagan increased his pressure on the conference on Sept. 23, when he told a group of supporters at the White House that he will veto the bill if it contains the House version. The House bill "would pull the rug out from under our arms negotiators in Geneva and imperil our national security," the President said. He said that the House ban on nuclear testing "is a back door to a nuclear freeze. . . ."

Among the more radical anti-defense provisions in the House bill is a ban on funding for nuclear weapons that would carry the United States over the limits of the 1979 SALT II treaty; a ban against most nuclear-weapons testing, which is essential to maintain the reliability of the U.S. nuclear weapons arsenal—and if it need be shown, the SDI—a one-year ban on anti-satellite weapons tests, when the Soviets have had an operational ASAT system for some time; and a rejection of funding for work on new chemical weapons, an area in which the Soviets have a tremendous lead.

A fight on funding levels for the Strategic Defense Initiative is also certain as the House made a radical cut in the President's requested level of \$5.4 billion, reducing it to \$3.2 billion. The Senate has recommended \$3.9 billion. But the defense subcommittee of the Senate Appropriations Committee has added \$1.2 billion additional funds which would be added to the SDI program if the President finds that the arms-control talks have failed.

Congress maneuvers to avoid automatic cuts

The House and Senate passed slightly differing versions of an additional \$15 billion worth of budget-deficit reduction measures onto the reconciliation bill the week of Sept. 22, in what is expected to be a successful effort to avoid automatic across-the-board program cuts under the Gramm-Rudman-Hollings budget-deficit reduction act. The Pentagon, especially, had warned of the consequences of such automatic

cuts, projecting a 600,000 cut in troop strength as a result.

On Sept. 19, the Senate passed \$14.5 billion in savings by a vote of 88 to 7. This included one-time sales of Conrail and the Naval Petroleum Reserve, prepayment of loans and sale of loan portfolios from several agencies, greater revenues based on better tax collection enforcement, and other minor provisions. On Sept. 24 the House passed 309 to 106 a package of a net \$15 billion in savings, which differed by including \$2 billion in revenues from user fees, a \$3 billion increase in spending for Medicare and Medicaid recipients, reauthorization of major housing programs, and \$1 billion in savings by across-the-board program cuts including defense.

The White House reportedly objects to the size of the user fees, the across-the-board cuts, and the housing bill.

These savings reduce the projected deficit to \$154 billion, within \$10 billion of the \$144 billion Gramm-Rudman-Hollings ceiling which avoids the automatic cuts.

Critics of these reported savings charged that the Congress was using "smoke and mirrors" to come up with deficit reduction measures. Rep. Bill Frenzel (R-Wisc.) charged that it was deficit cutting by "pencils instead of knives." But Senate Budget Committee chairman Pete Domenici (R-N.M.) said it was "the best that we could do."

Immediately after passage, the Senate rejected S.J.R. 412 to initiate automatic cuts if the House did not come up with its savings, by an overwhelming 15 to 80 vote. Senate Minority Leader Robert Byrd (D-W.V.) argued that the automatic cuts of 5.6%

in defense and 7.6% in domestic programs would strike "at the heart of our military readiness budget." "I do not believe that the world situation has relaxed to the point where such reductions are wise," Byrd said.

Senate Majority Leader Robert Dole (R-Kans.) move to reconsider S.J.R. 412 in case the House and Senate are unable to resolve the differences over where the savings will come from.

Lash out at press criticism of drug bill

In letters to the editor of the *Washington Post* on Sept. 24, Rep. Lawrence Smith (D-Fla.), chairman of the House Task Force on International Narcotics Control, and Rep. Jerry Lewis (R-Calif.), chairman of the House GOP Drug Task Force, lambasted the news media for their criticisms of the House passed drug bill and for the press's soft on drugs attitude.

Smith singled out *Post* reporter Edwin M. Yoder, Jr. for his Sept. 18 "analysis" of the drug bill in an article entitled, "We Know Who Will Lose the Drug War," which he said "particularly offended" him. "His calling the current drug situation a 'nuisance' shows a complete lack of understanding of the devastating impact drugs have had on our society," Smith said. "Rather than an innocuous 'expression of social defiance and alienation,' drugs kill. Just ask any of the families of the recent victims of cocaine overdoses in south Florida."

Lewis added criticisms of the *New York Times* and the *Boston Globe* for

their pro-drug coverage. He defended the death penalty and the expanded role of the military in the war on drugs as "two of the bill's strongest provisions," and noted that the death penalty amendment passed by an overwhelming 296 to 112 vote.

Smith pointedly noted that such press coverage "belittles the thousands of federal, state, and local law-enforcement officers who fight drugs and the resultant drug-related crimes."

Farm sector in trouble? Get rid of it!

Two leading Democratic legislators have proposed a unique solution to the crisis now devastating American agriculture: Get rid of food.

This exaggeration is only slight. At a Washington press conference Sept. 23, Sen. Tom Harkin (D-Iowa), a radical populist with ties to the international grain cartel, teamed up with Rep. Richard Gephardt (D-Mo.), a self-styled centrist who entertains delusions of being elected President in 1988, to unveil a bill that would replace the current system of voluntary production controls with a program of forced cutbacks. The plan would drive up agricultural prices, by slashing production of such key items as grain, dairy products, etc.

Under the provisions of the so-called Save the Family Farm bill, the amount of grain each farmer could produce, under subsidized payments, would be determined by quotas based on domestic consumption, export demand, and reserve requirements.

Gephardt and Harkin are motivat-

ing their proposal partly by pointing to the supposed savings it would produce by reducing government-supported farm-price supports. "How on earth can we justify a \$30-billion-a-year farm program that puts millions of dollars into the pockets of wealthy farmers but also puts a third of our family farmers out of business?" Gephardt asked at the press conference.

But for all their alleged concern about the plight of farmers, the proposal "would be devastating to American agriculture," says Ewen M. Wilson, assistant deputy for economics at the Department of Agriculture. "Essentially you're talking about a massive down-sizing of agriculture. You would be shutting down a big portion of rural America. It's true you could get prices up by shutting down production. But that would make us uncompetitive in the world. It would provide foreign producers incentives to expand their own production and sell the products to us."

Similar criticisms come from Ross Karves, chief policy analyst for the American Farm Bureau Federation. According to Karves, the mandatory production controls would "end up putting a lot of farmers out of business. . . . It's what we went through in the '40s, the '50s, and the '60s, this idea . . . that you can create prosperity by not producing." During the period 1949 to 1969, when mandatory controls were in effect, the number of farms dropped from 5.6 million to 2.9 million, he said.

The same thing would happen under the Harkin-Gephardt proposal, Karves maintains. "If you're going to produce only half as much wheat, why do you need all the wheat farmers?"

National News

Will 'Black Widow' records be withheld?

The Office of the Attorney-General of the Commonwealth of Virginia has filed papers in Richmond Circuit Court seeking to block the release of the official records in the alleged suicide of former *Washington Post* owner Philip L. Graham.

Investigative reporter Anton Chaitkin, co-author with Stephanie Ezrol of the "Black Widow" series in the national newspaper *New Solidarity*, had petitioned Judge Willard I. Walker at the beginning of August to allow Chaitkin to copy the death certificate and medical examiner's reports in the 1963 shotgun death. In the series, Chaitkin and Ezrol presented a convincing case that Graham may have been murdered, after which control of the *Post* passed to the "black widow," Katharine Graham—contrary to her husband's will—thanks to the efforts of mob-lawyer Edward Bennett Williams.

Judge Walker had set Sept. 22, for a hearing in the case.

On Sept. 19, three days before the scheduled hearing, Chaitkin received copies of opposition briefs filed by the Virginia attorney-general, asking the court not to release the documents. That afternoon, Chaitkin requested and received a postponement of the hearing so as to prepare a response to the last-minute opposition.

Sermos still backs Proposition 64

Gus Sermos, former Centers for Disease Control public health official, has written to the Prevent AIDS Now Initiative Committee in Los Angeles: "This week I have been urged on several occasions to disassociate myself from Proposition 64. . . .

"A representative of the 'No on 64/Stop LaRouche' organization was gracious enough to send me information regarding their views on why Proposition 64 should be

defeated. I carefully reviewed the material sent to me. I reviewed my own material. And I also discussed the Proposition with two trusted advisers.

"There are many unknowns regarding the natural history and transmission pattern of the AIDS virus. Available evidence indicates that the AIDS virus will be widely transmitted via heterosexual activity in the United States, as it has been in Africa. . . . We absolutely cannot depend on incumbent officials at the Public Health Service and the Centers for Disease Control for intelligent, affective public health measures. Officials at the CDC have greatly deceived the public they are sworn to serve. . . .

"Therefore, why not give the voters a chance to voice their idea? . . . I maintain my original position as a supporter of Proposition 64."

Weld: 'I am an environmental terrorist'

William Weld, the Boston Brahmin U.S. Attorney who is about to become head of the Justice Department's Criminal Division, called himself an "environmental terrorist" in an interview with *Boston Globe Magazine* Sept. 21. It is the second time that Weld has made such a statement.

Weld's family is linked to the Swiss dirty-money-laundry *Crédit Suisse*, and he has been notoriously soft on U.S. bank laundering of drug funds. An associate of Lyndon LaRouche, National Democratic Policy Committee chairman Warren Hamerman, testified against Weld at confirmation hearings, unsuccessfully urging an investigation of his drug-lobby ties, related conflicts of interest, and his links to Soviet-Chinese intelligence networks.

Weld is married to the great granddaughter of Teddy Roosevelt, a specialist in "Chinese law." They have frequently traveled to China.

On the "environmental terrorist" issue, Weld confessed, "I personally don't view that as a liberal position; I view it as a conservative position. If you go back to Teddy

Roosevelt and Gifford Pinchot camping out at Yosemite, and deciding that they had to do something to expand the natural park system before it was all gone—that's conservative in the root sense of the word."

Asked what his confirmation hearing was like, Weld answered, "I liked it. Lyndon LaRouche representatives testified against me at length, and submitted written opposition and questions concerning my leadership of an international dope peddling ring and numerous alleged financial conflicts of interest." ("Your office has instituted a grand-jury investigation of some LaRouche groups, hasn't it?") "That's right. I knew they were going to show up at my confirmation hearing."

Crocker meets with Soviet-run terrorist

Chester Crocker, assistant secretary of state for African affairs, held a meeting with Oliver Tambo in London on Sept. 20. Tambo is the head of the African National Congress, a Soviet-backed, East German-trained terrorist organization which has specialized in murdering other blacks in South Africa.

According to the *Washington Post*, a State Department official confirmed the meeting.

ANC official Frene Ginwala said the two met at the request of the State Department itself "in the context" of George Shultz's upcoming trip to Africa.

Earlier the same day, Tambo met with British Foreign Secretary Geoffrey Howe.

Weinberger to visit allies

"Secretary of Defense Caspar Weinberger, at the President's request, will be departing Oct. 4 for an 18-day trip to the Far East, Southeast Asia, and Europe," Larry Speakes announced Sept. 23 at a White House briefing.

Weinberger will be discussing U.S. security interests with allies. He will go to Hong Kong, China, India, Pakistan, Italy, and Great Britain.

He has been directed to solicit the views of the officials he meets on a wide range of global and regional issues of interest to the United States, Speakes said. While in the Britain, Weinberger will also consult with NATO defense ministers.

Woman in coma survives near 'mercy killing'

A 44-year-old mother of four who suffered a severe stroke last March and spent 47 days in a coma, suddenly woke up—only six days after her husband had attempted to have the machines that sustained her turned off.

Shortly after her stroke, Jacqueline Cole's husband, Harry, who had been told by doctors she would not recover, went to court to argue that his wife would not want to be kept alive "artificially." But Baltimore Judge John Carroll Byrnes denied Cole's request—saving her life from the "passive euthanasia." Six days later, she pulled out of the coma.

Harry Cole, a Presbyterian minister, and Jacqueline appear to have now changed their views with respect to what was called euthanasia in the Nazi period. "I didn't believe a person should be kept alive unnecessarily," she said. "But miracles can happen, and on that odd chance that it can happen, people should take every step they can to see that it does."

American bishops foam over Vatican's action

Archbishop Rembert Weakland of Milwaukee, former head of the Benedictines, has become the only Catholic archbishop to publicly defend sexual-liberation theologian Charles Curran of Washington, D.C. and his co-thinker, Archbishop Raymond Hunthausen of Seattle. Curran was recently for-

bidden to teach Catholic theology, and Hunthausen was replaced in his duties by a subordinate.

Both men had insisted on calling the most un-Christian things imaginable acceptable to Catholicism, and were disciplined for denying the Magisterium of the Church.

Auxiliary Bishop Thomas Gumbleton of Detroit also denounced as "cruel" and "demeaning" the Vatican's recent action against Hunthausen. He said the Vatican's action will "intimidate" the U.S. Catholic hierarchy. He predicted that U.S. prelates "will always be looking over their shoulder to see who's watching, and afraid to speak or act."

The Vatican, through Joseph Cardinal Ratzinger of Munich and others, is clearly only beginning a crack down on what is known in Rome as the "American Heresy," and which has seen everything from euthanasia to homosexuality endorsed by sections of the American Church.

So. Carolina House called drug infested

A Republican member of the South Carolina House of Representatives created a sensation the evening of Sept. 18 when he called a radio talk show to report: "I have seen actual use of cocaine and drugs which we normally refer to as 'uppers' being used on the floor of the House of Representatives while the legislature was in session and actual debate was going on, on the floor."

Rep. Phil Bradley of Greenville said that up to eight lawmakers were involved, and some of them at times became "incoherent" during debate.

All 124 members of the South Carolina House are up for re-election, and were stunned by their colleague's accusation.

Sen. Nick Theodore, the Democratic candidate for lieutenant-governor in November, called upon fellow legislators to follow his lead and take drug tests to counter Bradley's accusations.

Queried on his office's response to Bradley's charges, the state's chief prosecutor, James Anders, said only: "He'll either have to name names or eat crow."

Briefly

● **DESMOND TUTU**, South African Anglican Archbishop and Nobel peace prize winner, will give the Dec. 10 keynote address at Houston's Rothko Chapel Awards for Commitment to Truth and Freedom dinner. (Chapel personnel say the winners have not yet been selected.) The Rothko Chapel is run by Madam Dominique Schlumberger, a Sufi mystique, who has made it into an international center for all manner of cults and "religious" terrorists.

● **THE UAW** went on record Sept. 18 against mandatory drug testing of automakers' employees, calling such action a violation of the individual's "right to privacy."

● **HENRY KISSINGER** lurked in the shadows during Brazilian President José Sarney's visit to Washington in mid-September. He was present at Sarney's State Department luncheon, and according to a secret service source, met with members of the Brazilian delegation at Washington's Willard Hotel.

● **A NEW JERSEY JUDGE** threw out the results of drug tests conducted on 103 New Jersey firefighters, ruling the surprise nature of the tests a violation of constitutional rights. Plainfield, N.J. had dismissed 16 firefighters, 2 police officers, and 2 radio dispatchers based on the tests, but Judge H. Lee Sarokin reinstated them.

● **100 HOUSE** of Representatives members, urging President Reagan to take an uncompromising stand on the Soviets' arrest of *U.S. News & World Report* correspondent Nicholas Daniloff, introduced a bill Sept. 19 to reduce the size of the Soviet mission at the United Nations. "With the arrest of [Soviet masterspy] Genady Zakharov, it is becoming increasingly apparent that the bloated Soviet contingency there serves as a haven for espionage," stated the congressmen's letter to the President.

Editorial

Du Pont and American law

Lewis du Pont Smith, scion of the historic American family, has, in his family's best tradition, made American history by having become the first American, ever, to be judged "mentally incompetent," purely and exclusively, as court records show, on grounds of his political views and commitments. He has thus become the first American ever to be subjected to a uniquely perverse treatment of political dissidents for which the Soviet KGB, alone—till now—among the world's various agencies of repression, has been notorious.

The miserable wretch of a judge who pronounced this judgment is the puny Judge Lawrence Wood of West Chester, Pennsylvania. Judge Wood, however, acted merely as the pliant instrument of the enraged Dupont dynasty and its financial agency, the \$10 billion Wilmington Trust Company, and E. Newbold Smith, the father of Lewis du Pont Smith. The du Pont dynasty is simply enraged at Lewis du Pont Smith because the latter, on grounds of philosophical and political agreement, has enlisted himself among those Americans who have committed themselves to support Lyndon H. LaRouche.

During April 1985, the du Pont dynasty asked Judge Wood to rule Lewis du Pont "mentally incompetent," for the purpose of depriving the latter of financial control over his \$1.5 million personal trust fund. The hapless Judge Wood, ran a trial which failed to establish even a legal definition of mental illness, then himself admitted on the record that he "does not know what mental illness is," and finally proceeded to rule Lewis du Pont Smith "mentally incompetent," in spite of a Pennsylvania statute which specifically requires the pre-existence of ambulatory mental illness as a precondition of ruling a person "mentally incompetent." The upshot of Judge Wood's ruling was that Lewis du Pont's personal trust was transferred to the Wilmington Trust Company of the du Pont clan.

Beyond this, the ruling, in addition, deprives Lewis du Pont of his right to vote and of his right to marry.

In his final ruling, Judge Wood indicated that he

was finding Lewis du Pont legally "mentally incompetent," not on the basis of any medical findings, but purely on grounds of Lewis du Pont's "associations and views," the latter, of course, being views and associations with LaRouche. On the other hand, Judge Wood, for the record, stated that he finds that LaRouche has "unusual goals and motives."

In short, Lewis du Pont Smith has been found "mentally incompetent" for holding "unusual goals and motives." Could the same not have been argued, in its time, against some of his more illustrious ancestors, such as Richard Stockton, one of the signers of the Declaration of Independence, or Pierre Samuel du Pont and Victor du Pont, associates and officers, respectively, of Benjamin Franklin, Lafayette, and Alexander Hamilton? Were not theirs "unusual goals and motives," in their time?

The record shows that Judge Wood was not his own man in this matter. The puny little judge from Chester County, though inimical to LaRouche, as a result of another family feud going back nearly a century, was bludgeoned into his KGB-style ruling as a result of pressures unbearable for a little man such as himself. In addition to the awesome pressure from the Wilmington Trust Company's ten billion dollars and E. Newbold Smith, the prestige and weight of Henry A. Kissinger, U.S. Attorney William Weld, the FBI, Ambassador Anne Armstrong of the President's Foreign Intelligence Advisory Board, U.S. Senator Arlen Specter, and the Pennsylvania Securities and Exchange Commission, were all brought to bear.

The result was a travesty of justice, in which, not only due process and the Bill of Rights were torn to shreds, but for the first time in history, the Soviet technique of branding political opponents "mentally incompetent," saw the light of day in the United States. We expect that Lewis du Pont Smith will be appealing all the way to the Supreme Court. In the process, we believe that the soundness of the American legal system will be on trial, and not Lewis.

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