

# EIR

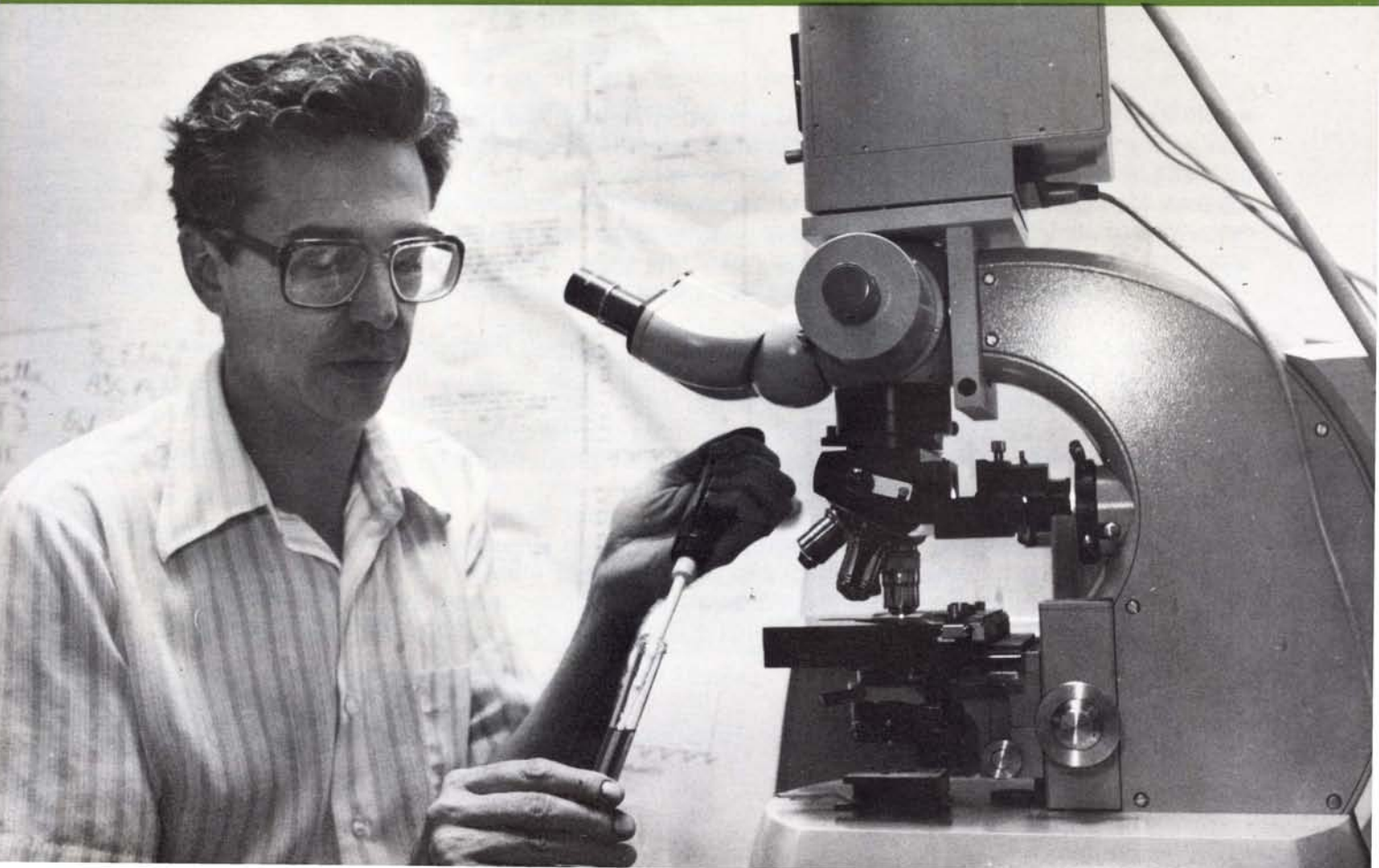
Executive Intelligence Review

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Reagan's victory at Reykjavik  
Exclusive: Pasteur Institute's Chermann on AIDS  
U.S. builds prototype lasers for missile defense

**How the superpowers could wage  
a common battle to stop AIDS**





An EIR Special Report

# Germany's Green Party and Terrorism

Moscow's Irregular Warfare Against the West

- **On May 17-18 of this year, the tiny Bavarian village of Wackersdorf** was rocked by well organized, unprecedentedly violent attacks on police guarding a local nuclear construction site. A first wave of 1,000-1,200 masked "demonstrators" drew police out from behind fences to make arrests. Immediately the exposed police were hit by a second wave of masked attackers, wielding killer sling-shots, steel bolts, and sharp steel splinters. Then, a third wave came in for targeted attacks on individual policemen.
- **In Hanover, 350 miles away, the convention of the Green Party** was taking place. Upon the news that 183 police had been hospitalized by the violence at Wackersdorf, the delegates cheered wildly. Rainer Trampert, party executive committee member, denounced the planned construction of a nuclear reprocessing plant in Wackersdorf as "a project to build a German nuclear bomb."
- **Only a few days earlier, Rainer Trampert had been in Moscow** conferring with President Andrei Gromyko and other Kremlin officials. The Soviet officials and the Soviet press had been steadily denouncing the Wackersdorf construction as—"a plot to build a German nuclear bomb."

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# EIR

## From the Editor

In contrast to other media, *EIR*, which sent three reporters to Reykjavik, does not view the Reagan-Gorbachov meeting as a failure. Lyndon LaRouche's analysis of "Reagan's victory at Reykjavik" and the threat now to the President's life, is on page 56. On page 40, Washington *EIR* bureau chief Nicholas F. Benton gives his final report from Iceland, along with an exclusive interview with Soviet Ambassador Yuri Dubinin.

Our story last week, filed from Reykjavik at our deadline late on Oct. 11, halfway through the pre-summit, had the headline, "In Iceland, the Soviets don't like talking about the SDI." How much on the mark *EIR* had been, was proven the next evening when the flabbergasted media witnessed the collapse of the meeting . . . over Gorbachov's attempt to sink the SDI.

*EIR's* Science & Technology package in this issue is devoted to the free electron laser, one of the newest and most promising areas of SDI research.

In the cover *Feature*, LaRouche focuses on the threat to the human species which is worse than nuclear war, and offers a proposal for negotiations between the United States and the Soviet Union for the greatest scientific battle ever waged—against the "species-threatening" AIDS epidemic (page 30).

In an exclusive interview, Jean-Claude Chermann of the Pasteur Institute in Paris, whose research into AIDS and African insects shook the world some weeks ago, pleads for much, much more research (page 36). *EIR* also interviewed Ambassador Kane from Senegal (page 7), the only country where large-aircraft spraying has stemmed the locust plague being spread through Africa.

More and more, our economic reporting has shifted to the domain of reporting disease and breakdown—the result of wrong financial and economic policies. We are closely watching the Oct. 27 "Big Bang" deregulation of the London stock market, which could precipitate a crash of the whole rotting world financial system (see page 4).

*EIR* journalists Jeffrey and Michele Steinberg remain, at this writing, prisoners of the KGB justice being administered in the United States by the same Shultz-Regan grouping that wanted the President to give away the SDI at Reykjavik. Despite this, the Steinbergs have not stopped fighting narco-terrorism, as Jeff's Guatemala report on page 49 attests.

*Nora Hamerman*

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Leader of a research team and part of the Pasteur Institute's department of Oncogene Virology, under Prof. Luc Montagnier, which first discovered the AIDS virus in 1983, Dr. Chermann rocked the scientific and medical community in August, when he announced that his team had found that cells of various insects, all coming from Africa, were infected with the HIV virus in their genome.

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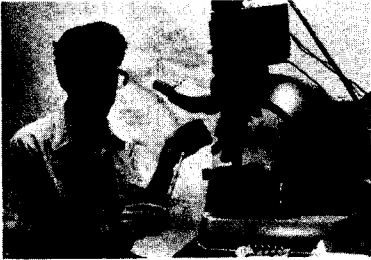
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Los Alamos/Fred Kick

Los Alamos National Laboratory scientist George Saunders removing a sample from a test tube, has announced a major breakthrough—the invention of an ultrasensitive technique to measure tiny amounts of many substances with greater precision and ease than previously possible.

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Lyndon H. LaRouche, Jr. released this proposal on Oct. 11. "One would hope that U.S. President Ronald Reagan would limit his 'summit' negotiations with Soviet General Secretary Mikhail Gorbachov to two leading topics: continued pressure on Moscow to accept the offer on SDI which the President first publicized on March 23, 1983; establishment of a special liaison agency, for U.S.-Soviet cooperation in launching an 'Apollo-style crash program' against the AIDS pandemic.

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If the President ever had lingering doubts about pushing the SDI full-steam ahead, Gorbachov removed those doubts. Moscow is humiliated and enraged. The post-summit personal threat against the President, is to be taken very seriously, writes Lyndon H. LaRouche, Jr.

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## Will London's 'Big Bang' be Merrill Lynch's last?

by William Engdahl and David Goldman

"If you're looking for a 'trigger' for a global financial crash, look to the Oct. 27 'Big Bang' which comes the same day as a new system for trading UK treasury bonds," a spokesman for London's Standard & Chartered bank said recently, referring to the deregulation of the London Stock Exchange. "There's simply too much competition going after too little market. The new factor is that all the securities markets in London after Big Bang goes operational, will be fully integrated into the corporate liabilities structure of the major international banks and financial conglomerates. If a crash hits in the London equities markets, it could quickly spread. After all, Euromarkets are also based in the same institutions in London."

On the surface it sounds technically straightforward, even rational. On Oct. 27, formally, the City of London, the world's second largest financial center, will imitate the financial "revolution" spearheaded by Merrill Lynch's Donald Regan and others on Wall Street a decade ago.

Some 64 City of London brokerages have been bought up by banks, mainly international banks—the same banks that are teetering on the edge of bankruptcy: S. G. Warburg, Citibank, Chase Manhattan, Security Pacific Bank, Shearson-Lehman American Express, Merrill Lynch, Crédit Suisse-First Boston, Hongkong & Shanghai, Banque Bruxelles Lambert, and Banque Arabe et Internationale, to name only a few.

About a trillion dollars worth of financial instruments of

all kinds are traded daily on all markets; the big players are betting the store that the opening of the London exchange will trigger a rapid expansion of trading volume.

The Bank of England and the Thatcher government are opening access to a financial market, the London Stock Exchange, which last year traded stocks and U.K. treasury bonds (termed gilts for their gold-edged paper) valued at some \$540 billion. In addition, by merging this stock trading together with banks and other financial houses, some \$600 billion of assets managed in London by various banks will be merged.

London already controls the world's most active physical commodities market, and is rapidly developing a commodity futures market on the U.S. model. Further, partly because of its historic role, London today remains the center of capital raised by most West European governments, far in excess of any domestic continental market for government bonds or other capital. After "Big Bang," all this will be locked into the same, above-mentioned, multinational banks. Thus, if one or several big disasters hit, the unwinding of over-leveraged paper could be the financial equivalent of a hydrogen bomb.

### Chain-reaction potential

The undercapitalized brokers are the weakest link in a global chain, comprised of \$3 trillion of financial guarantees of various sorts. These "off-balance-sheet liabilities" now

exceed the assets of the top 20 U.S. banks by 150%, and, for some months, were the subject of panicked pronouncements on the part of the bank regulators. Once the regulators realized that the problem had gone too far—that there was nothing they could do about it—the public pronouncements stopped, while the problem went on.

Available estimates of off-balance-sheet exposure of commercial banks, alarming as they are, do not take into account the expanding, quasi-bank functions of the major brokerage houses, e.g., Merrill Lynch, First Boston-Crédit Suisse, Salomon Brothers, Shearson Amex, and so forth. As underwriters of options, swaps, and similar forms of foreign-exchange or interest-rate guarantees, they have taken on a credit-creating function, and their activities are in many respects indistinguishable from those of the banks. The difference is that their market capitalization is much thinner than that of the banks, even when the banks' full liabilities (including off-balance-sheet liabilities) are taken into account.

Precisely what the real risk attached to the global brokerage firms may be, is difficult to discover from available data. Futures, forwards, and other contractual obligations, i.e., what banks call off-balance-sheet liabilities, are not even encompassed on their balance sheets.

It is not merely a question of the soundness of each brokerage house, evaluated from the standpoint of its own exposure; one house's speculation is another's hedge. The failure of a major writer of options or futures contracts to meet its obligations, would destroy the hedges of many other firms, endangering their capitalization in a volatile market. For example, if Salomon Brothers is short a bundle of German marks, and covered that short with a call option on the mark written by Merrill Lynch, and Merrill Lynch cannot make good on its option, Salomon could be in big trouble. Since the brokerage firms have taken on a bank-like function, the failure of one or many of them would destroy a volume of other firms' assets many times in excess of their own capitalization.

That danger has not gone ignored by the regulators. On Sept. 16, Robin Leigh-Pemberton, governor of the Bank of England, that country's central bank, warned a private meeting of bankers in London, convened by the Group of 30, that "globalization of international securities markets has heightened the risk that the failure of one single large securities house could endanger the health of the world financial system," according to *Financial Times* banking correspondent Peter Montagnon. Significantly, at the same seminar, Stanislas Yassukovich, the chairman of Merrill Lynch London, protested that there was no immediate likelihood of such a collapse. The voices of apprehension have been drowned out in the clamor for greater trading volume, and not surprisingly, since an attempt to cut back on the banks' riskiest operations would probably precipitate a crash in itself.

One principal of a major London brokerage characterized

the situation under the new deregulated regime. "You as a client will have to place exceeding trust in the personal integrity of your broker. The opportunities for conflict of interest in this situation are enormous. Nobody really can predict what will happen after Big Bang."

This is not entirely true. Already, one can anticipate fairly accurately, based on the players who will dominate London after Oct. 27. The world's largest securities trading and banking conglomerate, Merrill Lynch, is reportedly the house most exposed in the emerging London markets. According to New York brokerage sources, Merrill Lynch, through its London Merrill Lynch-Giles & Cresswell, has already moved in a few short months, even before Big Bang, to dominate 15-20% of the market in U.K. government bonds. It proceeded to lose over £25 million during the September shake-out in the gilts market, alarmed London sources report.

But, the same Merrill Lynch was "black-balled," according to London financial insiders, when it tried early this year to gain a seat on the London Stock Exchange and the privilege of setting policy for regulation of the market.

### **Global 24-hour trading**

Under the new regime, London becomes, because of its position in the center of the world's time zones, the heart of a global trading market. The deregulated City will be able to start the day in trade with Asian markets still open, and end the same day with New York markets just beginning. With computerized trading, this global scale will open the doors for staggering shifts in world capital. In reality, it is the financial side to Bertrand Russell's old dream of world government. Like Russell's model, this will be every bit as dictatorial. The "free market" will dominate the credit markets of the entire non-communist world.

The new chairman of Merrill Lynch Europe Ltd. in London, Stanislas Yassukovich, one of the world's most seasoned dealers in bearer securities used to evade national tax, Eurobonds, says of the impending change, "London will be the center of development of the global market. London's services are less fragmented than those in New York and Tokyo. More can be combined here and more can be readily exploited." The last is understatement. Yassukovich will have an old friend at Merrill Lynch to conspire with: Michael Von Clemm, a flamboyant Harvard-trained American, who for the past 15 years has dominated the Eurobond market as founder of London's Crédit Suisse-First Boston, since March has been in New York on a reported \$1 million salary, to head Merrill Lynch Capital Markets, the firm's global investment banking arm. At the time Von Clemm stated, "Merrill Lynch has set the pace for the entire industry in the globalization of the capital markets."

Since Don Regan arranged the merger of White Weld into Merrill Lynch in 1978, Merrill has become increasingly dependent on illegal money flows for revenues. One Merrill

Lynch branch manager in Europe reports that the institution's current biggest earner is margin loans to offshore customers, including a high proportion of drug dealers. It appears that Merrill's salesmen discovered that high-rollers in the drug business preferred ultra-high-margin, speculative accounts, buying securities for as little as 10% down. Merrill Lynch takes an interest spread of several points on such margin loans, making this business its most profitable line.

### Collapse of stock market boom?

One of the prime attractions of the London Eurobond market which Michael Von Clemm and Yassukovich have created has been the fact that it deals in "bearer bonds," meaning unregistered securities. This is important for anyone in the "underground economy," as there is no transaction record. Crédit Suisse, Merrill Lynch and other large international houses with access to Swiss banking secrecy, have made a killing in this market in recent years. Now, under the deregulated City of London, these same actors will set the rules for the "self-policing" regulation of the City of London after Big Bang. In a scenario a little like placing the fox to guard the henhouse, the London Stock Exchange in September agreed to merge with the Eurobond regulatory agency, the International Securities Regulatory Organization. Under the terms of the merger, the new "regulatory" body, to be known simply as the Stock Exchange, will be controlled 50% by the Merrill Lynch, Crédit Suisse Eurobond houses. This means that the body which decides penalties for a firm dealing in illegal trading practices will be made up of those firms which have become notorious in recent years with the very abuses themselves.

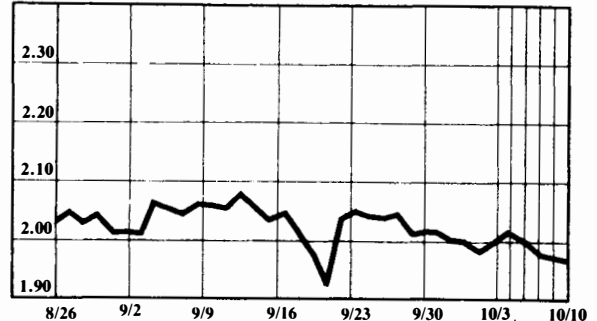
Whether Oct. 27 is an immediate trigger for a global Black Friday, it opens the way for the bankrupt financial houses to expand their cannibalism of the world's real assets massively. With an estimated \$2.2 trillion of publicly traded stock shares held outside the United States, London is a prize target for the international giants like Merrill Lynch. The U.S. firms such as Merrill Lynch, Salomon Brothers, and Chase have already sunk a reported \$4.5 to \$6 billion into merger acquisitions and office and computer facilities in London in advance of Big Bang.

The risk of triggering a global crash from this Big Bang process is enormous, by all estimates. Even *Business Week International* last May 12 admitted, "The risk, of course, is that if the sizzling debt and equity markets cool, investment bankers' grand global dreams could collapse. . . ." One London merchant banking insider was more explicit. "There are very real fears that we are at the end of a global bull [rising prices] market. For the last year, we have seen huge volumes on the stock exchanges of Europe. But this is a one-shot adjustment of undervalued stock prices. If we were now to see a sustained U.S. bear [falling prices] market, under Big Bang integration of markets, this would turn a process of competitive bloodletting into an absolute massacre."

## Currency Rates

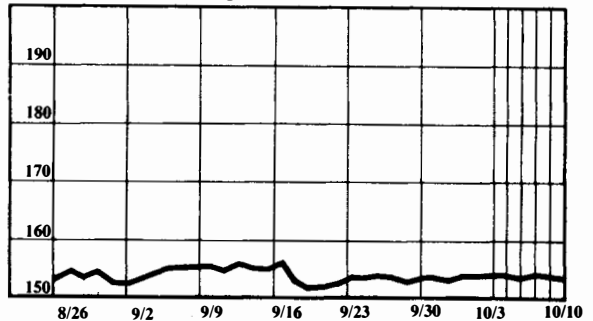
### The dollar in deutschemarks

New York late afternoon fixing



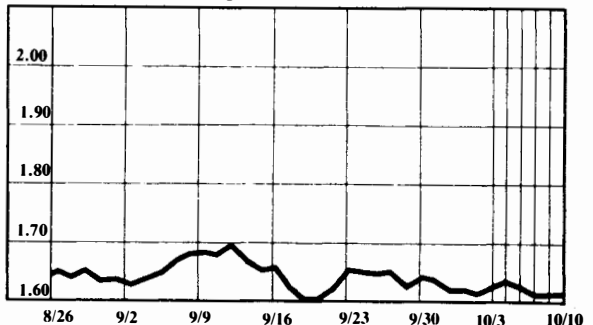
### The dollar in yen

New York late afternoon fixing



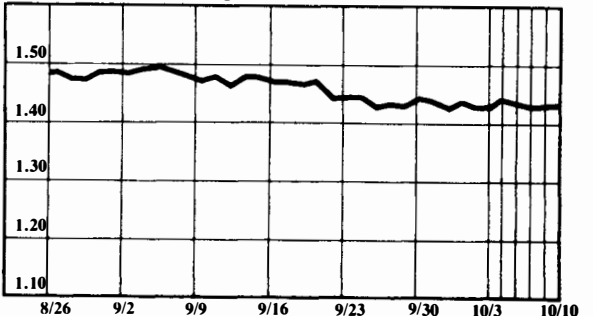
### The dollar in Swiss francs

New York late afternoon fixing

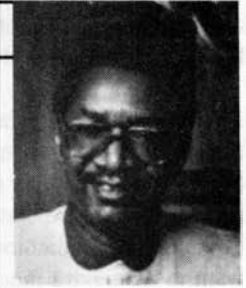


### The British pound in dollars

New York late afternoon fixing







## DC-7 spraying against locusts a great 'success story'

*The Republic of Senegal's ambassador to the United States, His Excellency Falilou Kane, was interviewed Sept. 25 by Marjorie Mazel Hecht about the successful large-plane pesticide spraying that took place in Senegal in early September. After months of inaction by international relief agencies and the U.N. Food and Agriculture Organization (FAO), the U.S. government finally made some assistance available to Senegal, although other affected countries suffered heavy damage. The ambassador heads a mission of 15.*

**Q:** Your country is the only one in Africa to have a successful eradication effort against the grasshoppers and locusts, because of the large-scale aerial spraying by the U.S. DC-7s.

**Kane:** Yes, the large-scale spraying has been effective at this time, thanks to the United States government assistance and that of other countries, and of course what our government decided to put in. We decided to pay more than \$2 million to buy the pesticide product. We had asked some European countries to do it; they were hesitating, and so our government decided to buy the right product for the job, malathion.

**Q:** What is the situation now?

**Kane:** I just talked this morning with the Minister of Rural Development who told me that the first phase is accomplished. We hope that in that area everything has come back to normal. We had as many as 350 grasshoppers per square meter, and as you know, with only 8 per square meter, they eat as much as 60% of the vegetation. So it means that if we had not done anything, this could be disastrous for the people in this region, for the cattle, and for the environment. So for us, it is really a great success.

**Q:** How much of the area that was sprayed was cropland and how much grassland?

**Kane:** It was around 350,000 hectares altogether, mainly in an area where we have crops and grassland—in the northeastern region of Senegal, in Matam, Bakel, Podor, and Luga.

**Q:** What are the predominant crops in the northeastern part of Senegal?

**Kane:** It is millet and sorghum. We have rice in the vicinity of the River Senegal, cowpeas, and sugar not far from Daganah and Podor. We also have a lot of cattle. We have the most important part of our cattle grazing areas there.

**Q:** Are the cattle used for milk and meat?

**Kane:** Milk and meat, yes.

**Q:** The thing that has disturbed me the most about the FAO's program is that they do not intend to spray in the grasslands. They plan only a very spotty crop protection effort, and it seems to me that this will cut off the meat supply and milk supply if the cattle have nothing to eat because the grasshoppers are devouring the grasslands.

**Kane:** Most importantly, it is one of the ways of desertification. If they don't have anything to eat there, sometimes the people cut off the branches of the trees, and the cattle go down sometimes into the southern part of the country. Sometimes, we even have cattle from Mauritania crossing the river coming into Senegal to eat. I don't know if you have seen camels going in herds trying to find food; they eat everything. It is part of the process of desertification in some areas.

**Q:** That is what happened in the United States in the 1930s,

when they stopped controlling for grasshoppers.

**Kane:** It brought the dust bowl.

**Q:** How did the population respond to this spray program?

**Kane:** The population was prepared for this program because, by radio and by some of our people, we advised them to take care of the water and the cattle during this period. This product [malathion] is not harmful for humans, but we want to take extra precautions. I even see in our paper, *Le Soleil*, that everything went well, the population has accepted it, and hopefully it succeeded.

But it doesn't mean that everything is solved, because we think that before the end of the rainy season they might have some occurrence of grasshoppers in other places. That's why we have asked for the planes not to leave, in case we need another period of spraying.

**Q:** Is that because, after the rains, the grasshoppers will breed again, even if only a few are left?

**Kane:** Exactly. This is the case and we don't want them to spread in some other areas.

**Q:** What about the neighboring countries and the infestation there? How will the program in Senegal affect them?

**Kane:** In our organization, the Interstate Committee Against Drought and Desertification (called CILSS), we tried to exchange information, mainly between Senegal, Mali, and Mauritania. I might say that the initiative I took here with my colleagues from Mali and Mauritania brought the AID people to act very quickly, because we went to see them, and Mr. Edelman had just come back from Mali and was conscious of the disaster. So we said that we need to do it quickly and effectively, before Sept. 15. Fortunately, this has been achieved for Senegal, but in the other countries, it's a little slower. These grasshoppers and locusts don't know any frontiers, so they might move from Mauritania to Senegal, or from Mali to Senegal, and back and forth. This is why we think that action needs to be taken in the other countries.

**Q:** But your country is the only one where the big DC-7s have sprayed?

**Kane:** Yes, because we did not accept the advice of some experts saying that we did not need these big planes, what we needed was spraying on the ground or spraying with small planes. So we decided ourselves to do it quickly with the big planes, and I can say it was effective in our country. Perhaps it will help the others to understand that big action is needed sometimes.

**Q:** How did the decision come to be made? You said that you had opposition from some of the experts, but your own experts knew that they needed a big-plane effort.

**Kane:** Yes. It came from the President himself. He talked to me, and he asked me to do a certain type of work with the

State Department and AID, and I reported to him after I did it. He himself decided and instructed the Minister of Rural Development to take quick and strong action. So I can say that even some experts were caught short, since the decision was made at the highest level.

**Q:** Historically, what has been the situation with grasshoppers and locust plagues in your country? Have you had this kind of infestation in the past?

**Kane:** Oh yes, I remember when I was young, 1950 or 1956—I don't remember exactly—a lot of swarms of locusts at the time. I tell you that when they pass in a country or a region, nothing stays on the ground. Even the trees suffer, they eat everything edible. They leave only what they cannot eat. It is terrible, mainly during the rainy season. If it comes during the dry season, it's less harmful.

**Q:** Knowing this horrifying prospect, it's hard to understand why large-scale action wasn't taken sooner elsewhere.

**Kane:** One of the reasons is that, for a long time, we did not suffer from locusts. The two organizations created to combat migrant locusts or solitary locusts in West and East Africa finally did not do any work; they did not have the means to do it. The planes and equipment they had were rotting. And now when we need them, unfortunately they do not have the means to do it. That's why we had to ask for emergency assistance from countries like the United States, Canada, the European countries, and Japan. Some of them gave money to help buy the products, some of them, like the United States, intervened with planes. The Canadians are still there, and I heard that the British and the Danish are ready to help, too.

**Q:** Does Senegal intend, from the top level, to help other countries take more of a strong stand and say that they want the big planes?

**Kane:** Yes. Our President is the chairman of that organization that I was talking about, the CILSS, which has its headquarters in Ouagadougou. Each year they have a meeting of heads of state and one of them is designated to be the current chairman. This year it is the President Abdou Diouf of Senegal. . . .

If the other countries think that it is needed, to pursue it and ask for more assistance, I think that the United States is ready to help and let the planes go to Mali, or Burkina and Mauritania. The planes are grounded now in Senegal waiting to be used.

**Q:** I have tried to find out from the United States why the planes did not already go to Burkina, or to Mali, or to Niger, which requested this aid.

**Kane:** I don't know what is the reason. These countries have good relations with the United States and we, as I said, had made a joint request—Mali, Mauritania, and Senegal—to

obtain the assistance of the United States. Maybe it is because of some bureaucratic problems in these countries.

**Q:** Can you tell me a little bit about your background before you became Ambassador here?

**Kane:** It's a long story! I started my career here in the United States as Minister Counselor for two years, at the same time covering the U.N. 1966-67. Then I worked for seven years as secretary-general of an economic regional organization called OCAM. This is the organization that created many

specialized institutions, regional schools in West and Central French-speaking Africa. Then I was asked to become Ambassador to Canada for four-and-one-half years, and then I went to the U.N. as Permanent Representative of Senegal for two years, 1979-80. From 1980 to 1982, I was Minister of State in Senegal, and then I decided to run for election, and I was elected for five years, but after two years I thought that I was losing part of my time, and I decided again to enter the diplomatic service, because I am a foreign service career officer. So, I was appointed here in August 1984.

## Locust plague continues

The successful large-plane effort in Senegal stands in sharp contrast to the disastrous infestation of locusts and grasshoppers that continues to sweep across the continent. As was absolutely predictable, the policy of the U.N. Food and Agriculture Organization—small-scale, spotty spraying efforts around croplands, ignoring the vast grassland areas where the pests breed—has allowed the destruction of crops that can only lead to more famine and more deaths.

As the country-by-country report indicates, the situation is grave in West Africa and the Sahel. In East Africa and southern Africa, where locust eggs are expected to hatch during October-December, there is still time to mount the kind of big-plane effort that could stem further disaster. The United States and its allies must bypass the genocidal policy of the FAO and fund a crash program on the scale to get the job done.

Here is the situation in West Africa, as reported in the most recent bulletins of the U.S. Agency for International Development and the FAO's Emergency Center for Locust Operations in Rome:

**Senegal:** Abundant rains at the end of September spawned a second generation of hoppers, some in the already treated areas and others in untreated areas, totaling 650,000 hectares. The DC-7s' second round of aerial spraying with malathion was completed Oct. 17.

**Gambia:** The government declared a disaster Oct. 14, as more cropland came under attack. According to the U.S. AID, the DC-7s are scheduled to spray soon; 250,000 hectares are considered as top priority and another 120,000 hectares of grassland will be done if possible.

**Mali and southeastern Mauritania:** FAO reported that 130,000 more hectares in Mali required treatment in October, but that there were "pesticide shortages." In Mauritania, FAO reported another 170,000 hectares re-

mained to be treated, with grasshoppers at densities of 150 per square meter. The U.S. AID reports, "The window is rapidly closing and not enough time remains to use only small aircraft." The DC-7s sprayed Mali and southeastern Mauritania on Oct. 14, covering 40,000 hectares of the worst infested areas with malathion. In addition, small planes were scheduled to do more targeted spraying.

**Chad:** Locust swarms invaded the capital Ndjamena, and the government began aerial spraying there Oct. 6. Although AID reported, "The pests impede the flow of traffic and paralyze certain activities at nightfall," AID opposed the spraying on the basis that the locusts were "not causing any harm" and that it was a "waste of precious resources" to direct pesticide at something other than crops.

**Burkina Faso:** Crop damage was heavy, after the FAO acted to prevent the DC-7s from doing large-scale spraying.

In Botswana, where the government spent \$1.6 million last year fighting the brown locust, the "most dangerous threat from locusts . . . is now to be found," according to the FAO. Yet, when Botswana requested \$8 million in aid to fight the plague and keep it from spreading, the second in command at the FAO's Emergency Center for Locust Operations scoffed, saying that this amount was far too much to spend in one country.

The early breeding in Botswana and favorable weather conditions for hatching mean that the surrounding countries—Namibia, Angola, Zimbabwe, Mozambique, and Swaziland—are threatened as well, if the locusts are not effectively checked in Botswana. A new generation of brown locusts is produced every six weeks, and if the soil is dry, the eggs can survive for years in the soil without hatching, so it is extremely important to eradicate the hoppers when they do hatch. Each locust generation is 10 times the size of the previous one.

One promising development is the ongoing cooperation of the government of South Africa with the neighboring black African states on locust eradication.

—*Marjorie Mazel Hecht*

# Economic policy held key to war on drugs

by Mark Sonnenblick

President Reagan's commitment of the United States to a war on drugs has begun to cut through what Mexican Attorney-General Sergio García Ramírez called "obstacles and diversions" to this effort. Mexico hosted the attorneys general from 13 Western Hemisphere countries in Puerto Vallarta on Oct. 9-10. At the same time, the United States, by providing helicopter fleets to be flown by local pilots for anti-drug use in Peru, Colombia, and Bolivia, has taken a belated first step toward serious levels of anti-drug aid to South America.

García Ramírez characterized the two days of secret sessions as "extraordinarily positive and useful." He had called for the conference in August, at a moment when dirty elements in the U.S. law enforcement community were using the existence of similarly corrupt persons on the Mexican side as a pretext to paralyze anti-drug cooperation between the two countries. García Ramírez, in his speech at Puerto Vallarta, noted how Dope, Inc. "is clever at provoking confrontations between those who fight it." He charged that the mafia "manages to turn friends into enemies and make allies suspicious of each other; that is why it defames."

The *New York Times* complained that the meeting was "a diplomatic success" for Mexico. U.S. Attorney-General Edwin Meese stressed that García Ramírez and Mexican President Miguel de la Madrid had "become world leaders in the war on drugs." Meese took the extraordinary step of recognizing that members of his Justice Department are among those corrupted by Dope, Inc., but the U.S. press chose to black out his frank admission (see *National News*, pages 70-71).

## Financial constraints

The Puerto Vallarta meeting was the first cabinet-level session of continental leaders since President Reagan announced his war on drugs. Meese told the press that he went there "to let them know personally, face to face, the commitment of the United States to work with their drug enforcement efforts, and our internal commitment to create in our own country a drug-free environment." That commitment was appreciated by leaders of impoverished Ibero-American countries fed up with the burdens of unilaterally fighting drugs when demand-pull for them from the United States remains unabated. They have long demanded action in the United States, and the Reagan administration's new cam-

paigned eased the way for the frank discussions in the meetings. During two days behind closed doors, they were able to get their concerns across to Meese, Drug Enforcement Administration chief John Lawn, and Assistant Secretary of State Ann Wroblewski, who will pass them on to President Reagan.

Unanswered economic questions were primary among those concerns. As the *Baltimore Sun* reported, Peruvian Justice Minister Carlos Blancas "found it contradictory that the United States wanted Peru to devote significant resources to combat drug trafficking while at the same time demanding punctual debt payments."

Bolivian Interior Minister Fernando Barthelemy also raised the question of how to win a war on drugs when his country is dependent for half its foreign income on cocaine revenues. In the past, the World Bank encouraged such dependency as the best way to assure debt payments amid collapsing world demand for Bolivia's tin and oil. Barthelemy noted that most of the coca leaves are grown by 80,000 peasants with less than 1 hectare of land each.

He warned that unless Bolivia's legal economy is given a tremendous boost, drug traffickers would be able to buy the presidency, democratically. "A presidential campaign costs \$15 million. All that is necessary is that two drug-traffickers pull together the money for an electoral slate, and then, if they win, collect on their invoice, and in this way, they can operate freely."

A sample of the problem was given Oct. 10, when the mayor of the jungle town of Santa Ana led a stone-throwing mob which chased Bolivian anti-narcotics police and their U.S. army helicopter pilots out of town to stop them from arresting 12 mobsters. The town is owned lock, stock, and barrel by "Cocaine King" Roberto Suárez.

President Reagan is being told that resistance to direct deployment of U.S. troops in Ibero-America comes only from "leftists." Most of the region's Presidents, however, find foreign troop deployments politically destabilizing and a threat to their national sovereignty. They are asking the United States to arm their own anti-drug police with the state-of-the-art equipment needed to smash the rich and well-armed drug mafias.

The United States is taking small steps in that direction. Three 12-passenger Bell helicopters, with advanced radar simple enough to be operated by Bolivian pilots, arrived in Bolivia Oct. 11. By month's end, they will replace three U.S. Army choppers and their crews. Three of the same, plus one C-123 transport plane fit for short jungle airstrips, are in Colombia, ready for permanent deployment in the Andean region. If used in Peru's Huallaga Valley, a Lima-based U.S. anti-narcotics official told UPI, "We could run the traffickers down into the ground within six months if we were working every day." He urged that such fleets be deployed in several countries simultaneously to prevent the narcotics traffickers from escaping, "This thing has to be done regionally. It's got to be done in all these countries, kicking someone's tail every day."

## Dollar crash to be forced on U.S.?

*It's American Express Bank's "final solution" for the U.S. budget deficit.*

American Express Bank, in a report published Sept. 29, while the International Monetary Fund's Interim Committee was announcing a collapse of the policy-consensus among Western nations, revealed the inner workings of Treasury Secretary James Baker's curious mind: Baker had warned that U.S. authorities would force the dollar down unless its trading partners agreed to reflate. Until then, Federal Reserve chairman Paul Volcker had been warning that a further fall in the dollar might provoke an outflow of the foreign investment that had financed both the current-account deficit and the budget deficit up to that point, with disastrous results.

It appears that a new policy consensus has emerged out of the ruins of the Group of Five's September 1985 "Plaza Agreement," to permit a dollar crash to force a sudden reduction of the U.S. deficit. Amex, about which it is not irrelevant to note that Henry Kissinger is a member of the board of directors, writes in its Sept. 29 *Review*:

"The evidence suggests that a level of well under DM 2.00 or perhaps even below DM 1.50 can be justified" for the U.S. dollar. The bank adds, "On strict competitiveness grounds this . . . view is supported by analysis of trends in inflation and productivity over recent years." Echoing the U.S. Treasury's threat to bring the dollar down even further, Amex Bank recommends a further dollar collapse as "the easiest way for the U.S. to resolve the problems created by the pol-

icy mismatch of recent years, without a recession."

How is this possible without recession? "The lower dollar will both reduce the U.S. trade deficit and stimulate faster economic growth. A falling trade deficit will make it imperative that the budget deficit is reduced—otherwise U.S. interest rates will inevitably rise as the capital inflow declines. Domestic investment would be 'crowded out' by the Federal deficit. But as exports rise and imports fade, this will stimulate the U.S. economy and provide a window of opportunity for Congress and the administration to finally reduce the budget deficit."

Meanwhile, the dollar-sterling crisis continues, despite a politically unpopular rise in British interest rates. The Bank of England's increase of its base lending rate from 10% to 11% on Oct. 14 will hurt Prime Minister Thatcher's re-election chances, but has not helped the sinking pound. Thatcher's increase indirectly puts additional pressure on the dollar, which has only European and Japanese central-bank support going for it—a staggering total of \$38 billion of intervention this year so far, and most of it coming during the third quarter.

Because European central bank intervention has propped up sterling, the European faction which wants to cut loose from the dollar—centered in the German Bundesbank—has additional leverage to demand that sterling leave the dollar orbit.

According to the London *Times* of

Oct. 13, the Bundesbank chief Karl Otto Pöhl will indicate to Prime Minister Thatcher that the Bundesbank is reluctant to continue supporting the pound as it has since the September "Gleneagles" meeting of European Community finance ministers agreed on common action to guard against a further fall of the dollar. Pöhl, who has advocated U.K. membership in the European Monetary System, will meet Thatcher in London on Oct. 20. Thatcher is reported adamantly against U.K. membership in the European currency zone as it would limit her ability to apply credit stimulation prior to the national elections. EMS membership requires strict central-bank adherence to common targets, regardless of domestic needs.

German Finance Minister Gerhard Stoltenberg warned over the Oct. 11-12 weekend that central bank intervention could not change the dollar's trend, echoing previous warnings by the Bundesbank. The domestic consequences of the Bundesbank's intervention have now become a political pretext for the German authorities to let the dollar collapse. According to a spokesman for the German economic institute, IFO, the Bundesbank target of 3.5% growth of money supply has been exceeded by double, to 7%. "The Bundesbank is in a bind. The EMS rules dictate the expansion of money supply to keep currency stability at present, while domestic policy calls for far tighter credit."

Thatcher's own position is slipping, and the sterling crisis is out of control. The Bundesbank faction that wants to let the dollar go (the so-called Swiss group) knows what the strategic consequences would be: They look to a neutralized Germany in the Soviet sphere of influence. But it appears that they have made Treasury Secretary Baker an *ex-officio* colleague.

## Doomsday for U.S. banking system

*"Securitization" means that the transformation of the U.S. banking system is now complete.*

Now that the annual volume of federally and privately issued mortgage-backed securities will converge on \$400 billion a year, and every stray receivable from auto loans to credit-card balances is being packaged for resale in the form of bonds, the transformation of the U.S. banking system is complete.

Commercial banks and finance companies no longer make money by lending to consumers: They have become a mere intermediary for the investment banks, which package such loans as collateral for bonds. Savings banks no longer hold home mortgages; they resell their mortgages to a public or private packager, and use the proceeds to buy the bonds themselves.

Bonds collateralized by the sort of assets banks used to hold in their own portfolios now dominate the U.S. credit markets. In addition to about \$230 billion of federally guaranteed mortgage "pass-through" securities (because home-mortgage payments "pass through" to bond holders), private mortgage securities are being issued at a \$133 billion annual rate.

Half of all mortgages issued during the third quarter were purchased for "securitization," against only a third during 1985.

Now that General Motors Acceptance Corporation has sold off some \$4 billion in auto loans (via First Boston Corporation), in the largest corporate financing in history, and Salomon Brothers has packaged banks' credit-card receivables for sale as "CARDS" (Certificates for Amortizing Revolving Debt), there is not much in the

store left to hypothecate.

Securitization is supposed to spread risk around and make everyone safer. In the case of home mortgages, it is supposed to provide a buffer against swings in interest rates, because the collateralized mortgages bear a floating rate, as do the bonds packaged out of them.

On the contrary, it subjects the entire asset base of the credit system to wild swings based on the market-valuation of such securities. It creates circumstances under which a sharp rise in interest rates, let alone the predictable solvency problems at an agency which guarantees home mortgages, could massively devalue the assets of the thrift industry, throwing thousands of thrifts into immediate insolvency.

Why, indeed, have banks chosen to package and sell off such high-yielding risk assets as credit-card receivables and auto loans, let alone home mortgages? The entire purpose of a banking system is to permit the holders of a bank's capital to make more money than they might by investing in Treasury or high-grade corporate bonds, by risking it in such loans.

The answer is simple: The banks are bankrupt and forced to raise cash. By "securitizing" the debt, the banks do raise money fast; but the bankruptcy is spread to the rest of the credit system.

For example: The Federal agencies which guarantee payment of the nearly trillion dollars of mortgage-backed paper outstanding have capital

to cover about 1% of the bonds they guarantee. Residential mortgages more than 90 days past due rose to 1.07% of all mortgages outstanding in the second quarter of 1986, from 0.91% in the same period in 1985. The rise in delinquencies is attributed by commentators to the weakness of regional economies. Since 31 of America's 50 states are now in severe depression, the regional problems of oil, farming, steel, and so forth add up to a national disaster. As the delinquency rate worsens, the capital of the federal agencies will be wiped out, Congress will have to put in additional funds, and bondholders will wonder how much the guarantee of the U.S. government is really worth.

If interest rates rise as well, not only will the delinquency rate for floating-rate mortgages soar, but the mortgages themselves will lose value, since the floating-rate formula lags market rates by months.

What happens, then, to the savings banks who substitute "liquid" bondholdings for mortgages in their portfolios? One of the advantages of being a bank is the ability to lie about the quality of one's assets; a bondholder is told the value of his assets by the market each day. During the 1979-81 rise in interest rates, savings banks could at least hold old mortgages on their books at face value.

Now, they will be in the same position as the commercial banks, who are covertly selling off loans to developing-sector borrowers on a gray market, at 20-60¢ on the dollar. Rising consumer loan delinquencies, combined with rising interest rates, will wipe out much of the value of the "securitized" assets, and the financial institutions holding them will have to report the decline in value on a quarterly basis. That will trigger hundreds of simultaneous insolvencies.



## No record harvests in 1986

*But all the talk of record "surpluses" in Congress and the media has set a record.*

**T**he Oct. 10 crop harvest estimates released by the U.S. Department of Agriculture, show no record grain harvests. Most crop harvests will be lower than last year, with a few exceptions such as sugar cane, sugar beets, and oranges. Yet, the talk of how to cope with the grain "surpluses" has reached record levels, with numerous proposals coming from both the so-called right (free market) and so-called left (mandatory production controls) because of the November elections.

Those commentators not bound to electioneering, such as the newsletter *The Reaper*, to name one, also wrongly agree that there is overproduction of food commodities. However, *The Reaper* has the sense to identify part of the cause of the current farm financial crisis as the result of policies imposed by the World Bank, International Monetary Fund, and the Federal Reserve.

The reason there is the aura of truth to the myth of "food surpluses" is that you can see grain piling up in make-shift storage in the foodbelt states, because: 1) world food trade volume has declined by millions of tons a year, and U.S. grain exports have been the major part of that decline; and 2) domestic grain use for livestock has declined because U.S. meat animal inventories are declining rapidly. In addition, the storage network of the country has been hit by bankruptcy and deterioration in the past few years of "recovery."

What is required is a drastic change in foreign policy to favor treaty-commitments among Western nations for food flows to Africa and other points

of need, and among developed nations, at parity-related prices, in order to favor the mutual interests of the trading partners and upgrade nutrition levels.

Instead, there are proposals for more food trade wars, and production cutbacks.

Senator Tom Harkin (D) from Iowa is leading the grandstanding for food reduction and mandatory production controls, as part of the Democratic Party drive to win more Senate seats in farm states. He has introduced a "Save the Family Farm" bill (which will die with this congressional session) calling for 70% parity and compulsory food reduction.

A liberal outfit called the Populist Forum is running what it calls a "Hope for the Heartland," get-out-the-vote campaign for the elections. The famous country yeller Willie Nelson fronted \$250,000 from FarmAid, Inc., for a Sept. 11-13 "Farm Congress" in St. Louis, a big splash for Harkin's bill.

Most farmers do not see this as a decent alternative to the current disastrous farm policy, nor do they favor the radical "free market" proposals to have farm commodity prices fall even more, for the sake of mythical "competition." Wherever there have been "LaRouche" candidates, Democrat or Republican, running in farm-state primaries, for example, in Oklahoma, where farm leader George Gentry polled 33% in the statewide race for Senate, the farm vote has been 15-45% in favor of the LaRouche emergency economic program.

For most farmers, the litmus test

of a decent farm program is the question of morality: Why should food be decreased, or allowed to rot, when there is hunger in the world? By this criterion, there are no "surpluses."

Even according to the latest USDA crop estimates, which usually overstate the truth, the 1986 harvests are not so huge relative to potential domestic and world need, and in all cases down from last year:

The corn harvest is estimated at 8.22 billion bushels, 7% smaller than last year.

Soybeans are down an estimated 5% to 1.99 billion bushels.

Grain sorghum (an important animal feed) is estimated to be 887 million bushels, down 20% from last year.

The total wheat crop this year (spring and winter combined) is estimated at 2.07 billion bushels, down 13% from last year's 2.4 billion bushels.

Rice production this year is estimated to be 130 million hundred-weight bags, down 5% from last year.

Peanut production is estimated to be 3.37 billion pounds, down 18% from the 1985 harvest.

The problem is, these crops have "nowhere to go." At present, grain is rotting and becoming infested at rates not seen in this country since the days before chemistry. The key grain storage fumigant, EDB (ethylene dibromide) has been banned by the Environmental Protection Agency, to the rage of farmers and insect-control firms.

Media promotion of the myth of "surpluses" is providing Congress with the excuse to do nothing to save the mass numbers of farms now going out of business. President Reagan has no idea what is going on. Through people like Daniel Amstutz, Cargill and the grain cartel interests are running the USDA; they want total control of less food. Congress is complying.

# Business Briefs

## War on Drugs

### Colombian eradication program in danger

On Oct. 1, the Colombian National Narcotics Council issued a recommendation for the "temporary suspension" of herbicide fumigation of marijuana crops.

While the final decision awaits a cabinet debate, the recommendation itself represents a dangerous concession to the drug legalization lobby and its organized-crime backers, since it would reverse an eradication program that has been in place since 1984 and that has been successful in almost eliminating Colombia's once vast marijuana trade.

The Council was pressured by ecologist elements within the health ministry (INS), the national farming institute (ICA), the natural resources institute (Inderena), and unsavory individuals like top Colombian "greenie" Jesús M. Hidrobo, a collaborator of the U.S. drug lobby NORML.

The chemical glysophate has been used extensively as a herbicide in Colombia and elsewhere, and complaints of "ecological damage" from its use have been repeatedly traced to marijuana growers and traffickers.

## Electricity

### Closing nuclear plant would cost \$1 billion

The U.S. Department of Energy (DOE) reported in mid-October that closing the Trojan Nuclear Plant in western Oregon would cost electricity consumers about \$1 billion. This estimate is based on the higher cost of resources that would have to replace the Trojan's energy generation during the period of its remaining life.

These figures are contained in a study by Bonneville Power Administration, which owns 30% of the output of the plant. BPA did the study to assess what the economic impacts would be if the Oregon anti-nuclear ballot initiative, Ballot Measure 14, were passed on Nov. 4.

The DOE figures contradict the latest work of Ralph Nader's Public Citizen Group, a study released on Oct. 11 titled *The Economic Benefits of a Nuclear Phase Out*.

Nader's study claims to prove that nuclear power "is simply not needed; there is a huge surplus of electricity in nearly every region of the country," in the words of author Joseph Kriesberg. Consumers might save money if nuclear plants were shut down, the study says.

## Ecological Holocaust

### Locust swarms threaten Saudi Arabia

The U.N. Food and Agriculture Organization's (FAO) weekly locust bulletin on Oct. 12 reports that an "immense" desert locust swarm has appeared in Saudi Arabia, which could be on the move towards the Horn of Africa. The full extent of the problem could not be confirmed.

Damage done by locusts to harvests in this area is now concluded, but the extent of the damage is not yet known, and eggs laid all over the region will hatch in December, threatening the next crops. In southern Africa, hatching of the brown locusts has started in Botswana and South Africa, with a possible northward invasion "as early as December" says the FAO. In Ethiopia, 20-30% damage to crops by grasshoppers is reported.

## Nuclear Energy

### New openings for U.S. firms abroad

The hard-pressed U.S. nuclear industry has found a number of new markets for its products during the recent period, despite the continuing shutdown of plants at home. These include:

- Two new nuclear reactors have been contracted by the Korean National Utility to U.S. firms. Energy Secretary John S. Her-

ington on Oct. 11 called it a "clean sweep for American nuclear expertise and ability. . . . The United States taught the world how to harness the atom for peaceful use, and we shall continue to do so. Today's decision by KEPCO underscores that commitment and that promise for the future."

The principal contractors on KEPCO's Units 11 and 12 are Combustion Engineering Inc., General Electric Co., and Sargent & Lundy.

- The International Atomic Energy Agency, the United States, and Thailand signed an agreement on Sept. 30 for the supply of enriched uranium for the Thais' research reactor at Bangkok. The project includes the production of radioisotopes for medical applications.

- Despite opposition from radical environmentalist groups, a Nuclear Regulatory Commission panel authorized the loading of fuel at the Seabrook nuclear power plant in New Hampshire, as a first step toward operation of that long-delayed facility. The Clamshell Alliance of anti-nuke radicals has vowed to do "whatever we can" to stop the fuel loading. Massachusetts Gov. Michael Dukakis also vowed to oppose the start-up.

## Health

### Panic in Italy on spread of AIDS

"Alarm for AIDS in Italy," was the headline on Oct. 13 of the newspaper *La Stampa* of Turin, describing the Italian Health Ministry's report on AIDS, presented to the Council of the Presidency the previous week.

"Alarm" is, if anything, an understatement. In the town of Vicenza, AIDS testing of two kindergartens found 20 sero-positive children—4% of the total number tested. The local population is furious with the health authorities for keeping the results secret for at least a month, and parents are keeping their children out of school.

According to the Health Ministry's report, Italy had 33 AIDS cases in 1984, 169 in 1985, and 92 in the first six months of 1986. The study forecasts as many as 12,000 cases by 1987-88.

# Briefly

The report mentions that of those who have AIDS, 51% are drug addicts, 30% are homosexuals, 6% are children born of drug addicts, 3% are hemophiliacs, and 1.7% are from blood transfusions; the remaining percentages are not reported by *La Stampa*.

"Doctors and politicians are slowly beginning to understand the challenge of the situation," Italian virologist Dr. Graziosi, of La Sapienza University in Rome, told *La Stampa*. He reported that within four years, in the United States, it is likely that there will be 100,000 deaths from AIDS, and in Italy, 12,000.

## Arms Traffic

### Swedish firm indicted for trading with Iran

A Swedish chemical company was charged in mid-October with illegal trade in military explosives with Iran.

According to Swedish police sources, the Nobel/Bofors Company was caught illegally diverting military explosives from Finland to Iran. The explosives were sold by Karl Erik Schmitz, a Swedish "businessman" who has been in Iran since at least 1983. The deals went via East Germany or Yugoslavia to the Middle East, shipped by a Swiss firm, police report.

Nobel/Bofors is a major part of the Wallenberg group of Swedish industries that have been at the center of deals with the Soviets since the 1917 Bolshevik Revolution.

## South Africa

### Economic sanctions will bring poverty and ruin

Foreign disinvestment could cause generations of poverty and hardship, according to a report published on Oct. 17 by the South African Institute of International Affairs.

The U.S. Congress, overriding President Reagan's veto on Oct. 2, voted to apply economic sanctions to South Africa, to force

it to abandon its apartheid policies. The European Community has adopted similar measures, which many moderate South African black leaders have warned will only harm the black population, while making the government more intransigent.

Brian Dollery, senior economics lecturer at Rhodes University in South Africa, said that the idea that investment could be cut off and then resumed without serious long-term implications is totally unrealistic. The economy is likely to deteriorate to the point where it cannot attract new investments, he said, in a report published by the institute.

"In sum, it is incumbent on those who advocate disinvestment to reflect that should such a strategy ever be effectively implemented, it is likely to visit poverty and hardship on generations of people not yet even born."

## Domestic Credit

### Tax 'reform' blamed for fall in housing starts

Construction of new homes fell sharply in September, primarily because of recently passed tax reforms, government sources reported on Oct. 17.

According to the Commerce Department, starts on single-family homes and rental buildings were down 7.6% in September from August. It was the lowest rate of starts in nearly a year.

Secretary of Commerce Malcolm Baldrige acknowledged that the housing sector is weakening and would continue to do so. "Much of the recent softening in starts was in multi-family unit dwellings, reflecting high rental vacancy rates and changes in tax laws. This sector probably will remain sluggish in the near future."

Lyle Gramley, chief economist for the Mortgage Bankers Association, said that too much building in the past and tax reforms that cut back the tax incentives for rental construction have a double impact: "Tax reform is probably the most important factor, but they're related. When you combine the two, you have a fatal combination."

● **THAILAND** has closed a major heroin refinery near Bangkok that was supplying drugs to Hong Kong and Western Europe, according to Hong Kong police. Nine people and hundreds of pounds of chemicals and laboratory equipment were seized in the Oct. 13 raid in Chol Buri province, 55 miles southeast of Bangkok.

● **THE SWISS PARLIAMENT** voted on Oct. 11 to continue nuclear energy generation of electrical power, defeating a motion by Social Democrats aimed at forcing the country to abandon this source of 50% of its electricity. The Lower House voted 105-68 against a motion calling on the government to begin an immediate, step-by-step withdrawal from nuclear energy.

● **THE CHERNOBYL** nuclear plant's director announced plans in mid-October to restart two more reactors at the site of the accident and to finish construction of two new units in progress when the accident occurred in April. Western nuclear experts had forecast that the No. 3 reactor, which shared equipment with the fatal reactor, would never be restarted because of contamination.

● **DULLES AND NATIONAL** Airports, the two major air facilities serving Washington, D.C., will now be run by a regional authority. Legislation passed both the Senate and House to transfer control of the airports in mid-October. The legislation calls for the airports to be leased to an 11-member regional authority for 50 years at a cost of \$150 million, plus inflation.

● **CANADA** has been accused of unfairly subsidizing softwood lumber imports to the United States, by charging a low price for trees cut on government lands, and the Commerce Department has moved to impose a tariff to offset the advantage. The preliminary ruling sets a 15% duty on Canadian lumber imports.

## How Ibero-America can become self-sufficient

### Part 8

#### Ibero-American integration

Only 15% of the foreign trade of the Ibero-American nations is with other nations of the region, while the rest is conducted outside the region. The Ibero-American Common Market would turn these proportions upside down, making the continent self-sufficient in almost all the major sectors of production.

The Schiller Institute's book, *Ibero-American Integration: 100 Million New Jobs by the Year 2000*, was published in Spanish in September 1986. An international team of experts prepared this study on the urgent measures needed to free Ibero-America of its economic dependency, elaborating the outlines of Lyndon LaRouche's 1982 proposal, "Operation Juárez."

Appearing in English exclusively in *EIR*'s serialization, this book contains the program that could save the world economy.



*Last week's installment documented that only one fifth of the trade of the Ibero-American subcontinent currently occurs within the region. This contrasts to Europe, where intra-regional trade absorbs 60% of the total internal product.*

Behind this lack of trade integration of the region lies the fact that each Ibero-American country, to the extent it has been subjected to the "free trade" practices of the major cartels that control international trade, has been forced to remain an exporter of raw materials to the industrialized countries, and an importer of manufactured goods from those same countries. This lessens the chances of producing and trading among themselves the manufactured goods they all need—and especially capital goods. Of the total products that Ibero-America exported in 1980, 77% were primary goods, i.e., food, energy products, and minerals, while 67% of their total imports were manufactured goods (Figure 3-3.)

This colonial trait that characterizes the foreign trade of Ibero-America has been perpetuated for decades, relegating all the countries of the region to a greater or lesser degree to the status of "branch offices" of the biggest international trade cartels. Suffice it to compare the composition of Ibero-America's foreign trade during 1960-80 with the changes that occurred in other countries in the same period. While primary goods made up the great majority of Ibero-America's exports of that period, with 92% in 1960 and 77% in 1980, in Japan the percentage of manufactured goods over total exports rose from 70% to 96%, and in South Korea, from 14% to 90% during that same period (Figure 3-4).

Since 1980, the precarious situation of intra-regional trade has worsened. Its absolute volume has fallen around 25%,

and its level relative to the total foreign trade of the subcontinent has fallen some 14%. Ibero-America thus fell back to the situation of 1970. This process of disintegration is the result of the "adjustment" schemes imposed by the IMF on the region's countries, which have forced them to cut their total imports and increase their exports outside the area, with the aim of generating enough surplus in their trade balances to service their foreign debts.

In the past four or five years, nearly all the Ibero-American countries—under pressures and threats of the International Monetary Fund (IMF) and the international banks—have adopted the goal of a "balanced" balance of payments as the top priority for all their economic programs, meaning simply that each country must produce surpluses in its trade balance. They are exporting more and importing less to pay interest on the foreign debt. These countries have thus desperately sought to reduce imports and increase their exports out of the region, in the hope of getting the foreign exchange they need to cover their most essential imports, after paying interest to the international banks.

But nothing has been gained and much has been lost with this export-oriented policy. From 1980 to 1985, the Ibero-American countries as a whole succeeded in increasing their exports out of the region by only 6% in value terms, but at the same time suffered a shrinkage of 25% in intra-regional trade because of the measures they all adopted to reduce imports, thereby wiping out the minimal advance in exports outside the region (Table 3-2).

In this situation, the effort by some Ibero-American countries to break the "protectionist barriers" of the industrialized nations, under the illusion that this could lead to a significant increase in their exports to these countries, is pathetic. The domestic markets of the industrialized countries themselves have contracted to such a degree that the survival of their own industries is in danger. More pathetic still are the steps that Mexico has taken to join the GATT, stripping away protection of its own national industry in order to gain access to the allegedly larger markets of the developed countries.

From now on, if the Ibero-American countries want to preserve their productive capacity and their foreign trade, it will have to be by drastically altering the trade pattern of the region, taking maximum advantage of the subcontinent's capabilities to meet its own needs on a priority basis. Any other export-based scheme will fail, and make the economic disintegration of Ibero-America worse.

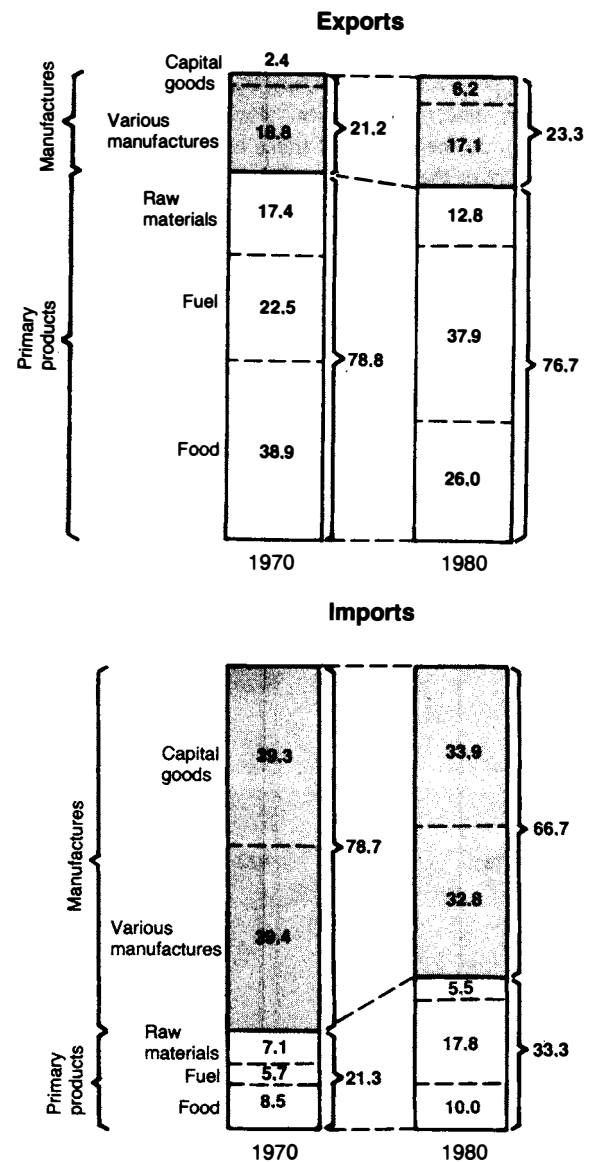
### Self-sufficiency as a goal

By giving absolute priority to intra-regional trade, and establishing the trade and financial mechanisms required to facilitate it, the nations of Ibero-America will be in a position to rapidly increase trade in all the product lines required by the region, which is either already producing them or has the capacity to do so. The unused capacity that prevails in many industries as a result of IMF austerity programs, could be fully employed to meet the subcontinent's needs, thereby

reactivating industrial plant and equipment, and thus raising levels of production and employment throughout the region. This is the only kind of program that will work.

Proceeding from this premise, Ibero-America could immediately triple its intra-regional trade, which would mean devoting 50% of its total foreign trade to regional commerce, merely by reorienting toward the subcontinent its current exports of food and energy products to cover the needs of the countries which ask for them. As can be seen in Figure 3-5,

FIGURE 3-3  
**Structure of Ibero-America's exports and imports 1970-80**  
 (percentages)



Source: ECLA

TABLE 3-2

**Orientation of foreign trade of Ibero-America**

(billions of dollars)

	1980	1985	Variation (%)
<b>Total Exports</b>	92.0	91.9	-0.1
Within the region	17.0	12.8	-24.8
Outside the region	75.0	79.1	5.6
<b>Total Imports</b>	93.0	57.6	-38.3
Within the region	17.3	13.0	-24.8
Outside the region	75.7	44.6	-41.1

Sources: ECLA and authors' estimates.

the Ibero-American countries buy 75% of their food imports and 80% of their energy needs from outside the area, amounting to an approximate total of \$20 billion. At the same time, they export nearly \$50 billion worth—in only these two areas—outside the region. If these exports were partly re-oriented to cover the cited import needs, intra-regional trade would be increased from its current level of \$13 billion to a total of \$33 billion, a full 57% of the current total exports of the subcontinent.

In a matter of weeks and months, on the basis of a greater knowledge of export possibilities and manufactured goods import needs of all the countries of the area, it is estimated that intra-regional trade could absorb up to 80% of the total foreign trade of the subcontinent, surpassing even the current level of trade integration within the European Community, because of the tremendous complementarity of the Ibero-American economies. The other 20% represents products that Ibero-America does not produce, or whose production capacity is inadequate with respect to present needs. This is the case of certain raw materials for the chemical industry, various basic products like fertilizer, insecticides, and medicines, and a large percentage of capital goods, above all high-technology machinery and equipment.

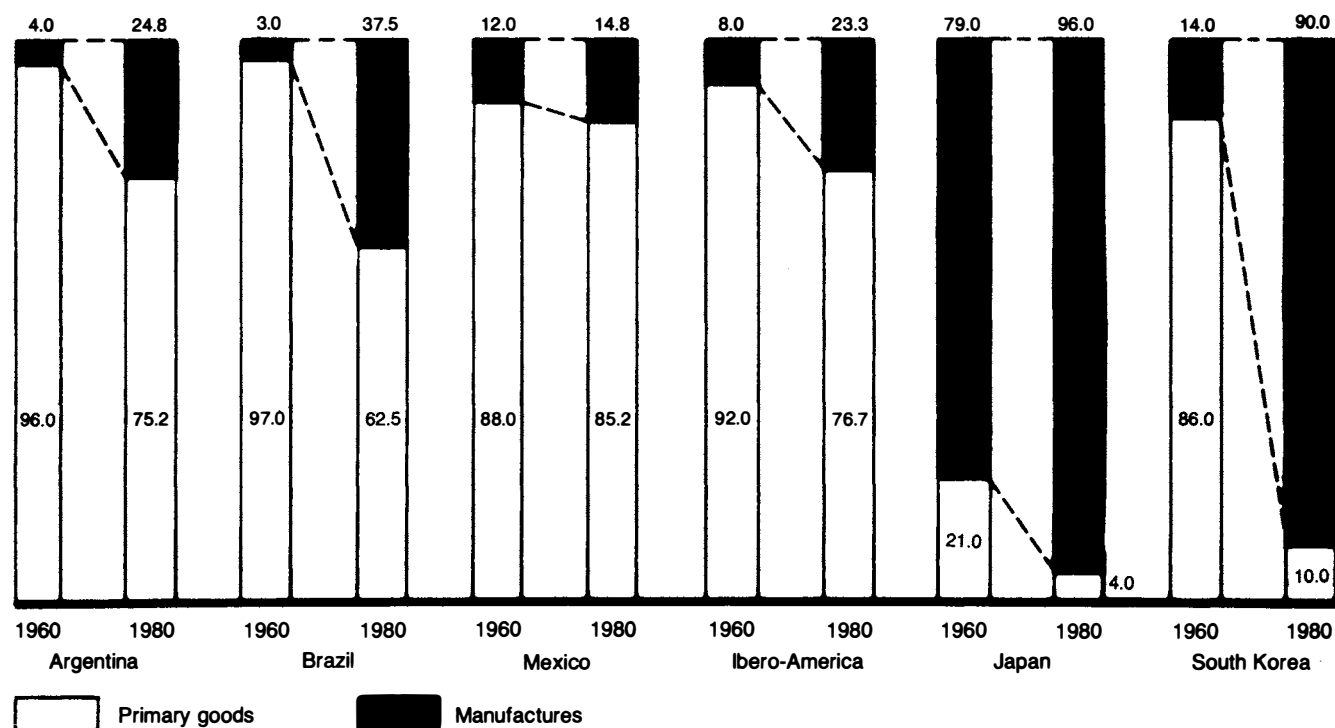
**The merchant marine**

The main physical obstacle to achieving the level of trade integration required by a common market lies in the inadequate maritime transport capacity of the Ibero-American countries. In a very short period of time, the subcontinent could be in a position to increase its volume of intra-regional trade fourfold—except that its existing merchant marine would be able to move less than half of that increased volume. Thus, expanding the maritime transport capability of Ibero-America is a strategic priority.

FIGURE 3-4

**Structure of exports, various countries 1960-80**

(percentages)



Sources: Economic Council for Latin America and World Bank.



The merchant marine that Ibero-America currently possesses—some 900 ships, representing 19 million tons of cargo—is capable of transporting around 200 million tons a year, of which 65% corresponds to the movement of cargo among the different countries of the region, and the remaining 35% to trans-oceanic transport. The strengthening of intra-regional trade in the terms we have proposed would almost immediately generate an increase of anywhere from 25 to 100 million tons in the volume of goods that Ibero-American countries could interchange, but its merchant marine as currently constituted could move no more than 50 million additional tons without diverting naval resources from internal shipping and certain strategic areas of trade outside the region. To meet the totality of transport needs of expanded intercontinental trade, the capacity of the subcontinent's merchant marine would have to be increased by a full 25% (Figure 3-6).

Hence, one of the first priorities of the Ibero-American common market would have to be the immediate acquisition of some 100 ships with a collective cargo capacity of 5 million tons, thus consolidating a continent-wide merchant marine equal to the new requirements of intra-regional trade. To reach this goal, Ibero-America would have to purchase most of these ships on the world market, taking advantage of the current idle transport capacity worldwide due to the contraction of international trade. The resources that would have to be allocated for purchasing ships are minimal compared to the economic and strategic benefits that a continental mer-

chant marine would produce.

At the same time, the shipbuilding potential of Brazil, Argentina, and Mexico would have to be geared up to maximum capacity, to allow 60 new ships a year with a collective cargo capacity of 3 million tons to be added to the continental merchant marine. In this way, a 10% annual growth of the maritime transport capacities of the region would be assured, guaranteeing that the bulk of the requirements deriving from the economic development and integration of the subcontinent would be met.

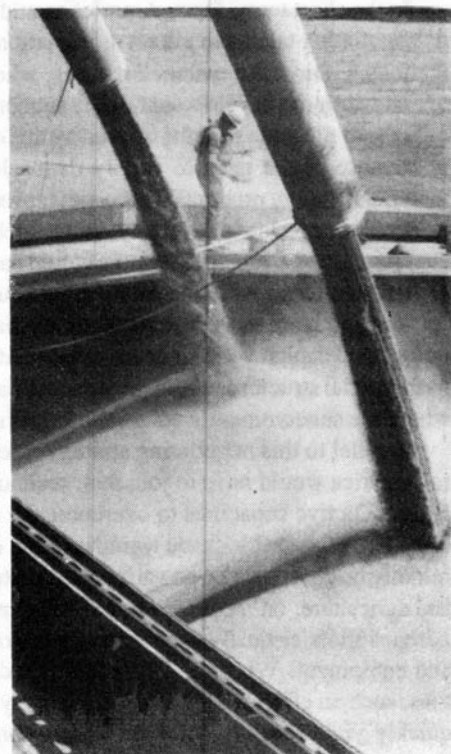
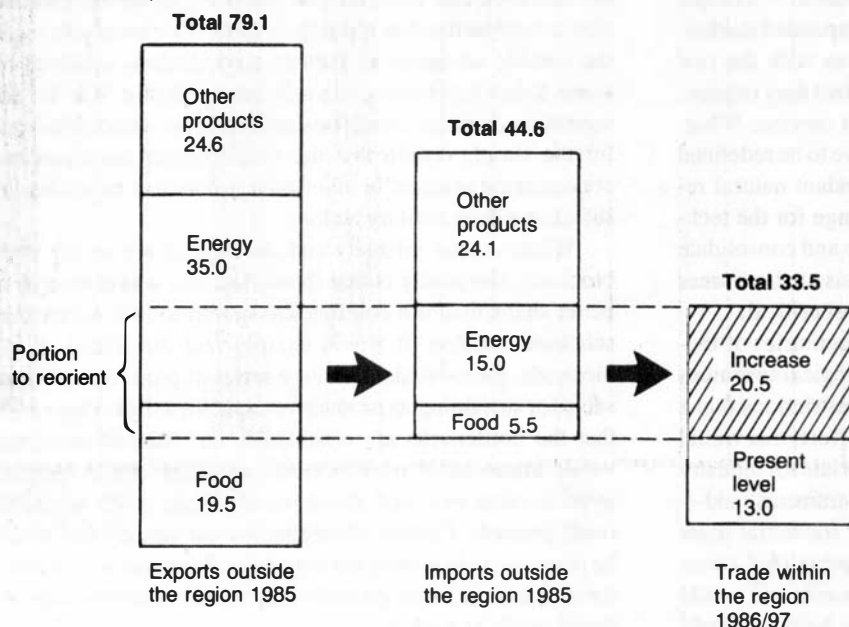
### The medium term

Once the bottleneck of maritime transport is broken, the growth of intra-regional trade would proceed with relative ease toward the goal we have set. Even so, this level of economic integration is not enough. The problem is that, despite the relatively small percentage that extra-regional trade would come to represent, this would still be made up of strategically essential products for the development of the region. That means a continued vulnerability that would have to be progressively eliminated, within a reasonable time-frame.

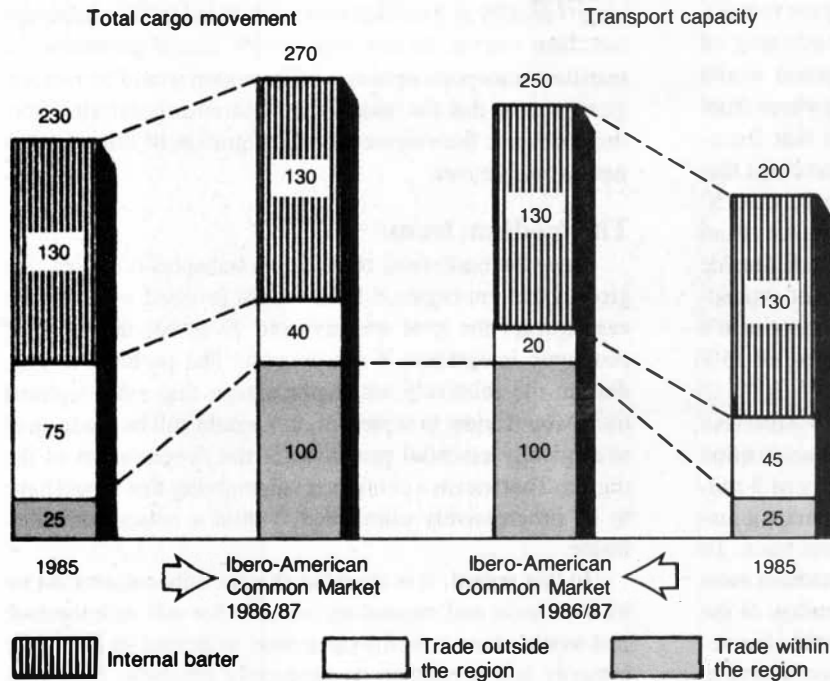
In this regard, it is essential that the subcontinent set up its own solid and expanding capacity for self-development that would allow it, at the same time, to defend its economic integrity and strengthen its productive structure. Only thus could it gain enough autonomy to launch the great development projects the region needs, to make the turning of Ibero-

FIGURE 3-5  
**Reorientation of exports of food and energy from Ibero-America**

(billions of dollars)



**FIGURE 3-6**  
**Maritime transport needs in Ibero-America**  
 (millions of tons of cargo)



America into an economic superpower a reality, as we will detail in the following chapters.

In the short term, Ibero-America would have to use all of its negotiating talents to attract those nations, or industrialist factions within the developed nations, who are ready to cooperate with the development of the subcontinent—whether because of the trade benefits offered by this expanded market, or because of the need to supply themselves with the raw materials, energy products, or any other product they require, or even to negotiate partial payment of debt service. Whatever the case, the rules of the game would have to be redefined in terms of Ibero-America offering its abundant natural resources and huge market potential in exchange for the technology and capital goods it needs to integrate and consolidate its industrial structure, with a priority emphasis on those areas where the subcontinent's vulnerability is most critical.

Parallel to this negotiating strategy, the countries of Ibero-America would have to join their technological resources and productive capacities to overcome the restrictions that a hypothetical trade blockade would impose, efforts that would initially be concentrated on various raw materials for industry and agriculture, on medicines and medical instruments, and—perhaps most critically—on spare parts for industrial plant and equipment. With the help of some industrialized countries, such an effort would proceed relatively easily and would quickly yield results. But even without any help, it would

necessarily be successful, albeit with greater difficulties and over a longer term.

Ibero-America has enough historic national examples of technological breakthroughs in similar situations, such as the efforts of Mexico to sustain and develop its oil industry after the blockade that was imposed following its sovereign decision to nationalize that industry in 1938. One must also recall the notable advances in industrial production achieved by some Ibero-American countries during World War II, advances made under conditions equivalent to a trade blockade for the simple reason that the industrialized countries had concentrated practically all of their productive capacities on sustaining their military actions.

Whatever the intensity and duration of a possible trade blockade, the reality is that Ibero-America would emerge in better shape than if it continues to submit to IMF adjustment schemes. At first, it would sharply feel the effects of the blockade, forced to do without a series of products indispensable for sustaining its productive capacities. But to the extent that the bottlenecks are eliminated, the affected industries would immediately recover those capacities, and an increase in production over and above pre-blockade levels would be made possible. Further, the technological mastery that would be progressively won by the countries of the area would allow them to undertake the great development projects the subcontinent needs as a whole.

# What do the Russians think of *Executive Intelligence Review*?



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magazine."**

—Aleksander Bovin, *Izvestia* political commentator and top spokesman for the Soviet Politburo, at Reykjavik Oct. 11.

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## U.S. building prototype laser for missile defense

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*Charles B. Stevens reviews the status of the Free Electron Laser, one of the top candidates for interception of nuclear missiles in the SDI program.*

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The Strategic Defense Initiative Organization and the U.S. Army Strategic Defense Command announced this summer that they are constructing a \$600 million facility at the White Sands Missile Range in New Mexico, to test prototype ground-based lasers for defense against ballistic missiles. It has long been recognized that high-power lasers offer one possible means to efficiently and effectively intercept nuclear-tipped missiles at the speed of light, before they even leave the airspace of the attacker, and much of President Reagan's Strategic Defense Initiative program has been concerned with developing appropriate candidates.

According to government reports, the White Sands facility will primarily focus on one particular type of laser, the free electron laser. The free electron laser is among the newest types of lasers, and was only first demonstrated in principle within the last decade. Other potential SDI laser candidates are chemical, excimer, and x-ray lasers.

Published schedules indicate that the SDI office plans to complete construction and testing of two prototype free electron lasers at White Sands by the early 1990s. If this technology demonstration program, costing more than \$3 billion, is successful, then ground-based free electron lasers could be deployed to provide one robust system for missile defense. One plan calls for deploying ground-based free electron lasers at six geographically dispersed locations with a half-dozen lasers at each site. Each free electron laser would have a laser light energy output approaching that of a 1,000-megawatt electric power plant.

Experts have already noted that a single such ground-based free electron laser, making use of large segmented

relay mirrors in geosynchronous orbit (50,000 kilometers above the Earth) and 1,000-kilometer-high orbiting fighting mirrors, has the firepower to shoot down the world's current inventory of ICBMs within a few minutes, while they are being boosted into space. If anything escapes this boost phase, the same laser could destroy thousands of warheads during the 20 minutes they traverse space. Alternatively, the free electron laser output could be utilized to find and laser-designate warheads for other interception systems.

Thirty-six such lasers, each currently estimated to cost about \$1 billion, would go a long way toward realizing President Reagan's goal of making offensive nuclear missiles impotent and obsolete. But beyond considerations of national defense, the free electron laser portends a revolution in science, industrial technology, and space transport. Important scientific advances were achieved prior to 1983, as will be detailed in a later article, but the free electron laser has only emerged as a practical technology since President Reagan first announced the SDI, and is one of the program's first major accomplishments.

### What is the free electron laser?

The free electron laser is not actually a laser, but a relativistic electron beam (relativistic refers to near the speed of light). It could also be described as a relativistic radar, since the electromagnetic waves that constitute the radar's beam are also generated by electron beams. But in the free electron laser, the electrons are traveling near the speed of light, and it is therefore said to consist of relativistic electrons.

In both radar and the free electron laser, the coherent

electromagnetic radiation output is simply the product of organized electron motion, as in the generation of radio waves. When electrons, in the form of an alternating electric current, are made to traverse back and forth on an antenna, they generate an electromagnetic wave. With a properly tuned current, the antenna will transmit electromagnetic radiation coherently at a wavelength that is a multiple of the length of the antenna. TV broadcasting operates in the wavelength range of meters, as can be easily determined by noting the dimensions of TV antennas.

Shorter wavelengths, like those of radar, are on the order of centimeters, and the required electric current power densities are too much for ordinary materials to withstand; that is, a metal antenna melts. The solution for this problem was achieved by abandoning material antennas for electromagnetic ones. The electric current is passed through an evacuated tube, and electric and magnetic fields (instead of a metal antenna) are utilized to make the current wiggle back and forth.

These large vacuum tubes or cavities were also developed to trap the continuous electromagnetic wave output and concentrate it into a short and powerful pulse. Such "resonating" cavities could also be used to transform radiation from one wavelength into another. Many electron-beam accelerators, in fact, make use of these cavities. Here, the cavity is tuned such that the broadcasting process is reversed; the electrons absorb the electromagnetic radiation and are thus accelerated to higher velocities.

In addition to overcoming the imposed power density limit, replacing a material antenna with a vacuum and electric/magnetic field configurations means that the electron oscillation length can be scaled to produce extremely short wavelengths. (In conventional lasers, this shortening of the oscillation wavelength is increased by making use of the collective output of electrons oscillating on a subatomic or molecular scale.)

The free electron laser represents a quantum leap in this electronic-tube-type technology for generating coherent radiation. This is primarily because radiation produced by electrons at the relativistic limit—that is traveling very close to the speed of light—benefits from a double Doppler shift to shorter wavelengths.

First, the Doppler effect becomes substantial for electromagnetic waves as the speed of light is approached. A more familiar case is the Doppler shift you hear as a train passes, because for sound waves the Doppler shift is substantial at the speed of trains. That is, the whistle of a train moving toward you has a higher pitch—shorter wavelength—than if it were stationary. When the train is receding, the whistle pitch is lower. This is the classic Doppler shift. The radiation generated by relativistic electrons is also Doppler-shifted to shorter wavelengths, as one would see if one were a passenger traveling along with the electron train at near the speed of light.

The second Doppler shift results from the relativistic Lorentz contraction. As an electron, or any object for that matter, approaches the limiting velocity of light, its mass increases, and would apparently become infinite at the speed of light. Similarly, the length of stationary objects, in a direction parallel to the speeding electron, becomes asymptotically smaller and smaller, tending toward zero, as would be seen from the vantage of the speeding electron, as it approaches the speed of light.

As a result of this double Doppler shift, if the relativistic electron velocity and the oscillation (wiggle) in its motion are properly tuned, the electron can be made to generate electromagnetic waves at wavelengths far shorter than would be expected from a simple classical model of an antenna. For example, while a centimeter-long antenna, or oscillation, would primarily broadcast centimeter-long waves, a properly tuned relativistic electron would generate micron-long waves—10,000 times shorter.

In this manner the free electron laser can extend the broadcasting capabilities of "electron tubes" from the classical region of radio and microwaves through the infrared, visible, etc. And in principle, the free electron laser could be extended down into the X-ray wavelength region and beyond.

At the same time, unlike ordinary lasers based on specific atomic transitions, the same free electron laser can in principle be tuned to different coherent wavelengths. This can be achieved by simply retuning the electron velocity and the wavelength of the electron oscillation. In practice, only segments of the electromagnetic spectrum can be covered by a single free electron laser. But this tunability is orders of magnitude greater than that achieved with more conventional atomic and molecular transition lasers.

Also, because the free electron laser dispenses with the need for atoms in the generating region, the power densities at the point where the coherent radiation is produced are far greater. For the same type of reasons, the free electron laser has a far greater potential for higher operating efficiencies, too. Conventional high-power glass lasers convert only a fraction of a percent of the energy put into them into laser light. Recent progress in high-power gas lasers, like the excimer type, has demonstrated that efficiencies in the range of 5%-7% can be attained. The free electron laser experiments at Lawrence Livermore National Laboratory, however, have already demonstrated efficiencies in the 40% range.

### **The free electron laser and conventional lasers**

The free electron laser is a relative newcomer to the field of high-energy lasers. A series of major breakthroughs was achieved in the last few years, primarily by researchers at the California-based Lawrence Livermore National Laboratory working on the free electron laser amplifier-type system, and the free electron laser quickly became the frontrunner for ground-based laser defense systems. Other candidates in-

cluded excimer-laser and chemical-gas-laser-based systems. Although these latter systems may demonstrate anti-missile defense capabilities sooner than the free electron laser—because of both congressional funding cuts and the perceived, overall greater technological potential of the free electron laser—their R&D programs have been put in neutral. As SDI office Director Lt.-Gen. James Abrahamson has continually emphasized, Congress's single-track approach is neither the best, nor most efficient route for realizing laser-based missile defense. As will be shown later in this report, many of the system elements—the mirrors, optics, and atmospheric compensation—which are combined with the free electron laser to make a robust defense, are also compatible and effective with more conventional lasers.

More than one year ago, Dr. George Keyworth, then presidential science adviser, reported that free electron laser scientists at Livermore had already catapulted accelerator technology into the next century. They had demonstrated that linear-induction accelerators could be scaled to power levels a thousand times beyond what had been previously projected as technologically feasible before the year 2000. When combined with Livermore's free electron laser amplifier experiments, which showed that such powerful electron-beam energy could efficiently be transformed into laser light, this development led Keyworth to publicly state that a single such ground-based free electron laser would have the firepower to destroy the entire Soviet inventory of ballistic missiles within a few minutes.

This is a breathtaking rate of progress for a system which, in 1983, had at best a very tenuous scientific basis for being scaled to the high powers needed for missile defense: Going from milliwatts to terawatts ( $10^{-3}$  to  $10^{12}$  watts), is like transforming a firecracker into a hydrogen bomb.

The two types of free electron lasers that will be developed at the White Sands facility each have two basic elements, an accelerator to generate a high-power electron beam, and a vacuum chamber (the "tube") in which a properly configured magnetic field is imposed. The vacuum chamber is referred to as a wiggler or undulator. It consists of magnets arranged in alternating north and south gradients that cause the beam to wiggle back and forth.

The path of the electron beam describes a large spiral or sinusoidal oscillation whose wavelength is determined by the speed of the electrons and the strength and geometry of the imposed magnetic fields. If these parameters are properly tuned, then the energy of the electron beam can be extracted and transformed into electromagnetic radiation at a wavelength equal to that of the oscillatory wavelength. When a relativistic electron beam is traveling near the speed of light, the radiation is shifted to a much shorter wavelength by the double Doppler effect discussed above.

More precisely:

$$L_e = L_o/2\gamma^2,$$

where  $L_e$  is the emitted wavelength,  $L_o$  is the oscillatory wavelength in the stationary frame, and  $\gamma$  is  $1/\sqrt{1 - (v/c)^2}$ ,

where  $v$  is the electron velocity and  $c$  is the speed of light.  $\gamma$  is close to a value of 1 at non-relativistic velocities, but becomes quite large as the velocity of light is approached.

## Two types of free electron lasers

Two different approaches to extracting radiation will be explored at White Sands. In the first, pioneered by Lawrence Livermore, a single, high-current pulse of electrons generated by a linear induction accelerator is passed through a wiggler system at the same time that it is hit by a conventionally produced laser pulse. The input laser pulse extracts a significant fraction of the electron-beam energy in this single pass, thereby greatly amplifying its total energy and power. The Livermore type is generally referred to as the induction-linac-driven free electron laser amplifier (linac is short for linear accelerator).

The second approach, the radio-frequency resonant-cavity free electron laser, has been more broadly pursued by researchers in industry, universities, and national laboratories. It is also being researched at the second major national weapons laboratory, the Los Alamos National Laboratory in New Mexico.

In this second free electron laser approach, a higher-energy, though lower-current, electron beam generated by a radio frequency accelerator is semi-continuously passed through a wiggler. The radio frequency accelerator uses resonant microwave cavities to accelerate electrons. The input electron beam consists of a continuous train of very short electron pulses, each a few millimeters long. As the beam electrons pass through the wiggler, their spiral motion generates a small electromagnetic output.

When appropriate mirrors are placed at either end of the wiggler, a resonating cavity is created that traps the small electromagnetic output as the electron beam passes through the wiggler. The emitted light reflects back and forth between the cavity mirrors. This optically trapped radiation then acts on the transiting electron beam and results in the extraction of more energy at a greater rate. The rate at which energy is extracted from the wiggling electron beam is a direct function of the intensity of the radiation field within the cavity. In the resonant-cavity free electron laser, the radiation field intensity is built up from the initially small electron radiation output. The cavity mirrors are designed to "leak," once the desired intensity and resulting rate of energy extraction is achieved, so that the trapped radiation field intensity as well as the electron laser output is kept constant. In this regard, the resonant-cavity free electron laser is said to operate in the "low-gain" continuous regime, compared to the single-pass free electron laser amplifier, which generally operates in a "high-gain" regime. (Gain refers to the rate at which energy is extracted from the electron beam and converted to radiation.)

In order to attain high gain, the free electron laser amplifier makes use of an intense laser pulse, whose high field intensity generates the high-gain, fast extraction. Since the



extracted radiation becomes one with the initial seed laser pulse, the rate of extraction grows as the amplified pulse passes down the wiggler.

In the resonant-cavity free electron laser, the "leaking" radiation constitutes the output of the laser. The resonant-cavity free electron laser is distinguished from the single-pulse free electron laser amplifier in that its cavity radiation field intensity is kept constant, while that of the single-pass amplifier grows exponentially. (Actually, like the input electron beam, the resonant-cavity free electron laser output is semi-continuous and broken up into extremely short bursts lasting on the order of a few 100 billionths of a second.) The resonant-cavity free electron laser output is continuous and is a relatively small fraction of the power of the electron beam passing through it. The free electron laser amplifier, on the other hand, extracts a very large portion of the single-pass electron-beam energy and therefore, the power of its output laser pulse is a significant fraction of the input electron beam.

In broad terms, the Livermore free electron laser amplifier leads to a device which produces thousands of extremely powerful laser pulses per second, while the radio-frequency resonant cavity possibly leads to a more compact, efficient, and versatile, continuous output, but at lower energy density. Because the radio-frequency free electron laser extracts only a small portion of the electron beam's energy during a single pass, it is possible to recycle the beam, thereby increasing the operating efficiency. Furthermore, because the radio-frequency free electron laser operates at lower power densities, it is technologically easier to construct a variable wiggler design for tuning the free electron laser over a wide range of wavelengths.

### **The induction linac**

The induction linac (linear accelerator) is currently among the most efficient methods of generating intense, high-current pulses of relativistic electrons. Livermore's experience with induction linacs dates back to the early 1960s' Astron program, in which induction linac relativistic electron beams were being developed for both fusion energy research and as a possible means of destroying ICBM warheads. In this case, the relativistic electron beams would be directly shot through the atmosphere to destroy warheads as they descended on the United States.

In fact, both the current Livermore accelerator facilities—the 45 gigawatt Experimental Test Accelerator (ETA) and the 500 gigawatt Advanced Test Accelerator (ATA), which have recently demonstrated high-power free electron laser amplifier lasing—are also being utilized to determine the feasibility of intercepting incoming warheads with their relativistic electron beams. Since the penetration of the atmosphere and target by a relativistic electron beam pulse is partially determined by the electron velocity, it is thought that properly "tuning" the relativistic electron beam velocity will result in efficient transmission through the atmosphere and deposition into the warhead's interior.

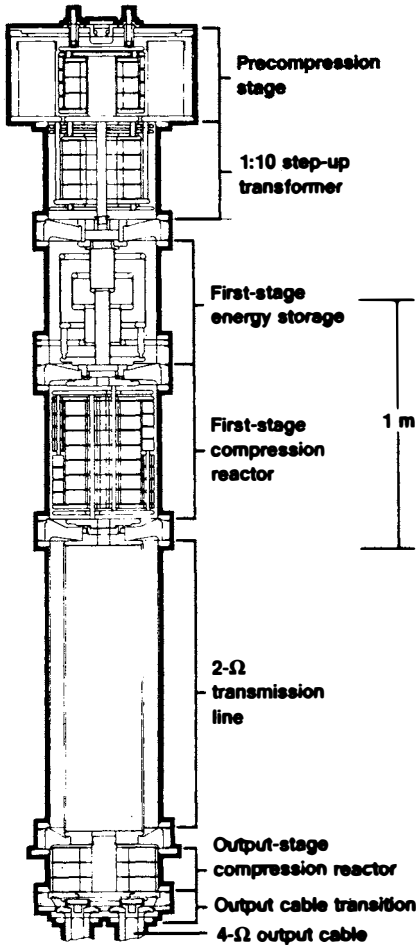
The induction linac utilizes a long series of transformers to accelerate electrons along a straight path. Transformers are among the most highly developed forms of electrical technology and offer the most efficient means of accelerating large currents of electrons to relativistic velocities and energies. There was one major technological barrier, however: The transformer action also slightly defocuses the relativistic electron beam. That is, the transformer not only accelerates the electrons in the desired path, but also slightly in transverse direction. This defocusing is non-linear, and makes it technologically impractical to continue acceleration of the beam when its divergence grows beyond a certain level. Furthermore, achieving efficient free electron laser action depends strongly on the brightness of the electron beam—that is, having a well-focused and well-collimated electron beam.

The initial method for dealing with beam defocusing, was to interpose magnetic lenses that refocused the beams. But this was only a limited remedy. The breakthrough came when Livermore researchers replaced their magnetic guide fields with a low-density plasma. A low-density gas was first placed in the accelerating chamber. Then a short pulse from a small laser was used to ionize the gas and transform it into a low-density plasma. As the electron beam passes through the plasma, the plasma collectively acts to focus the beam and remove transverse motions from the relativistic electron beams. The gas was essentially the vapor from a household cleaner, and the small laser cost less than a month's electric bill for running the magnets on the now-unneeded guide field. Plasma-electrostatic focusing improved the output of existing induction linacs with a concomitant reduction in operating costs.

This was the technological breakthrough that changed everything. Based on this new plasma-electrostatic focusing, induction linacs can now be confidently designed with existing technology to attain about a 1,000-fold increase in average operating power levels, characteristically going from existing megawatt levels to gigawatt levels. It is not often that one sees such startling progress in a field as old and well-developed as transformers.

Over the past two years, scientists working on the less powerful Livermore ETA have demonstrated the essential aspects of high-power free electron laser amplifier operation. Better than 40% efficiencies were attained in transforming relativistic electron beam energy into high-power microwaves. Most significantly, the ETA has demonstrated the operation of steeply tapered wigglers. In the free electron laser amplifier the relativistic electron beam energy is rapidly extracted. This means the electrons are drastically slowed down. And since the double Doppler shift depends strongly on electron velocity, the wavelength at which the relativistic electron beam is radiating within the free electron laser wiggler would rapidly increase unless there was a compensating decrease in the wiggler wavelength. In this sense, a steep conic spiral or wave is needed in place of a simple cylindrical spiral or wave.

FIGURE 1



*Cross section of the MAG-I-D non-linear magnetic-pulse compressor. This three-stage modulator provides a 100-fold compression of electric inputs with an output power level of 10 billion watts. Electrical energy compression—pulsed power—and rapid switching are the key technologies that give the FEL its potential for high levels of fire-power as an SDI laser.*

Radio-frequency free electron lasers also utilize tapered wigglers, but since they extract only a small fraction of the relativistic electron beam energy in each pass through the wiggler, the change in velocity and emitted wavelength is much smaller. Therefore, the wiggler need be tapered only slightly.

### Free electron laser amplifier current status

The outstanding scientific question facing free electron laser amplifier design is that of scaling from microwave outputs to infrared wavelengths measured in microns. The Livermore ATA is currently being configured for experiments which will demonstrate lasing at 10.6 microns—the same wavelength as that of carbon dioxide lasers. These experiments, code-named Paladin, will resolve the major scientific issues for scaling to the visible and near-infrared wavelengths. Utilizing the 50-million-volt, 500-gigawatt-peak-

power ATA, the tests will explore both high and low signal gain regimes. The small signal gain experiments, in which only a small level of amplification will be attained, will use a five-meter-long wiggler made with iron-core electromagnets.

The high signal gain tests will be carried out with a tapered wiggler 25 meters long, consisting of elements based on the 5-meter wiggler. These final tests will demonstrate laser amplification at 10.6 microns with a projected extraction efficiency of about 10%.

Other technology elements for free electron laser amplifier operation are being rapidly developed and demonstrated. For example, pulsed power systems and switches are key components for an SDI-practical free electron laser. The ATA normally operates with a couple of electron bursts per second. It is capable of attaining burst rates of 1,000 shots per second, but only for a very brief time. SDI free electron lasers will have to operate at high burst rates for many minutes. Therefore, long-lived and robust systems have to be developed to compress and switch electrical energy for powering free electron laser induction linacs.

Major progress in this area has been reported by the Livermore Accelerator Research Center. New accelerator prototype modules have been tested. These modules form the basic building blocks for SDI free electron lasers. The power for these modules is supplied by a non-linear magnetic pulse compressor (MAG-I-D) shown in cross section in **Figure 1**.

This completely passive device provides a reliable means of compressing input 100-megawatt pulses of electricity into 10,000-megawatt outputs utilized to power the accelerator transformers. The MAG-I-D has the inherent capability of producing these pulses at a repetition rate exceeding 5,000 times per second with an efficiency approaching 90%. One such device has already been operated for 100 million pulses—better than five hours. Continuing developments strongly indicate that near-term pulsed-power technology could easily support a laser-pulse rate of 1 million per second—a megahertz.

The SDIO's projected schedule is to construct a full-scale prototype free electron laser based on the Livermore approach by 1993. This project is officially called the Ground-Based Laser Technology Integration Experiment and is designed to completely test all of the components needed for a full-scale missile defense. As shown in **Figure 2**, the Livermore Paladin experiments will be followed by a further series of tests, code-named ALEX, at Livermore.

The full-scale prototype induction free electron laser, to be located at White Sands, will be about 1.1 miles long. This includes an 800-meter-long accelerator and a 200-meter-long wiggler. Because of its extremely high power at the point of generation, the induction free electron laser's laser-pulse outputs will be permitted to expand through a 2.6-mile-long vacuum chamber. The diffraction expansion of the beam is required so that its power density can be lowered to a point

where even cryogenically cooled optical mirrors will withstand the pulse. (Even so, major advances in high-power optics are an assumed part of the White Sands program.) The pulse would then be further expanded via optics, and redirected to a beam director, which directs the beam on a path through the atmosphere to a mirror in space.

### The potential of radio-frequency free electron lasers

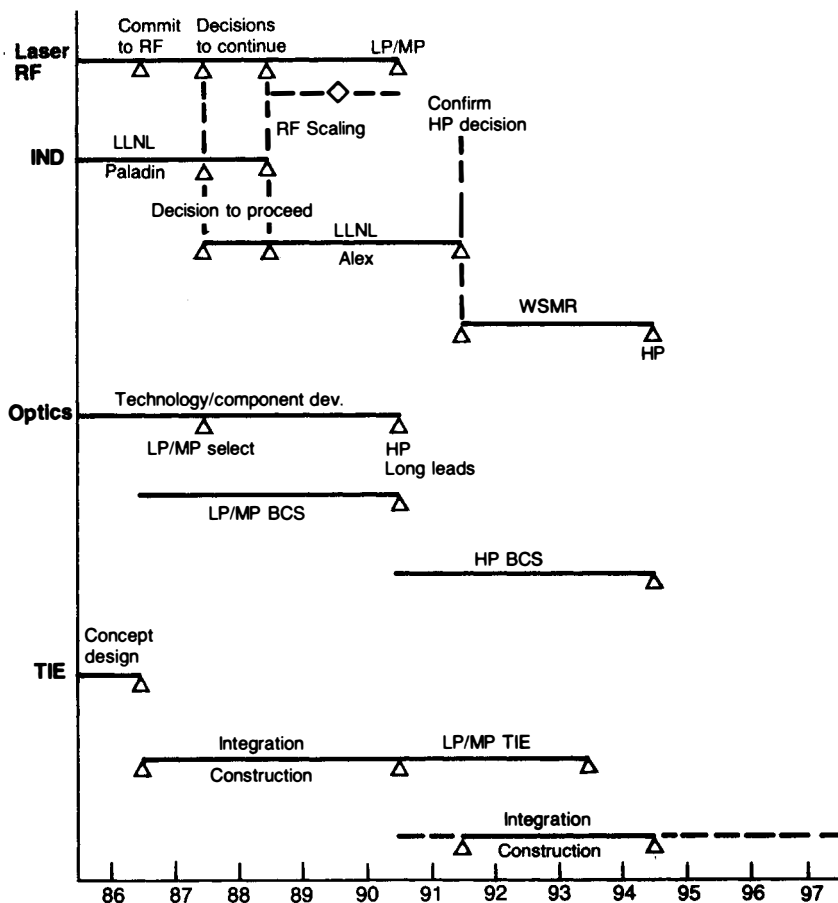
Until very recently, the more widely researched radio-frequency-driven free electron laser resonant-cavity approach was considered a very poor second as a candidate for a ground-based anti-missile laser system. This was because the radio-frequency free electron laser produces an essentially continuous output, while the Livermore free electron laser amplifier inherently generates short, extremely high-power density pulses. These high-power density laser pulses are far more lethal per unit of laser energy than a continuous beam,

because they produce shock waves that punch holes through warheads and missiles, as opposed to lower power continuous beams, which slowly burn their way through the outer skins.

The radio-frequency free electron laser is being widely pursued, because it is more readily operated at shorter wavelengths and tuned over a range of frequencies, and is potentially far more efficient and compact—characteristics that make it a good candidate for space-based laser defense. They also make it a tremendous candidate as a scientific and industrial tool. Major R&D programs along this line are being carried out by Boeing, TRW, and Stanford University.

The radio-frequency free electron laser was first demonstrated at Stanford University in 1976. By 1982, Los Alamos scientists had successfully built and demonstrated a radio-frequency free electron laser with a tapered wiggler, which greatly increased its efficiency. More recently, Stanford scientists report that they have succeeded in recycling the elec-

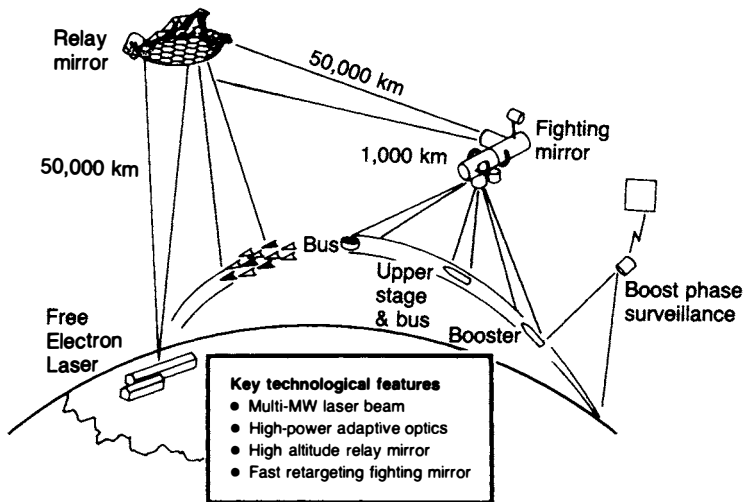
FIGURE 2  
White Sands public schedule of experiments



*This schedule has been taken from a recently released U.S. Army Strategic Defense Command slide. This public schedule shows the years for completion of the various components of the White Sands ground-based laser technology integration experiment (TIE) and decision points for alternative paths. The resonant cavity FEL driven by a radio frequency (RF FEL) accelerator will be built first. It will carry out low-power (LP) and medium-power (MP) experiments on laser beam propagation through the atmosphere. The Livermore induction driven FEL amplifier (IND) will complete tests at Livermore with both the Paladin and Alex series. If successful, a high-power (HP) IND FEL will be constructed at White Sands Missile Range (WSMR) for full scale demonstrations beginning in 1993 or 1994. Besides the lasers themselves, the White Sands program consists of large elements such as optics, command and control, target acquisition, and tracking.*

Source: U.S. Army

FIGURE 3



The chief components of a ground-based laser missile defense system are shown here. First, a large FEL laser based on the ground generates a laser beam output sufficient to destroy tens to hundreds of targets per second. This beam is sent through the atmosphere to a large relay mirror, which is in geosynchronous orbit 50,000 kilometers above the earth. Adaptive optics are used to compensate for atmospheric distortion of the laser beam. The relay mirror is made up of many smaller mirror modules which are phased arrayed to act like one large mirror. The beam is reflected from the relay mirror over 50,000 kilometers to a much smaller fighting mirror. The fighting mirror is part of a satellite orbiting 1000 kilometers above the earth. Boost phase, surveillance and command, control, and communication (C<sup>3</sup>) satellites provide overall battle management. Fighting mirrors could engage missiles throughout their trajectories: 1) boost phase; 2) upper stage and bus; 3) bus stage; 4) re-entry vehicles.

tron beam after it has passed through the wiggler. The experiments demonstrated that 99% of all of the energy in the relativistic electron beams exiting the wiggler could be recovered. This means that the operating power for the input accelerator can be reduced 100-fold; alternatively, given a larger accelerator, both the relativistic electron beam and therefore, the free electron laser output can be increased 100 times—a figure not far removed from that of the Livermore induction linac plasma-focusing advance.

Los Alamos is also pursuing the technology of beam recovery, and has made a major advance in the back-end of radio-frequency accelerators. Just as unwanted transverse oscillations of the relativistic electron beam are amplified in the induction linac, this is also the case for radio-frequency accelerators. The free electron laser resonant cavity is even more sensitive to poorly focused and collimated relativistic electron beams than the single-pass amplifier.

The unwanted transverse oscillations derive from the fact that the electrons are not at absolute zero temperature when they are injected into the accelerator; they have a thermal velocity that is not unidirectional. It is these thermal oscillations that get amplified in the accelerator and produce the beam defocusing.

Los Alamos has developed a new, super-cold, high-current electron injector, consisting of a laser and a cold cathode. The cathode is made up of a photoelectric material; and when irradiated by the laser, it emits very cold photoelectrons. This system is projected to be capable of producing current pulses of hundreds of amperes of cold electrons. This will greatly enhance both the potential power and brightness of radio-frequency accelerator technology.

Among the recent advances that have now transformed

the radio-frequency resonant-cavity free electron laser from a poor second into a strong contender, has been the R&D carried out by Boeing Aerospace. Boeing has scored major advances in optics technology demonstrating recently that high-power free electron laser resonating cavities are feasible.

As noted above, the prototype single-pass Livermore induction free electron laser will utilize a 2.6-mile expansion tunnel to permit the laser pulse to expand so that mirrors will survive. With the radio-frequency resonant-cavity free electron laser, the laser output must be reflected back and forth through the cavity thousands of times. Although the continuous radio-frequency free electron laser output is more evenly distributed over time (compared to the short, extremely power-dense pulses of the Livermore system), the radio-frequency free electron laser for missile defense would still have extremely high-power densities within the resonating cavity. And the resonating cavity mirrors must not only survive, but must remain highly aligned to maintain the cavity as a resonating cavity.

Besides the problem of the inherently high power densities of free electron lasers, electron beams can also damage fragile optical components. For example, high energy electron beams can generate synchrotron radiation that will destroy fine optical finishes, and stray electrons are very efficient at destroying optical surfaces in general.

Boeing has developed innovative techniques to solve these problems. Instead of using only two mirrors to form the optical cavity, Boeing scientists have developed a system of four mirrors. Two mirrors at either end of the free electron laser cavity are aligned so that they do not reflect the laser pulse 180 degrees back on itself, but deflect it instead at a

slight "grazing" angle. The beam then passes via two large transfer mirrors back around to the second grazing-angle cavity mirror, which refocuses the beam and directs it back into the cavity. Thus the laser beam travels a trapezoidal path between the four mirrors.

Even though the 4-degree grazing angle produces a significant expansion of the laser beam's footprint and thereby lowers its power density, the fine finish and alignment of the grazing-incidence mirror could not survive unless it was capable of rapidly dissipating heat. This is attained by making the grazing-incidence mirror out of many slabs of material, instead of a single surface. The mirror looks like a stepped deck of cards, with only a small portion of each slab exposed to the incident laser beam.

These recent advances have completely transformed the relative ground-based-laser fighting potential of the radio-frequency resonant-cavity free electron laser. Strategic defense plans call for actually completing a radio-frequency free electron laser facility at White Sands before 1988 both as a backup to the full-scale induction free electron laser and as a facility for atmospheric-propagation experiments.

### **The free electron laser defense potential**

A missile defense using a ground-based free electron laser would consist of the components shown in **Figure 3**: 1) the laser itself, together with its accelerator, power supplies, and beam director; 2) satellites for boost-phase surveillance and command, control, and communication (C<sup>3</sup>); 3) two or more large phased-array mirrors in geosynchronous orbit 50,000 kilometers above the Earth (these are utilized to relay the laser beam around the world); 4) fighting mirrors located in orbits 1,000 kilometers above the Earth.

As shown, the free electron laser would begin firing as soon as the launch of the offensive missiles had been detected. The relayed beam would then be directed to several fighting mirrors at the speed of light. In this manner, a single laser could destroy more than scores of missiles per second anywhere in the world. The system would be even more effective against the slower intermediate and short-range missiles.

If any weapons survive the boost phase, the free electron laser could then be used to destroy warheads during their 20-minute transit through space—the so-called midcourse. First, a diffuse free electron laser beam would be utilized to actively discriminate real warheads from decoys, and determine their precise trajectory. This would greatly enhance a wide variety of effective midcourse interception systems. The free electron laser beam could also be used to destroy warheads. Even though warheads are hundreds of times harder to disable than thin-skinned booster rockets, the free electron laser would minimally have 10 times longer to do it. Furthermore, pop-up fighting mirrors could be launched into space, once an attack was under way. Such pop-ups could be directed toward large warhead clusters, increasing the effective free electron laser firepower 100-fold against warheads.

Although the SDI is primarily directed against the threat

of nuclear-tipped missiles, the free electron laser has a far greater potential against slower-moving targets, such as jet aircraft and cruise missiles. Theoretically, a single free electron laser, which is capable of destroying the entire Soviet ICBM arsenal within a couple of minutes, would easily have the firepower to do-in the entire world inventory of military aircraft and cruise missiles in a couple of hours.

### **Spinoffs**

Many of the specific free electron laser programs, such as those at Boeing, Los Alamos, TRW, and Stanford University, were initially to explore the scientific and technological applications. Even the high-intensity Livermore amplifier system has been examined for its potential as a driver for laser-fusion electricity production. Because of its potential to remain tuned over a wide range of electromagnetic wavelengths, and to operate at high efficiencies, the free electron laser may develop into a tool whose uses range from delicate scientific and medical procedures to heavy-duty industrial applications.

The Los Alamos resonant-cavity free electron laser effort was initiated to explore the applications of free electron lasers to chemical processing. The idea is that the free electron laser could be tuned in to generate the specific chemical reaction desired. This could lead to the efficient, large-scale production of new and old chemicals, whose structure is engineered with the refinement of "genetic engineering." This could radically increase the efficiency of existing chemicals production and could directly lead to entirely new types of materials and families of chemicals. The SDI's development of high-energy free electron lasers will permit the exploration of heavy-duty industrial applications, such as metal-working and laser-machining. The free electron laser promises to revolutionize every aspect of existing technology.

The potential scientific applications of the free electron laser are vast. First, what is the shortest wavelength that the free electron laser can attain? In principle, the free electron laser offers the possibility of exploring the very frontiers of the electromagnetic spectrum. One probable predicate for such a goal will be bigger and brighter electron-beam accelerators. The free electron laser offers the means to achieve this. Since the free electron laser operates on the basis of extracting energy from an electron beam, by reversing the process it can be used to accelerate electrons. Because of its inherent high power and wavelength coherence of its output, the free electron laser offers the prospect of much more powerful and brighter electron beam accelerators. By stacking free electron lasers—alternating between electron acceleration and radiation generation—shorter and shorter wavelengths could be approached. TRW, Livermore, and Stanford University are exploring these possibilities for both development of new technologies for processing computer microchips and for fundamental scientific studies. The scientific applications include making atomic-scale holograms—three-dimensional pictures—of both living and dead materials.

## Parameters for U.S.-Soviet talks on AIDS pandemic

by Lyndon H. LaRouche, Jr.

*Editor's Note: The following proposal was released in Washington, D.C. on Oct. 11, 1986, the day the Iceland "pre-summit" opened. The author has declared his candidacy for the 1988 presidential nomination of the Democratic Party, and is a supporter of the by-now famous Proposition 64 on the November state ballot in California, which proposes application of standard public-health measures to AIDS.*

Over the past two weeks, West Germany, Britain, and Italy have joined the list of nations in which leading news media, medical officials, and government agencies have warned that the AIDS pandemic is out of control, spreading rapidly from the homosexuals and drug-users, into the population generally. Only in White House Chief of Staff Donald Regan's United States, is the government still orchestrating a police-state-style cover-up of the truth about the AIDS pandemic.

Meanwhile, the Soviet government has bid to purchase 5 million AIDS-testing kits in Western Europe, as part of a new mass-testing for AIDS by the Soviet military.

One would hope that U.S. President Ronald Reagan would limit his "summit" negotiations with Soviet General Secretary Mikhail Gorbachov to two leading topics: continued pressure on Moscow to accept the offer on SDI which the President first publicized on March 23, 1983; establishment of a special liaison agency, for U.S.-Soviet cooperation in launching an "Apollo-style crash program" against the AIDS pandemic.

The function of this report, is to use this news media channel to indicate to the Soviet government, as well as governments of the OECD and developing nations, what the workable parameters of cooperation on AIDS would be.

### **The parameters**

#### **1. GENERAL BASIS FOR SEEKING COOPERATION**

Both the Soviet Union and Western OECD and developing nations face a common threat potentially more deadly than a general nuclear war between the





*A U.S. astronaut and a Soviet astronaut are shown during a training session for the first International space flight in July 1975. "The greatest and longest-lasting adversary of both superpowers, and of all humanity, is the conquest of space."*

two superpowers, the AIDS pandemic. Since each of the two superpowers commands relevant kinds of scientific and related capabilities not possessed by the other, each superpower, and the respective friends and allies of each superpower, plus the People's Republic of China, each has an overriding interest in seeking the other's cooperation in a joint commitment to defeat of this pandemic.

The establishment of appropriate mechanisms of cooperation between the two superpowers, would set a pattern for the needed broader cooperation among many nations.

## **2. THE NATURE OF THE COMMON DANGER**

AIDS is the first known instance of a human pandemic actually capable of wiping out the human species. It is the first known instance in which a type of slowly-incubating retrovirus, already well known to veterinarians as an animal epidemic, has appeared in a human-species-specific form in epidemic degree.

Apparently, the spread of the infection was built up during the past period of approximately 10 years. The accumulation of a "human reservoir" of infection appears to have been built up through such vectors as contaminated hypodermic needles, contaminated supplies of human serum, and anus-focused forms of homosexual acts. Once the human reservoir of the infection has been built up through such so-called "high-risk" vectors of transmission, the disease is transmitted in increasingly significant degree by so-called "casual" routes of infection.

It is useful to classify the state of the AIDS epidemic in various localities, as falling into one of five successive phases

of immediate epidemiological threat:

**Phase 1:** The buildup of the initial human reservoir of infection by "high-risk" vectors, such as contaminated hypodermic needles and anus-related sexual activities among both homosexuals and heterosexuals.

**Phase 2:** The emergence of a significant percentage of the total human reservoir among victims infected by environmental vectors other than "high-risk" ones.

**Phase 3:** The point at which infection by "non-high-risk" vectors accounts for a large and growing plurality of new cases of infection, and also a very significant percentage of the total population.

**Phase 4:** The point at which infection by "non-high-risk" vectors accounts for the majority of new cases of infection, and also a large percentage of the total population.

**Phase 5:** The point at which the number of persons infected within a population ensures that virtually every member of that population will become infected by "non-high-risk" vector routes.

The urban areas of greater New York City, San Francisco, Los Angeles, Miami, Key West, and so forth, typify areas which have entered Phase 2, en route to Phase 3. Two slum-areas in Florida, Belle Glade and DelRay Beach, typify areas in which Phase 3 conditions already exist. Much of black Africa is already in Phase 4 conditions, rapidly approaching Phase 5 conditions.

It is not known whether it is possible to halt the spread of AIDS into Phase 5 conditions, once Phase 4 conditions have been reached.

The best medical research so far, indicates that every

person infected with the virus will die as a consequence of that infection, with estimated time of death ranging from between three to more than ten years after the initial infection. The spread of Phase 5 conditions within a large part of any continent, ensures that the entire population of that continent will be dead within about a quarter-century or less.

AIDS is a "Satan bug," the only known disease with the immediate potential for exterminating the human species. For that reason, this pandemic is rightly classed as more dangerous than a nuclear war between the superpowers.

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*We require a biological agent or combination of agents, the which can detect and track some characteristic element of the AIDS virus's genetic material, and neutralize it wherever it is in the human body. Nothing less than this, represents a cure.*

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### 3. THE PROBABILITY OF HUMAN EXTINCTION

Under present medical procedures, there is no cure for AIDS. Four actions must be introduced to slow, and ultimately halt the spread of the infection:

- **Public Health Measures:** Mass-testing of populations for the presence of the AIDS virus itself, supplemented by actions designed to prevent the infected carriers from transmitting the infection to others. This must be combined with as drastic a set of public health measures as may be required, to neutralize the environmental factors by which AIDS may be "casually" transmitted, including drastic measures of pest-control against bloodsucking insects.

- **Discovering a Cure:** We require a biological agent or combination of such agents, the which can detect and track some characteristic element of the AIDS virus's genetic material, and neutralize that virus in whatever part of the human body it may have reached. Nothing less than this, represents a "cure."

- **Medical Procedures Short of Cure:** Pending development of a cure, we require a repertoire of biological agents which contribute to arresting the activity of the AIDS virus: to buy time until a cure is developed and delivered.

- **A Program of Combined Measures:** These programs of public health, research, and health care, must be conducted as an integrated effort, applying to the war against this infection the same approach appropriate for general warfare. The nations of this planet must treat the AIDS infection as like an

invading enemy launched against this planet from outer space, and must mobilize measures of warfare against the virus in that spirit, and by means appropriate to that spirit of enterprise.

### 4. BASIS FOR COOPERATION AGAINST AIDS

On the surface, the struggle for a cure seems to lie within the scope of what is called "genetic engineering," touching upon areas heretofore associated with fundamental research into cancers. However, in both the Soviet Union and various Western nations, biological techniques more advanced than "genetic engineering" have come into existence. These latter are associated with such terms as "non-linear spectroscopy" of living processes, or, more broadly, "optical biophysics."

In the U.S.A. and Japan, we have and are developing what may be seen, relatively speaking, as "supercomputer" technologies of a type essential for mass spectroscopy of tissue samples and experimental processes. The use of NMR (nuclear magnetic resonance) spectroscopy, as well as ordinary electromagnetic spectroscopy, is indicated. Whereas, published Soviet research indicates that the Soviet Union, which lacks such computer capabilities, has done important advanced work in the field of optical biophysics.

It also appears to be the case, that Soviet scientists have concentrated to an important degree on perfecting analytical methods which may be in some cases useful alternatives to large-scale computer applications.

Although neither superpower is disposed to make its unique advantages freely available to the other, the common danger from AIDS is so great, that some efficient cooperation between the two, in joint use of such capabilities, should be foreseeable. This means, for example, that relevant U.S. computer facilities would be made available for joint U.S.A.-Soviet teams, and that the Soviets would make available relevant, "declassified" aspects of their research in optical biophysics. It means, for example, that other nations' teams would participate in such arrangements, under the provision of a nested aggregation of relevant bilateral and multilateral agreements on combatting AIDS.

### 5. ORGANIZING THE WAR AGAINST AIDS

The war against AIDS should be organized in the form of a classical military general staff organization of military forces.

- 1) In the U.S.A., a special emergency commission should be established, under both Federal Emergency Management Agency provisions and other constitutional and legal powers of the U.S. presidency. This would be organized in the form of a military general staff for the war against AIDS.

- 2) This general staff would have an intelligence arm integrating two qualities of public health and medical intelligence capabilities: (a) public health intel-

ligence and related operations; (b) medical research intelligence.

3) This general staff would function as a national coordinating agency for the war against AIDS, operating under the relevant national emergency powers defined for combat against this disease.

4) The public health functions coordinated by this commission, would be in the form of law and custom prior to the administration of President Jimmy Carter. This custom and law would be applied according to the requirements in fact represented by the nature and spread of the infection and of both biological-agent and environmental co-factors of both spread of infection and the nature of presented disease-symptoms in which the AIDS infection is either the sole agent or a co-factor.

5) The most distinctive feature of the operations coordinated by the commission, is the verticalization of the medical system, from fundamental research and production of pharmaceuticals, down to the delivery of health-care service or assistance at the regional, state, and local level.

6) As adjunct to domestic functions of this commission, the commission would also be assigned integrated functions of health assistance to other nations.

Cooperation with the Soviet government's relevant agencies would fall within the province of the sixth of the above-listed functions.

## 6. OVERLAP WITH OTHER TREATY AGREEMENTS

This need for international cooperation in war against the AIDS infection coincides with the ripeness of the time for new forms of long-range agreements among nations on the exploration and colonization of space. For reasons which need not be elaborated here, the present threat from AIDS falls categorically under the longer-range title of "space medicine."

Given the appropriate form of "Apollo-style crash program," and immediate and appropriately energetic forms of public health measures, we should have defeated AIDS within a decade, at most. In the international cooperation organized for the war against AIDS, new kinds of capabilities will have grown up; these capabilities should be maintained in functioning order, as a ready capability for use in combating kindred problems of the future, and for promoting fundamental biological research.

Existing supranational agencies, such as the World Health Organization, are contraindicated as candidates for assuming such responsibilities. 1) The "feudalist" mind-set, the tendency to view such institutions as agencies of a "world government" coming into being, is endemic to the functioning of supranational agencies, a mind-set alien in principle to the sovereignty of nation-states. What is wanted,

instead, is agencies which are task-oriented partnerships of jealously-sovereign sovereign states. 2) What is wanted for combating AIDS, is a mission-oriented organization of international cooperation, rather than attempting to impose a mission upon a supranational agency which has special bureaucratic interests on its own account.

Cooperation among sovereign states succeeds best when it has the form of a military alliance against a common adversary. This is most emphatically the case for cooperation among nations which are otherwise actively or implicitly adversaries. In such latter instances, only an alliance to combat a common adversary more hated by each than each may hate the other, will produce an efficiently fruitful form of cooperation. In the instance of bilateral and multilateral relations among the U.S.A., the Soviet Union, and the People's Republic of China, for example, this is the only logic likely to predetermine efficient cooperation.

We and the Soviet Union are adversaries, deadly adversaries. This point is clearly understood by the Soviet leadership, even when it is not recognized by the lily-livered mush-heads among our institutions. The Soviet government will always act in accordance with that appreciation, and will never act in violation of that policy-perception at any time within the practically foreseeable future. Only if cooperation is of a form premised upon recognition of that fact, can necessary forms of efficient cooperation be defined and implemented. All the mush-headed ideology of "arms control" mythologies aside, the Soviets will never actually cooperate with the United States in any way not contributing to Soviet strategic advantage over the U.S.A., except as the Soviet government recognizes a deadly common adversary it fears and hates more than it does us. Agreements in the latter matters are fraught with difficulties, but are manageable and potentially fruitful; no other sorts of agreements are.

There are only three areas in which real cooperation is possible between the two superpowers.

● **Strategic Defense Initiative:** If the United States demonstrates an efficient will for rapid development and deployment of the Strategic Defense Initiative, the Soviet government is obliged to consider cooperation very seriously.

Since Sokolovskii, it has been continuing Soviet military doctrine, that the development of a strategic ballistic missile defense based on "new physical principles" is a precondition for successful first-strike victory over the forces of the United States. The Soviets will therefore do everything possible to prevent the United States from developing an SDI. However, if it becomes clear to Moscow that the U.S. commitment to SDI is irreversible and efficient, the common adversary of "nuclear war by miscalculation" forces Moscow to cooperate in the parallel deployment of SDI by the respective military alliances. This is the only area of "arms control" in which Moscow would actually cooperate. Other kinds of

“arms control” agreements, to the extent they either exist or are proposed, are frauds.

● **AIDS:** It is now becoming clear to the Soviet government, that AIDS is a “Satan bug,” which ultimately threatens them as much as it does us. This is a common adversary *par excellence*.

● **Space:** The greatest and longest-lasting adversary of both superpowers, and of all humanity, is the conquest of space. This is not the ordinary sort of Earth-bound adversary, such as armed nations or diseases. It is the common challenge

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*The proper approach, is to view cooperation in the war against AIDS as the pathway to enhanced cooperation in the peaceful exploration of space, since the physics and biophysics of space-exploration subsumes the entire area of the war against AIDS.*

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of all mankind, in which the adversary is “failure.”

It should be the Soviet policy of the United States, respecting prospective forms of cooperation, to bring these three elements of possible agreement into convergence. This does not mean that cooperation in any one is necessarily contingent entirely upon cooperation in both or one of the other two areas. It means, that our policy should be committed to fostering such convergence. It should be our policy, that no efficiently equitable forms of cooperation between the two superpowers is possible, excepting in matters subsumed by one or more of these three classes of cooperation.

The SDI, the war against AIDS, and space-exploration are each and all subsumed by the same array of frontier technologies. Of these three, any form of military cooperation between the two superpowers is sharply delimited by Soviet law. Therefore, even SDI cooperation, however useful and even indispensable as a war-avoidance measure, is more in the area of sharply delimited cooperation among deadly adversaries, than the premise for a general form of cooperation between the two sovereign states. In the battle against AIDS, the matter is quite different, and the possibility of cooperation on space-exploration matters encounters degrees of difficulty which lie between the cases for SDI and AIDS.

The proper approach, is to view cooperation in the war against AIDS, as the pathway to enhanced cooperation in the peaceful exploration of space. Since the physics and biophysics of space-exploration subsumes the entire area of

the war against AIDS, the technical aspect of cooperation in each of the two mission-assignments, is congruent.

### **The AIDS mission-assignment**

The United States should seek a nested set of bilateral and multilateral agreements among sovereign nation-states, bypassing all supranational agencies, for earliest possible total victory in a war against the AIDS infection. The Soviet Union and the People’s Republic of China should be included among the nations with which such treaty agreements are sought.

The United States should establish a joint mission-assignment, “Apollo-style crash program” effort, in cooperation with as many among the OECD nations as will utilize existing or newly adopted treaty agreements to such effect. The United States should also seek bilateral cooperation with the Soviet Union and the People’s Republic of China, agreements to the effect of an alliance to conduct total war against a specific common adversary, with no complicating considerations extraneous to this narrow mission-assignment cluttering the agreements.

The research aspects of the U.S. program, should be in the order of \$3 billion a year or more of federal expenditure. All relevant areas of fundamental medical research, including all areas of “genetic engineering” and “optical biophysics,” should be deployed both in parallel and in cooperation with one another. A “race to a breakthrough” should be the theme of the research program. The primary forms of cooperation sought with the Soviet Union and People’s Republic of China, should be sharing of research-efforts’ information bearing upon reaching the breakthrough desired.

The most important area of such cooperation, is the area of optical biophysics. For the guidance of laymen, the following clarification is supplied.

Since the initial discovery of the fundamental principles of living processes, by the Italian collaborators Luca Pacioli and Leonardo da Vinci, and the successful work of Louis Pasteur on the optical activity of living processes, science has known that the only characteristic distinction between mere organic chemistry and living processes, is the harmonic ordering of living processes’ morphologies, in a manner congruent with the Golden Section of elementary constructive geometry.

Modern biophysics has enriched our knowledge of this matter greatly. The characteristic feature of molecules such as chlorophyll and DNA, is that these molecules function, on the one side, as electrochemical wave-guides which receive energy from their environment, and which transform that collected energy into coherent electromagnetic radiation at higher effective energy-flux densities. The enhanced external radiation of plant and animal tissues when they are damaged, or when cells are undergoing mitosis, is an aspect of this.

We are not addressing living processes as living processes, except as: 1) The non-linear phase-shifts in such electro-

magnetic functions are placed at the center of the definition of living processes; and 2) As cell mitosis, viewed from this vantage-point, is adopted as the characteristic event defining every functional aspect of existence of the cell. This extrapolation from the work of Pacioli, Leonardo, and Pasteur, among others, is the true science of biology mankind has been seeking these past centuries.

As much as is known of these matters in the published literature and by other information from pioneering experimenters, shows that the proper mathematical-physics approach to these spectroscopic features of living processes, is Riemannian electrohydrodynamics. This coincides with a point implicitly emphasized by the Pasteur Institute-trained Soviet academician Vernadsky, better known as the "father of geobiochemistry" and also as the organizer, since the 1920s, of the Soviet "atom project."

The human AIDS retrovirus is the first human-specific virus of this type known. Among the locations invaded by this infection, is the genetic material of the human cells, to the apparent effect that the infected person himself or herself generates this virus under definite, but too-little-understood circumstances. We know the effect in significant degree, but do not yet understand the biological mechanisms by which the relevant events occur.

In AIDS research, and for purposes of effective mass-screening, the most efficient, and only infallible means we possess at present, is a technique of optical biophysics, mass-spectroscopy of samples from possibly infected persons, or tissue-culture samples. We have proof of principle of the feasibility of such techniques, using inadequately developed means. We require a "crash program" to perfect these means, and rapid deployment of the instruments required for this.

The techniques involve three basic methods: 1) the ordinary spectroscopy of samples; 2) the addition of the magnetic resonance spectroscopy to ordinary spectroscopy; 3) powerful, dedicated-application computer modules, for on-line processing of the data being collected by the instruments.

It is our best information, presently, that Soviet research is ahead of us in two relevant areas of optical biophysics: 1) crucial, proof-of-principle experiments; 2) development of analytical methods as efficient substitutes for digital computer applications.

On the second, we have general knowledge of the feasibility of such analytical methods, but to the best of our knowledge, Western countries have given inadequate attention to these, partly because of the availability of large-scale computer systems. These methods are based on the elaboration of a Gaussian approach to harmonic orderings of conic and hyperconic elliptic-series in a Riemannian hyperspherical complex domain. The interpretation of a seemingly arbitrary function in terms of angular rotations of such hyperspherical functions, from this vantage point, is the most advanced method extant in mathematical analysis, and an obvious way of explicit solutions alternative to laborious implicit solutions

estimated by digital-computer applications.

In other words, rather than reading tables of Bessel functions in the ordinary way, recognize that the series of elliptic functions characteristic of a process correspond to a harmonically ordered series of available (least action) states, excluding any arbitrary values in between. Kepler's determination of the planetary orbits, is the classic example of this notion; it was this work of Kepler which led Karl Gauss to discover the principle of harmonically ordered elliptic functions associated with the generation of the arithmetic-geometric mean; from this starting-point, Gauss-Riemann elliptic functions, as distinct from other approaches, are derived. Quantum functions in microphysics, are of the same character. This view of the significance of elliptic functions, as expressing the characteristics of even a non-linear process, is the most powerful tool in analysis, the method informing the analytical work of the LaRouche-Riemann method of economic analysis.

In optical (non-linear) spectroscopy of living processes, precisely this sort of analytical problem predominates. We shall not access the most fundamental features of living processes without assistance of this analytical method. In the case of AIDS, every indication is, that we are up against this aspect of living processes.

Relative to the Soviets, the United States and its allies, including Japan, are far more advanced in development of the kinds of instrumentation which require powerful computers as on-line features of the instrumentation of experimental processes. Presently, Japan is the only qualified source of much of the kind of instrumentation required for this work.

The general research program for the war against AIDS, must combine these three aspects of optical biophysics, both as a form of research independent from other lines of relevant research, and as a supporting feature of "more conventional" "generic engineering" and other approaches.

Roughly, the federal government should spend about \$1.5 billion a year for "conventional" lines of research, and approximately an additional \$1.5 billion for SDI-style approaches to optical-biophysics-oriented experiments and use of advanced optical-biophysics instrumentation as a supporting feature of "conventional" lines of research.

It is in this area that U.S.A.-Soviet task-oriented cooperation should be concentrated.

Short of money for this purpose? Take the money out of the drug-trafficking, by shutting down and confiscating the drug-traffic and drug-money-laundering at all levels: tens of billions will be freed for the war against AIDS, for defense, and for other valuable enterprises. There is abundant wealth, if we shut down drug-usage and drug-trafficking cold.

Otherwise, we must approach the effort to defeat AIDS with the spirit of winning total war against the most Satanic adversary the human race has ever confronted. If we think in that way, the needed means will be mobilized, and victory will be secured.

# To control AIDS, we must 'get more momentum into the research'

We are honored to present to our readership on five continents—including thousands of scientists, government and military officials, policymakers, and the general public—the following exclusive interview with Prof. Jean-Claude Chermann, laboratory chief and head of a research team at the Pasteur Institute of Paris. The interview was conducted in French by our correspondent Garance Upham Phau in Paris in early October. Professor Chermann is part of the Pasteur Institute's department of Oncogene Virology, under Prof. Luc Montagnier, which first discovered the AIDS virus in 1983, then called LAV and today rechristened Human Immunodeficiency Virus (HIV).

Professor Chermann rocked the scientific and medical community in August, at the Fourteenth International Congress on Cancer held in Budapest, Hungary, when he announced that his team had found that cells of various insects (mosquitoes, black beetles, lion-ants, tse-tse flies, as well as ticks), all coming from Africa, were infected with the HIV virus in their genome.

Dr. Chermann explains precisely what has been shown by his experiments and what science has yet to discover. Despite the extraordinary scientific progress made to date in our understanding of this deadly pandemic, there yet remain vast amounts of scientific work to be done. We therefore fully endorse Professor Chermann's call to "develop more research teams." *We need more momentum in research.*

We hope that by publishing Dr. Chermann's interview in such an extensive and unedited form, including all the nuances and subtleties of formulation in distinguishing between what science has already fully established and what remain only hypotheses and areas of speculation, we shall help to encourage more young scientists and established researchers to put on their laboratory coats, and get on with productive experiments in this area to advance our scientific frontiers.

We hope, as well, that by printing this interview in a journal with wide global circulation, we shall help foster the climate in which populations generally give their governments a full mandate to embark upon Apollo Moon-shot-scale crash biomedical research programs. There is much we still don't know about the nature of this disease, yet in the spirit of Louis Pasteur himself, we shall always remain opti-

mistic so long as science is fully backed to find those solutions which mankind so desperately requires.

Warren J. Hamerman, Director  
EIR Biological Holocaust Task Force

**EIR:** What led you to study the role of insects in the context of AIDS?

**Chermann:** I would put the question differently, because it didn't happen in that way. We were interested in finding out why a sub-group of T4 lymphocytes was infected. So we immediately investigated the possibilities of there being a receptor other than the T4 molecule on the outside of the lymphocyte, to identify these cells.

We developed a technique of fluorescent marking of the virus to locate the sensitive cells. When we saw that the techniques we had developed were specific, we asked ourselves what other kind of cells could fix the virus. We looked at many different types of human cells, but as we were working at the same time here on insect cells in culture, we also looked at them and found that certain fly and mosquito cells fixed the virus in culture. That's how we came to insects.

In the second phase, we said, okay, cells in culture can fix the virus, but is it the same in nature? So we looked around the Paris area and in Africa, and in Africa we found that some insects were infected, that is, they had integrated the virus genotype into their own genotype, that is to say they incorporated viral DNA into their DNA. We did not prove that there were free viruses, but that the genotype was present.

**EIR:** How do you evaluate the importance of the discoveries made by the Johannesburg team, which were published in the *Lancet* and quoted in your article on the report of the Paris Academy of Sciences?

**Chermann:** When you find infected insects, there are two possibilities. The first is that the insect got contaminated from man, as the MacLeod group showed: Bedbugs sucking in blood could keep the virus in their blood for one hour. The other possibility is that these insects were infected by another animal. At this point, I absolutely cannot say whether man infected the insect or if it was infected some other way. But we will find out. We are studying that now.



**EIR:** What is your hypothesis on the way insects captured in Africa, in which you detected a viral DNA homologous to the HIV virus, were contaminated?

**Chermann:** We are first going to investigate whether there are contaminated insects only in infected zones or whether there are also contaminated insects in non-infected zones. We also have to find out whether male mosquitoes are infected, since only females bite: If both males and females are infected, then it is a case of transovarian contamination.

**EIR:** Are you working on that now?

**Chermann:** Yes, we are, but we have as yet no answer. For the moment, I believe that in our areas, in Europe and America, there are no examples of transmission other than by blood or sex.

**EIR:** What do you think of the possibilities of HIV being replicated in insect tissues?

**Chermann:** I don't know. All we did in our cell cultures was to show very, very clearly that first of all the virus fixes on the surface of the cell and secondly enters into the cell and integrates into the genotype. We didn't find any replication, that is, no RNA, no viral protein formed and no virus on the outside. Secondly, there was a blocking of replication of this virus, and this may perhaps help to slow down the cell adhesion and to eliminate the cell in culture. So in fact the insect cell seems to protect itself against the invasion of an extra germ. That is very clear. We have the insect being infected without replication, which is true for the 6 to 10 days during which the virus is traced, but after that we don't find it anymore. So there is a negative selection. That is what we have shown in culture.

**EIR:** Could there possibly exist an animal reservoir (mammals, insects, or others) for the HIV virus, other than monkeys? Rats, for example . . . ?

**Chermann:** No. We do not even know whether the monkey is a reservoir, whether the monkey virus can be transmitted to man or not . . . at least not for the moment. As for the origin of the virus, there are two possibilities: Either it is a human virus which came from some tribe somewhere and was not dangerous then, but became so in spreading out; or else it came from an animal. But nobody knows. If it originated in insects, French insects would also be infected.

In my opinion, it is a secondary contamination in Africa. It is not something that has always existed in the phylogeny of insects. It is more recent. Ants or cockroaches from Africa are contaminated, but French ones are not, so it does not happen during phylogeny, it is a secondary contamination.

**EIR:** Dr. Whiteside from the Tropical Medicine Institute in Miami has considered the possible role of viruses other than HIV in contracting AIDS. What is your opinion?

**Chermann:** We think there are a number of co-factors in

AIDS, which would cause an asymptomatic carrier to get AIDS. Of course. You have cytomegaloviruses which cause immuno-deficiencies; you have the Hepatitis B virus which has been shown to be present in lymphocytes and which can modify the function of lymphocytes or create immuno-deficiencies; you have the Epstein Barr virus which can also cause all kinds of transient immuno-deficiencies and, combined with the HIV virus, accelerate the catching of AIDS. That is definitely true. But I think these co-factors, as we have studied them, only come into play after HIV.

I am not really familiar with the Belle Glade case, I have not discussed it with Dr. Whiteside, but I think that what may be happening is that another insect-transmitted virus can create a favorable terrain for the spreading of HIV. But I don't know the situation there very well.

**EIR:** The possibility of recombinant viruses among insects in tropical region has also been discussed. What do you think of this?

**Chermann:** There is no evidence. We here are working on virus receptors. What I am really interested in is finding a cure for AIDS as quickly as possible. For me, insects are an instrument for purifying the receptor. I think what we have shown may be only an epiphenomenon, that insects are in fact infected but do not transmit.

You know, we went to Africa. [My colleague] Françoise Barre-Sinoussi went to Africa, and me too. And I can assure you that we are sero-negative. You see what I mean? There is a threshold effect, a kind of critical mass effect, of the virus. A certain quantity of the virus is needed to get infected.

**EIR:** In your document to the Paris Academy of Sciences, you say there is a possibility of insect transmission. . . .

**Chermann:** There are not enough viruses. . . . If viruses were as infectious, for example, as Hepatitis B, all the nurses who accidentally stabbed themselves with the needle would be positive, but there are only a few of them. Secondly, if the virus were as infectious as is said, saliva would also be contagious. But saliva is not contagious, except in one reported case, but this is one out of many. You know, if it were a virus like the hemorrhagic fever virus, everyone would be dead by now. I think this virus is not very contagious. Its incubation time is of course very impressive because people remain infected for so long, but I think it's very little contagious, if it stays the way it is. We have been working with quantities of this virus since 1983, and in those three years, none of us in the laboratory has been infected.

**EIR:** Is it possible that new mutants of the virus appear, having different epidemiological or clinical characteristics?

**Chermann:** For the moment, I don't know. For the moment, we don't know if these are mutants which can come up in different clinical conditions; so far, we do not completely know what AIDS is. It's a new disease and every year, we



see symptoms we did not know about previously. Anyone would have appeared to be mad who would have said, two years ago, that we were going to see the neurological symptoms that are seen today. We don't know what manifestations will appear in other people infected, for example, after six years, next year, etc. I don't believe we can attribute it to a mutation of the virus. It is a new disease, it started with pneumocystis, followed by a Kaposi sarcoma, then a neuro-meningic toxoplasmosis, and now manifestations of dementia. These new nervous manifestations show up but are due to the same virus, to the immuno-deficiency. But for the time being, nobody knows or even can predict whether a new virus will create new symptoms.

**EIR:** It has been proposed that AIDS may have come from a species jump, from animals. . . .

**Chermann:** No one can say for sure. In each species you have retroviruses, and the human species have some too. The origin of the AIDS virus may very well be a retrovirus which was harmless among some tribe or another, or in one part of the world or another, but which all of a sudden caused something new in our countries. Smallpox, after all, was fatal outside of our countries.

**EIR:** How do you view casual transmission? Do you know of any unusual but probable modes of transmission? Do you think such transmission is possible, albeit rare?

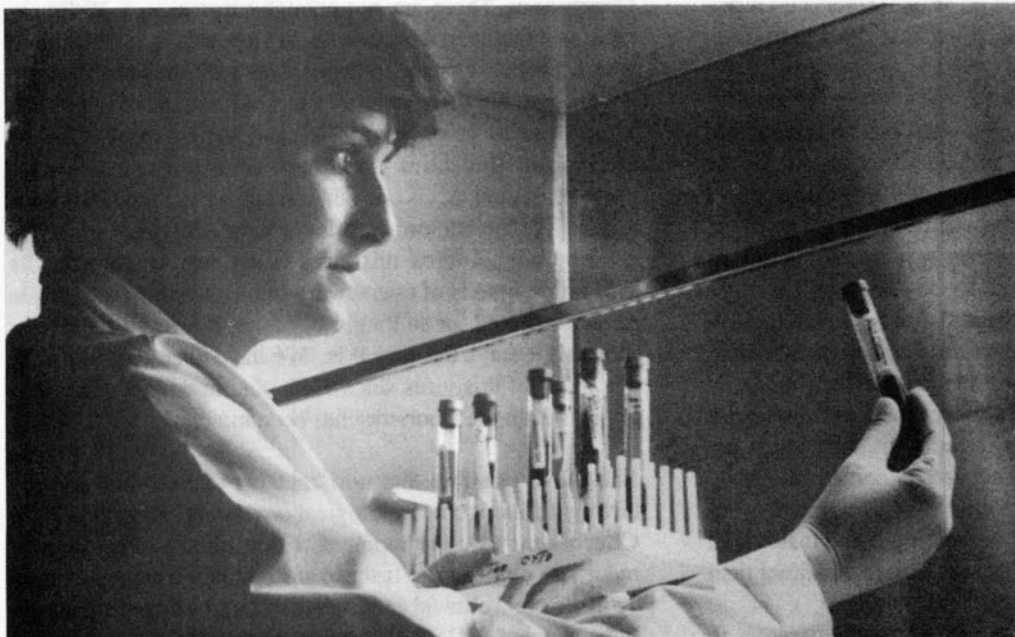
**Chermann:** Our organism is able to fight off a small amount of virus. For example, if you look at the sexual partners of AIDS victims, only 70% of them have the virus, the remaining 30% do not, even though their type and quantity of sexual practices are the same. Which means that the latter haven't

received enough of the virus to be infected. . . . That would explain that mosquitoes do not transmit the virus, because our organism is capable of resisting a small quantity of the virus. This phenomenon is easily shown in the case of cow leukemia [bovine leukemia virus—ed.]. If you give less than 2,000 infected cells to new-born sheep, cows, etc., none of them will get infected. But if you give more than 2,000, all of them—100%—will be sero-converted and have leukemia. This threshold idea is an important notion for lentiviruses.

**EIR:** Well, in this light, the issue of insects in Africa becomes even more interesting, because the population already has a very low immunity, due to a much worse nutrition than we have. Moreover, these countries are already infected with many, many diseases, so the resistance level. . . .

**Chermann:** First, I would remind you that no free viruses have as yet been shown in mosquitoes, although they may be tomorrow. Secondly, remember what you have read in my paper, not only blood-sucking insects are infected, but also cockroaches, lion-ants, and animals which are never in contact with man, who only eat insect larvae. It's a different situation, and we should not jump to conclusions faster than science.

**EIR:** To come back to what you said about resistance level. A person with a good overall immunology would need a sizeable dose, perhaps an injection, of HIV virus in order to come down with the disease. So the susceptibility of getting infected or not depends on one's immune system prior to contacting the virus, and the same could be said of carriers. . . .



*A technician at the National Institute of Allergy and Infectious Diseases works under the "hood" with serum from an AIDS patient.*

**Chermann:** It's quite likely, but we have no evidence. I just said what I did because epidemiology has shown that persons injecting themselves with the HIV virus do not become seropositive, whereas if they had injected the hepatitis virus, they would have caught hepatitis. That means that people who get a small quantity of virus eliminate it. This is the reason why you basically don't get infected from saliva, sweat, tears, or, *a fortiori*, mosquitoes.

**EIR:** Do we know what is the maximum incubation time for the HIV virus in humans?

**Chermann:** No, we don't. We only know that some people come down with the disease after three years, and some have not had the disease after six or eight years. So I have no idea. We know of some people who have been infected since 1978, and still have not come down with the disease. Although we have not had enough time to be sure of that, it would seem that the incubation time is shorter with new-born children than with adults.

**EIR:** Can a so-called healthy carrier transmit the virus before developing symptoms?

**Chermann:** You mean an asymptomatic carrier. The CDC says that 65% of asymptomatic carriers also have the virus, so, since it is in the sperm, they can transmit it sexually. I don't know in how much time. So we try and tell people who are sero-positive to be careful, that they can transmit the virus, not to give blood, not to take drugs.

**EIR:** What direction would you hope to see research take at this time?

**Chermann:** You know, we discovered the virus in 1983, that is three years ago. Look at the progress we've made: We know that the virus causes AIDS, we know its genotype, its identity, we know it is a family of lentiviruses, that anti-viral substances are possible, we have developed a blood test, and we know that a vaccination is possible.

**EIR:** Do we know that?

**Chermann:** Yes, I repeat, we know a vaccination is possible. Look, we are getting to know the disease, to see the receptor, we know the variability of the envelope of the virus. . . . All this was found out in three years. So I am optimistic, especially if we get more momentum into the research. I think we should develop more research teams to move ahead more quickly, as all that which has been done in the last three years has been done by very few research teams. But with more research, I am optimistic about the possibility of controlling this disease.

**EIR:** Would this be a vaccine? For those who have not yet been in contact with the virus or those who have it already?

**Chermann:** A vaccination is always preventive, so it would be for those who have not yet been in contact with the virus.

# EIR

## Special Report

# An Emergency War Plan to Fight AIDS

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

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

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

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## EIR called the shots at the Iceland summit

by Nicholas F. Benton

In last week's story filed from Reykjavik, the evening before the final day of the Oct. 10-11 pre-summit there, I reported that, as a result of two public exchanges between myself and Soviet spokesmen at press briefings, "the world was publicly exposed to the Soviet intransigence on the main issue of those talks, the President's Strategic Defense Initiative." This, while most other members of the Washington, D.C. press corps, transplanted temporarily to the far North, were heralding the imminence of an arms-control agreement and "peace in our time."

It is now well known, that within 24 hours of the time I filed that story, the summit had foundered on exactly the issue I had identified. President Reagan plainly refused to give up the SDI. *EIR* was the only news service, among over 1,000 present, to correctly identify what Reagan and Gorbachov were fighting over during their 14 hours of secret exchanges at the Hofti House in Reykjavik.

This fact was evidenced also by the sometimes-heated exchanges I had with leading Soviet spokesmen, notably physicist Yevgenii Velikhov, as well as with U.S. representatives, at numerous press briefings in the days leading up to the summit. A besieged Georgii Arbatov, head of Moscow's U.S.A. and Canada Institute and the Kremlin's chief "America handler," aided the effort by announcing angrily to everyone that this reporter's publication was affiliated with Lyndon LaRouche.

I will not soon forget the shock that came over the press stationed at the White House press center, when Secretary of State George Shultz came in at the end of the eight-hour Sunday marathon, ashen-faced, to report that the talks had

broken down when President Reagan refused to give in to a Soviet demand for a written change in the Anti-Ballistic Missile Treaty, specifying that SDI-related research be restricted to the laboratory for 10 years.

On that Sunday of seemingly endless waiting at the White House press center, astonished reporters watched as the television monitor at the front of the room suddenly flashed on a story about Lyndon LaRouche's charge that the Oct. 6 raid against his associates in Leesburg signified that the Soviets were demanding his head on a platter at the Reykjavik summit.

Soon after, another TV monitor that had focused for hours on the entrance of the Hofti House, showed the door open and the two leaders finally emerge; then came the announcement that the President was leaving for Keflavic Airport and that Shultz would be at the briefing room within five minutes. The television lamps lit up and the room became a beehive of frenzied activity.

### The collapse of negotiations

Shultz walked in, visibly exhausted and shaken. "Never have I been so proud of my President as I have been in these sessions," he began. He proceeded to outline what he called "the extremely important potential agreements" that, he said, "were reached to reduce strategic arms in half and to deal effectively with intermediate-range missiles."

The reporters, still believing that agreement was at hand, continued their flight forward. "They've done it!" one reporter whispered loudly, pounding feverishly into her portable word-processor, along with the scores of other reporters

who were already sending their stories back to their editors, as the words were spilling out of Shultz's mouth.

Shultz droned on about "potential agreements," but then revealed the Soviets' rejection of the President's offer to extend the ABM Treaty, while eliminating all offensive weapons, and the President's unwillingness to submit to their uncompromising demand that SDI research be confined to the laboratory.

The manic typing began to slow down.

Shultz brought the room to a dead silence when he said, "And so, in the end, with great reluctance, the President, having worked so hard, creatively and constructively for these potentially tremendous achievements, simply had to refuse to compromise the security of the U.S., of our allies and freedom by abandoning the shield that has held in front of freedom. So, in the end, we are deeply disappointed at this outcome."

As Shultz asked for questions, the room was stunned. Quicker-witted reporters started asking for clarification. One desperately tried to signal his editors to kill the story he had already sent, reporting an historic arms control agreement. But it was too late; the story had already gone out over his wire service throughout Europe.

Shultz tried to avoid calling on me, but as he stepped down from the podium to leave, I shouted out, "What about the Soviets' SDI program? We know they have one. What are we to make of this, in light of that?" Shultz glared—he could not avoid the question. The entire press corps knew, as he did, that it was coming from the only journal that had been on target on this issue at Reykjavik.

He walked slowly back to the podium, but said only, "I know I've hit these things in a very broad way necessarily. But we'll be prepared to go into more detail as the time goes on."

Shultz ducked the issue, but President Reagan did not. The President proceeded to Keflavic Airport, and at the U.S. air base, before departing, delivered a brief address to the troops stationed there, in an upbeat tone opposite to Shultz's down-in-the-mouth performance. Reagan told the troops and their families: "The Soviet Union insisted that we sign an agreement that would deny to me and to future Presidents for 10 years the right to develop, test, and deploy a defense against nuclear missiles for the people of the free world. This, we could not and will not do." The crowd drowned out his next words with a deafening cheer; I knew then that Reagan would go home a victor in the eyes of the U.S. population.

### **The Soviet 'SDI'**

But this was contingent, I thought, on how he handled his speech to the nation Monday night, Oct. 13, which, according to White House spokesman Larry Speakes, Reagan wrote himself. Reagan mentioned for the first time the Soviet SDI: "The Soviets," he said, answering my question which Shultz avoided in Reykjavik, "have devoted far more

resources for a lot longer time than we, to their own SDI. Why are the Soviets so adamant that America remain forever vulnerable to Soviet rocket attack? As of today, all free nations are utterly defenseless against Soviet missiles—fired either by accident or design. Why does the Soviet Union insist that we remain so, forever?"

The next day, at the White House press briefing, I asked Larry Speakes if it were not the case that the Soviets' refusal to admit to their own SDI program, while seeking to stop ours, did not have "ominous implications" concerning Soviet designs to create a first-strike nuclear capability. He agreed it did.

The press, meanwhile, was struggling to regroup. They listened carefully to what Gorbachov said at his press conference in Reykjavik (the Soviets screened all journalists attending, and excluded me from their list). The new "line" emerged: "The summit was a failure. . . . Reagan had the greatest arms control package in history in his hands, and let it go because of his stubborn fixation on 'Star Wars.'" Some European media coined the term "Black Sunday" to characterize the final day of the summit.

But despite the media attempts to dictate reality, the American population had its own ideas. The first sign came on Oct. 14, when Reagan called Republican and Democratic congressional leaders to the White House to brief them on the summit. The Democrats came out of the meeting refusing to criticize the President's handling of the summit. Button-holing Rep. Dante Fascell (D-Fla.) after the meeting, ABC loudmouth Sam Donaldson prefaced a question by saying, "Given, Congressman, that the summit was a failure. . . ."

This reporter interrupted, asking Fascell, "Some media say the summit was a failure. Do you think that is a correct characterization?" When Fascell replied, "No, I do not think it was a failure," Donaldson gestured violently and cursed in front of his own TV cameras.

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## **Interview: Yuri Dubinin**

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# **Separate arms control deals? 'Not a chance'**

by Nicholas F. Benton

*Following are excerpts from an exclusive interview with Soviet Ambassador to the U.S. Yuri Dubinin made on the plane returning from Reykjavik to the United States Monday, Oct. 13. It is the first Western interview with a leading Soviet official after the Iceland meeting.*

**EIR:** Ambassador Dubinin, can you tell me whether it is the Soviet view that any arms agreements can be reached with the U.S., given President Reagan's refusal to abandon the Strategic Defense Initiative?

**Dubinin:** In my view there cannot be. One of your Presidents [John Kennedy—ed.] once said, "He who rules space rules the Earth." Therefore, if the United States insists upon trying to rule space, then how can there be any possibility of an agreement on any arms reduction on Earth?

**EIR:** Then there is no chance of separate agreements on some of the arms control issues raised at the summit?

**Dubinin:** Not as long as the U.S. insists on Star Wars. Absolutely not.

**EIR:** What about the Soviet Strategic Defense program. Isn't it true that you have a program at least as advanced as that of the U.S., but are not willing to admit it?

**Dubinin:** No. We have no program.

**EIR:** You claim you have no research or testing of lasers or directed-energy systems?

**Dubinin:** Well, we have certainly done research in lasers. We have a couple of Nobel Prize winners in this. But it is only in laboratories.

**EIR:** What will the Soviet Union do, then, if President Reagan persists with the U.S. SDI program?

**Dubinin:** As the General Secretary said at his press conference, we will respond "asymmetrically."

**EIR:** What does that mean?

**Dubinin:** I cannot tell you at this time. But we will respond differently.

**EIR:** There are many rumors that Mr. Gorbachov is having a difficult time getting parts of the Soviet bureaucracy to accept the reforms he is trying to implement. Is this true?

**Dubinin:** Of course, there are some who do not understand fully what it is that Gorbachov is trying to do. But, no, there is no problem. Everyone is in support of his efforts.

**EIR:** What about the removal of [Foreign Minister] Gromyko?

**Dubinin:** Mr. Gromyko now enjoys a very high position within the party, after over 20 years in a very difficult job.

**EIR:** But he is no longer directly influencing Soviet policy.

**Dubinin:** He is now more involved with internal matters of the party.

**EIR:** And what of the role of Marshal Ogarkov?

**Dubinin:** Marshal Ogarkov is a very important and loyal part of Mr. Gorbachov's team.

## Weinberger answers Soviets in Asia

by Susan Maitra in New Delhi and  
Linda de Hoyos in Washington

While the eyes of the world in the second week of October were riveted on Reykjavik, Iceland, and the Reagan-Gorbachov pre-summit of Oct. 11-12, U.S. Defense Secretary Caspar Weinberger was in China, India, and Pakistan, as part of a three-week tour that also takes him to Western Europe. With President Reagan taking the point with the Soviets on the Strategic Defense Initiative, Weinberger traveled to Asia to counter the high-powered Soviet diplomatic drive in the region, launched with the July 28 speech delivered by Mikhail Gorbachov in Vladivostok.

In that speech, Gorbachov had unveiled a policy of Soviet concessions toward China in the hopes of achieving the full normalization of relations with Beijing and a Chinese acquiescence in a Soviet-dominated collective security pact for Asia. Weinberger's alternative for Beijing is not a replay of Henry Kissinger's "China card"—which functioned as a cover through the Nixon, Ford, and Carter administrations for U.S. withdrawal from the region.

### Policy toward China

As Weinberger stated in New Delhi: "We believe a secure, modernizing, and friendly China, with an independent foreign policy and developing economic system, is an essential part of international policy."

Weinberger was in Beijing Oct. 7-11, simultaneous with the arrival of Soviet chief negotiator and deputy foreign minister Ivan Rogachev, for the ninth round of "normalization talks" with Moscow. Against this backdrop, Weinberger was accorded the highest-level treatment, including a 20-minute discussion with leader Deng Xiao Ping, who met with Weinberger in his official capacity as Central Military Commission Chairman. He also met with Chinese Defense Minister Zhang Aiping for nearly four hours.

Soviet designs on Asia were a major point of discussion. With Reagan and Gorbachov in Iceland debating decreases

in intermediate missiles, Weinberger told the press: "We want to let you know that Asia is also a priority with us and we want the number of SS-20 missiles cut in Asia as well as Europe." Two days later, the Chinese demanded that Moscow remove its SS-20 missiles in Asia.

### **What Afghanistan withdrawal?**

Weinberger also raised the issue of the alleged Soviet withdrawal of six regiments from Afghanistan, promised by Gorbachov in his Vladivostok speech. Weinberger reported to Zhang that the United States possesses "very substantial information" that the Soviet Union recently sent six regiments to Afghanistan to set up a mock troop withdrawal later.

"They [the Soviets] have also said they're going to withdraw their air defense units," Weinberger told ABC news from Beijing. "Well, the new regime has no air power. So that is not a very significant change in capabilities."

When a member of Weinberger's team was then asked if the administration had approved Weinberger's attacks on the Soviet Union—coming as it did on the eve of the "pre-summit," the official replied: "We don't do anything without White House knowledge and full support."

Among the other points of discussion with Zhang were U.S. technology transfer to China, the presence of Vietnamese troops in Cambodia, and the Strategic Defense Initiative. In his meeting with Chinese leader Deng Xiao Ping, Weinberger delivered a personal message from President Reagan.

The U.S. defense secretary toured Chinese defense and space facilities, flying to Sichuan province to tour the Zichang space center from which China plans to launch commercial satellites for several foreign companies, including for the United States.

At the end of his stay in Beijing, Weinberger announced that the first U.S. Navy port call to China since 1949 would soon take place. A U.S. port of call, agreed upon in 1985, was scotched in August of that year over the issue of nuclear capabilities of the U.S. ships.

### **A fresh start in Delhi**

On Oct. 11, Weinberger became the first U.S. defense secretary to visit India. Emerging from a 90-minute meeting, without aides, with Prime Minister Rajiv Gandhi, Weinberger told the Indian press corps: "Ladies and gentlemen, we had a very long and extremely informal, and, to me, enormously pleasant and happy and productive conversation with the prime minister. . . . We went over all the points that I think are of interest to both sides, and I believe it portends the development of increasingly warm and friendly relationships between our two countries and between the military of our two countries."

The essence of this assessment was confirmed by Indian officials at the end of the visit. "On the whole, we are very much satisfied," Minister of State for Defense Arun Singh is quoted. There was a considerable increase in mutual respect, he added, and both sides had understood each other's con-

ceptions of the security environment in the south Asian region.

"I believe this being the first visit there will be more awareness of what we believe in, our hopes and our fears," Arun Singh said.

The Weinberger visit is a benchmark in a process begun in 1980 to correct India's then-overwhelming military dependence on the U.S.S.R. and to retrieve Indo-U.S. relations from the nadir of the Kissinger-Nixon era. Besides buying technology from several European nations, India has sought assistance from the United States. In the last year and a half, since Deputy Defense Secretary Fred Iklé came to "break the ice," some 18 U.S. defense delegations have visited India.

But India is not interested in a mere arms deal; it seeks to bolster and modernize its indigenous defense capabilities with assistance in the development and transfer of "cutting edge" technologies across a wide spectrum. A qualitative improvement in the underlying relationship between the two nations is clearly prerequisite.

It was this, rather than signing agreements or making proclamations, that was the point of the secretary's visit. The military-strategic aspect of the relation was highlighted by the fact the Indian foreign office was kept out of the discussion.

### **Briefings on the SDI**

In response to press inquiries when he arrived, Weinberger said there were two things he most wanted to communicate to his Indian counterpart: Reagan's strategic conceptions, especially the Strategic Defense Initiative, and the possibility of total elimination of offensive nuclear weapons—things not "sufficiently understood or appreciated"—and the White House's conviction that a constructive relationship with India is compatible with continuing friendship with both Pakistan and China.

On Oct. 14, Weinberger received the most detailed briefing ever given to a foreign dignitary on India's "threat perception," given by Indian Army Chief of Staff Gen. K. Sundarji, known as the "thinking general." India's scientific adviser to the Defense Minister, Dr. V. S. Aranachalam, then detailed India's R&D plans, indicating how technological cooperation fits into India's long-term goals for self-reliant development.

Weinberger placed a very broad-scope relationship—including an offer of advanced weapons systems—on the table. So far, various technologies relating to India's Light Combat Aircraft (LCA) project, instrumentation for a new missile test range in Orissa, and several other areas have been identified. Agreement has been finalized for the sale to India of 11 General Electric-404 engines for the LCA.

India's purchase of the Cray XMP supercomputer was also confirmed following the talks. In November of this year, U.S. Secretary of the Air Force Alridge and a team of experts will visit India to finalize the security terms for the sale, the first of such sophisticated technology to a non-NATO nation.

# Patriots for Germany launch election campaign: 'because we love Germany'

The more than 350 German patriots who on Sunday, Oct. 12, found themselves in the Mozart Room of the Festival House in Worms, West Germany, knew exactly what they wanted. They had already been part of an important chapter of German history over the previous months, and they were now setting out to bring a definitive change for the better to Germany, over the next four months.

They were still stunned by the murder of leading German diplomat Gerold von Braunmühl, who had become the latest victim of the escalating Moscow-backed terrorist warfare the day before; on this Sunday morning, they were justifiably anxious that German interests would be sold out at the "pre-summit" in Reykjavik. For these patriotic-minded men and women, the principal item on the agenda was how to make a personal contribution to defend the honor of Germany in the face of Moscow's brazen threats, engaging in discussions of how the federal elections of Jan. 25, 1987, can be won *for Germany*.

It all began almost exactly a year earlier, on Oct. 15, 1985, when the major West German dailies such as *Die Welt*, *Frankfurter Allgemeine Zeitung*, and *Bildzeitung*, ran an advertisement with the call of the citizens group "Patriots for Germany." The ad, signed by some 50 German patriots, expressed concern about cultural and political developments in Germany, and called for a true "change"—in contrast to the long-awaited but never delivered "change" promised by Chancellor Kohl's government. Above all, they stressed, a "Red-Green alliance" and "de-coupling from the West" must be prevented.

The "strengthening of the alliance with America," including "full cooperation in the Strategic Defense Initiative," a "just treaty for Germany in all its parts," a return to "the policy of economic growth," an export offensive, and a true development policy, as well as the "education of the younger generation on the foundations of German classical culture and the Humboldtian concept of education," were the central demands of the Patriots, who began their advertisement with the poetic fragment "German Greatness," by the beloved national poet, Friedrich von Schiller. As "German patriots in the tradition of the constitutional movement during the liberation wars and the Prussian reformers," they wanted to bring together all patriotic-minded fellow citizens, "in order

to stand ready in the case of foreseeable crises and to be capable of acting."

In the spirit of this classical tradition, the first federal party convention of Patriots for Germany, which has meanwhile become a party, opened with a string quartet, playing the first movement of the second of Josef Haydn's "Sun Quartets," followed by the famous second movement of the "Emperor Quartet," in which Haydn artfully set in counterpoint and masterful variations, the melody of the German folk song that later became the national anthem.

Volker Hassmann, member of the Lower Saxony party executive and press spokesman for the Patriots, opened the meeting and introduced the federal executive committee members who had been elected at the founding convention of the Patriots on Aug. 3 in Rüdeshelm: federal chairman Helga Zepp-LaRouche, and vice-chairmen Brig. Gen. (ret.) Friedrich Wilhelm Grunewald and Michael Liebig, as well as Hartmut Cramer.

## The global context

Mrs. Zepp-LaRouche, who as founder of the international Schiller Institutes has become world-famous over the last two years, and who played a leading role in launching the Patriots' movement, gave in her speech on the Patriots' Statement of Principles, a thorough briefing on the global strategic situation in which the German federal election campaign and the Patriots' participation must be seen. As an example of what West Germany and other Western allies have in store for them, if Moscow and its "Fifth Column" in the West were ultimately to succeed in dividing and conquering the world, she gave a gripping, fact-filled report on the illegal raid which corrupt American judicial authorities and high officials of the FBI had carried out on Oct. 6 at Moscow's bidding against her husband, Democratic presidential candidate Lyndon LaRouche, the intellectual author of the SDI program (see page 56).

In discussing the upcoming election campaign, she named as its central theme the threatened decoupling of the Federal Republic of Germany from the U.S.A., which has already progressed very far and which must nevertheless be stopped. How important is the Patriots' role in this regard, can be easily seen from the fact that almost no one took seriously



the Patriots' warning last June of a new "Stalin Note" offering German reunification in return for giving up the Western alliance. Now Moscow has floated just such a first "trial balloon," and no one other than the Patriots has condemned this deception maneuver. As to the ruling coalition, she said, "It is high time that the Free Democratic Party be replaced, and the Christian Democrats be put in the position, through a strong coalition partner, to really represent the interests of the Federal Republic of Germany. Hence the Patriots must run in the coming federal elections."

The federal vice-chairman of the Patriots, Brig. Gen. (ret.) Grunewald, former member of the security policy department of the Christian Democratic Union at the state and federal levels, made the Germany policy part of the Statement of Principles the centerpiece of his speech. "The Constitution orders us to keep the German Question open until it is possible to achieve reunification in peace and freedom," he said, thus defining the Germany policy of the Patriots; this goal can only be reached in close partnership with the Western alliance. This constitutional mandate on Germany policy, moreover, binds the Federal Republic of Germany to *actively* commit itself for peace and hence for development in the world.

Grunewald went on to discuss the need for close cooperation with the United States in the SDI and backed President Reagan's July 25 proposal for both superpowers to "develop the SDI in parallel and deploy it together." Finally, he laid out the other central programmatic points of the Patriots: a new, just world economic order, an emergency program to combat the global AIDS epidemic, an energetic war against the illegal international drug traffic, and the revival of the classical German tradition in science, technology, and education.

## Debate on Principles

The high point of the party convention was undoubtedly the debate of the 350 participants on the Statement of Principles of the Patriots for this federal election. It was a vivid expression of the fact that the best citizens of the Federal Republic had been gathered together by the Patriots, in order to formulate the best possible policy for their nation in the best republican tradition and actively campaign for it.

One elderly Patriot from the Biblis electoral district gave a chilling report on Moscow's mechanisms of oppression, which he, as an expellee from the East, had suffered physically. He proposed, amid general approbation, that the battle against this inhuman system can only be won "if we reflect on the German classics and especially on our great Friedrich Schiller, and hand this tradition on to the next generation."

Political figures from the medium-sized business strata of Lower Saxony discussed stronger measures to protect this economic sector which has been so hard hit by the crisis; pensioners and older Patriots spoke on labor and social security questions; young, business-oriented candidates carried

out intense discussions on the need for technological progress and above all space travel.

One young candidate from Rhineland-Palatinate sparked a debate among all the participants with her straightforward question: "I believe that we don't need to talk so much about the content of our policy to win over the voters; why don't we just say that we should be elected because we love Germany?" which ended up with the adoption of the formulation: "Patriots for Germany—because we love our nation" as the concluding argument of the Statement of Principles.

## History of the Patriots

After the unanimous approval of the Statement of Principles as the platform of the Patriots for the January elections, federal executive committee member Hartmut Cramer reviewed the history and the organizational status of the Patriots. Using slides of the Patriots' advertisements with their varied, often prominent signatures, and of the electoral activities of the Patriots in Lower Saxony, he drew a vivid portrait of the already considerable history of the young party. Since the June 15 vote in Lower Saxony, the membership has climbed to about 2,000; there are now state organizations of the Patriots in all 10 German states; direct candidates are in the process of being selected.

He noted that the Patriots' warnings of a new Stalin Note, Moscow's escalation of irregular warfare, and the "deadly danger of the worldwide AIDS epidemic," were treated as wildly exaggerated; some newspapers, such as the *Neue Osnabrücker Zeitung*, went so far as to suppress the expression "Moscow's terror hordes" in a *paid* campaign advertisement. Now, the above-mentioned "exaggerated predictions" can be read nearly every day in the headlines of mass circulation German publications like *Bild*, *Die Stern*, and *Der Spiegel*, and are the subject of impassioned discussions in the broader population.

Cramer brought out the well-known fact that the general secretary of the Christian Democratic Union (CDU), days after the civil war-like violence at Wackersdorf last May, had been forced to adopt the strategy of the Patriots and confront the Greens head-on, because the credibility of the Patriots had gone up by leaps in the meantime. This tendency among the ruling parties showed itself even more clearly when the CDU in late summer announced its program for the federal elections: The graphic presentation was simply "copied" from the Patriots' electoral literature.

Federal vice-chairman Michael Liebig read greetings to the convention from Vice-Adm. (ret.) Karl-Adolf Zenker, former inspector of the Navy, one of the leading initiators of the Patriots. The culmination of this historic convention came when the participants voted to send a telegram to U.S. President Reagan, urging him to intervene on behalf of Democratic Party political figure Lyndon LaRouche, an individual who has "done so much for the development of the human race."

# The Spadafora case: Soviets try to disrupt the Panama Canal

by Gretchen Small

The U.S. Congress has ordered that taxpayers' money be used to finance the deployment of U.S. intelligence capabilities on behalf of a Soviet-directed operation to disrupt functioning of the Panama Canal.

On Sept. 24, the Senate passed an amendment requiring the Central Intelligence Agency to investigate the alleged involvement of Panama's Defense Forces in "drug-running, arms trafficking, and the murder of a political dissident." The amendment, sponsored by North Carolina's Sen. Jesse Helms (R), was attached as a rider to the bill authorizing next year's funding for U.S. intelligence. The following week, the House of Representatives softened the amendment to state that Congress expects CIA head William Casey to bring any CIA results before congressional intelligence committees.

## Who's covering up what?

The assassinated "political dissident" whose cause Congress has adopted is **Hugo Spadafora**, a Panamanian terrorist gun-runner whose decapitated body was found in a U.S. mailbag on Sept. 14, 1985, on the Costa Rican side of the Paso Canoas River, which divides Costa Rica and Panama.

Since that moment, Panamanian assets of the drug trade, centered around Roberto Eisenmann's newspaper, *La Prensa*, have insisted that Spadafora was killed by the Defense Forces, on orders of its Commander, Gen. Manuel Noriega, in order to silence Spadafora's denunciations of corruption inside the Defense Forces.

To present Spadafora as a "whistle-blower" on corruption, is itself ludicrous. The man's business was trafficking in arms and drugs.

Furthermore, evidence just published in Panama documents that Spadafora's double-crossing had given at least five armed groups in Central America reason enough to seek revenge. These stunning revelations add new evidence to the conclusions of *EIR*'s White Paper on Panama, released last spring, which documented that the source of the charges of drug and arms trafficking against Panama's Defense Forces is *the drug lobby itself*.

In a special 20-page supplement in early September, Panama's largest-circulation daily, *La Crítica*, published facsimiles of handwritten letters from Spadafora and former

associates, and reprints of articles, which warned that he was being hunted. Names, dates, and places of Spadafora's activities are provided, including never-before-published proof that Spadafora worked with South American narcotics kings.

Why has investigation into these leads been blocked, and attention paid only to the alleged role of Panama's Defense Forces? At the time of his death, Spadafora was up to his neck with the Nicaraguan "contras," and in contact with U.S. intelligence agents who "advise" the contra operation. The following summary of Spadafora's enemies, as reported in *La Crítica*, raises the question: Has the cover-up occurred in Washington, D.C., not Panama?

## Double-crossed by Spadafora: the list

**The Somocistas:** The first documented hit order against Spadafora came from Nicaragua's former dictator, Gen. Anastasio Somoza, reported in the pages of the Central American magazine *Mas*, in December 1978. Spadafora was fighting on the side of the Sandinistas against Somoza, when Somoza gave orders to the National Guard for Spadafora to be decapitated, and his "body thrown in the Paso Canoas River." Somoza then put out the word that he had placed \$10,000 in a foreign bank account, for the person who turned in Spadafora's head.

True, Somoza died before Spadafora. But many of Somoza's old buddies did not. Is the similarity between how Spadafora was ultimately found, and Somoza's order, mere coincidence?

**Muammar Qaddafi:** After the Sandinistas won, Spadafora went on to bigger adventures. In 1980, he traveled to Libya, where he presented Libyan madman Qaddafi's Latin American and International Affairs chiefs with a plan to form a new "revolutionary international brigade," to fight in Guatemala and El Salvador. Qaddafi handed Spadafora \$4 million, and reportedly agreed to send arms and military equipment, via Surinam and Belize.

The Guatemalan and Salvadoran terrorists did not trust Spadafora, and refused his aid. The arms shipments stayed in the hands of intermediaries, but the Libyans never received an accounting of the money. Spadafora would do anything but return the money, *La Crítica* reports, even attempting to

gain protection against Qaddafi's collection efforts, by contacting Israeli intelligence agent, Oren Nathaniel Yechivi Calderón.

**Eden Pastora's ARDE:** Soon, Spadafora joined with Eden Pastora, to found the first "contra" contingent against the government both had helped bring to power. Spadafora was assigned the job of securing arms and supplies from businessmen, governments, and intelligence agents. His travels in this job took him from Honduras to El Salvador, the United States, Guyana, and, yes, Cuba.

But by 1984, members of Pastora's Revolutionary Alliance (ARDE) denounced Spadafora for stealing funds, endangering military operations, and selling weapons to the contras at inflated prices. Spadafora was soon expelled from ARDE. After an assassination attempt against him, Pastora published an open letter, insinuating that Spadafora had helped set him up.

A month before his death, Spadafora wrote to Miskito leader Brooklyn Rivera: "Pastora's resentments have led him to go beyond the limit of simply questioning my criteria . . . he intends an attempt against my life. . . . People in a position to know . . . have informed me that in his craziness and his desire to silence my criticisms, Eden has given criminal orders to some of his most intimate collaborators, to assassinate me." On Aug. 27, Spadafora wrote in his personal diary, "The latest information which the 'ticos' [Costa Ricans] have passed me is worrisome. They say members of ARDE, surely sent by Eden, are following me. . . ."

**Miskito contras:** After leaving ARDE, Spadafora joined another faction of the contras, the Miskito Indian fighters under the leadership of Brooklyn Rivera. (To sort out on whose "side" Rivera actually fights is a tale in itself, too complicated for this article.) Once again, Spadafora took charge of weapons acquisitions. He also finally gained the confidence of U.S. intelligence agents coordinating ex-Somocista contra forces, because he had broken with Pastora. The Honduran-based contras, however, soon accused Spadafora of stealing a shipment of arms and munitions. He misrepresented himself to CIA agents handling it, as the Contrás' weapons agent, but never turned over the goods.

**The drug mob:** At the same time, Spadafora entered the drug traffic in a big way, *La Crítica* reports. He established "mutual assistance agreements" with leading Colombian and Bolivian drug-traffickers, to cooperate on arms-for-drugs deals. Costa Rica became the center of this activity for him, where he helped on several clandestine airstrips, where drug planes could land. "Apparently, such activities counted on the aid of some influential officials in Costa Rica, including agents of the U.S. CIA and FBI," *La Crítica* states. "It was public and notorious that Spadafora held meetings in restaurants and other places with known drug and arms traffickers, without the Costa Rican authorities doing anything to stop it."

He traveled frequently in Costa Rica, for example, with

a Panamanian pilot, recently executed in Colombia by the drug-mob for failing to deliver a cocaine shipment, *La Crítica* reports. The pilot, Cesar Rodríguez, was known as "Captain Poison" and "Lavamático," for his exploits. Alberto Aude-mar, an arms agent for Colombian terrorists and drug mafiosi, was another of Spadafora's business partners. The two landed arms and drugs on the beaches of San Lorenzo, Chiriqui, in Panama.

### Does Helms 'work for Russians'?

After reviewing the career of this so-called political dissident, *La Crítica* asked: Is Jesse Helms working for the Russians? Helms "has come to believe that he has the right to insult, accuse, and challenge, any Latin American dignitary," *La Crítica* wrote. "What he has achieved with this is to turn not only Panama into an enemy, but also Mexico, Honduras, etc. . . . Could it be perhaps, that this man who calls himself an ultra-right-winger works undercover for the Russians, and uses these methods to destabilize Brown America?"

If the Russians control Helms, the key is his foreign-policy adviser, Jon Speller. Speller, a second-generation agent of the Trust—the partnership of Western and Russian oligarchic interests that brought the Bolsheviks to power and directs the Soviet dictatorship today—still brags that he is a protégé of Sergius Riis, a high-ranking member of the early Bolshevik secret police. (See *EIR's* book, *Derivative Assassination*.)

Speller credits Riis as the source of his knowledge of Panama, in a 1972 book, *The Panama Canal: Heart of America's Security*, where Speller argues that the United States must ensure that no second sea-level canal is ever built in Panama. Every conceivable argument is thrown against the idea of a new canal—from supposed ecological damage, to the "danger" that a new canal would require a new treaty, and thus open the way to Panamanian sovereignty.

Speller's opposition to the construction of a new canal capable of handling today's largest sea-going vessels, matches Soviet strategic concerns. In March 1986, the Soviets attacked the construction of a sea-level canal as a project which would only benefit "U.S. militarism." *America Latina*, published by the Latin American Institute of the U.S.S.R.'s Academy of Sciences, blasted the Japanese government for working with Panama on the project, "pompously called the greatest in this century."

In Panama, however, the sea-level canal plan has received renewed attention, as the path to bringing the nation into the 21st century, as an industrialized, stable nation. But if Helms's campaign to dismantle Panama's military succeeds, Panamanian officials warn, the resulting chaos will not only bury the second canal project, but make the current canal indefensible.

Is the agreement between Helms, Speller, and the Soviets, mere coincidence?

# Argentina's Alfonsín sidles toward Moscow

by Benjamín Castro

Shortly before leaving for Moscow on Oct. 11, Argentine President Raúl Alfonsín, the loyal executor of the infamous "Austral" austerity plan imposed on his country by the international banks and the International Monetary Fund (IMF), took advantage of the 76th interparliamentary meeting to spell out the scandalous purpose of his visit to the U.S.S.R.

Alfonsín dolefully declared that, though the Ibero-American countries had made "an enormous effort to put their economies in order, improving efficiency and increasing exports," those efforts—the application of IMF austerity programs—"crashed into discrimination and growing protectionism by our creditors."

After that speech, Alfonsín arrived in Spain to propose that Spain be the "mediator" between Ibero-America and Europe. According to Alfonsín, Spain could explain to the European countries why they must reduce their protectionist screens against Ibero-American products, "especially in agriculture."

## Spain 'mediates'

Spanish Prime Minister Felipe González, who is the favorite Western head of government of both David Rockefeller's Trilateral Commission and Mikhail Gorbachov, seemed quite happy to act as mediator with the Soviet Union. According to the report in the Buenos Aires daily *El Clarín* of Oct. 13, a member of the Alfonsín delegation revealed that during a gala four-hour dinner, González gave Alfonsín "a briefing on the new Soviet process, its meaning and its direction." González explained to Alfonsín that "their new economic program is not just a five-year plan," but is premised on "a reduction in what the U.S.S.R. spends on the arms race."

Alfonsín ended up convinced—if he was not already—of Gorbachov's virtues. In Moscow, he not only parroted the Soviet leader in his criticism of President Reagan for defending the Strategic Defense Initiative, but he also offered the Soviets a free hand with Argentina's natural resource wealth. In addition to the scandalous fishing agreement Alfonsín gave the Russians and Bulgarians at the beginning of October (they get to keep 70% of the fish they catch in Argentine waters, while the prostrate Argentine fishing industry is prohibited by government decree from building up any independent

fleet), Alfonsín this time offered them opportunities for mining coal and building coal-exporting ports and hydroelectric projects in the South Atlantic zone, which he proposes to "denuclearize."

In exchange, Alfonsín only asked one thing: that the Soviets buy the 4.5 million tons of grain they were committed to buy this year, or its equivalent in meat and wheat. The Soviets have only bought 800,000 tons, so far.

Brazil is not far behind Argentina in giving its resources to the Soviets. At the beginning of September, when the *Washington Post* studied the strategic raw materials which Brazil possesses, it was surprised to find that several of them, such as manganese and bauxite, were being exploited with Soviet "collaboration."

Mexican Trade Minister Hector Hernández set his appointment in Moscow for the second week of October with Soviet Trade Minister Victor Ivanov. Guess what they planned to discuss—Mexican exports of petroleum, steel, and agricultural products.

Venezuelan ex-President Carlos Andres Pérez parlayed the discontent caused by a new U.S. 11.7¢ per barrel tax on imported oil into an Oct. 15 call for "concerted action" by the Latin American countries against "every kind of protectionism." Pérez then took off for a meeting with his Socialist International brethren in Europe. The "anti-protectionist" movement proposed by Carlos Andres Pérez "for the unity of Latin America" is concocted as a way of side-tracking the movement for Ibero-American integration from its fight against the IMF, into a struggle against a straw-man.

These agents, exploiting the anger caused by Washington's callous response to years of pleas for debt relief and a return to development, seek to "decouple" Ibero-America from the United States. They would commit its strategic resources to the Soviet Union, while using revenues from such sales to pay their foreign debts.

The main obstacle to Moscow and its Western cronies is Peru's President Alan García, the partisan of Ibero-American integration against the IMF and full-fledged industrialization of the continent. Spanish leader Felipe González clearly took the side of the Soviets and their banker friends, in statements published in the Venezuelan daily *El Nacional*, Oct. 3, where he provided a twisted characterization of García's debt policies and attacked him for being too rough on creditors: "I have a lot of sympathy for Alan García. It seems he has done very important things, but it seems to me it is no good to get into verbal escalation which sometimes has undesirable internal and external effects. I believe that the debt problem has two dimensions: one technical and the other political. The country which frankly lays out the reality of its situation, will get a positive response from creditors, sooner or later. When it is said in a speech that the debt is unbearable or that there is no solution except for moratorium and not paying, the creditor can respond: 'If you don't pay me, don't ask for more money.'"

# Soviets target Guatemala, with aid from Her Majesty's Commonwealth

by Jeffrey Steinberg

*The author recently returned from a visit to Guatemala. In October 1985, he toured the Petén region and reported on the Guatemalan Armed Forces' successful anti-drug operation, Guatusa I, in which tens of millions of dollars in marijuana crops were destroyed and evidence was captured proving the total integration of Soviet/Cuban-backed terrorist organizations in drug trafficking.*

On Jan. 14, 1986, Christian Democrat Vinicio Cerezo was inaugurated as the first civilian President of Guatemala in 30 years. The peaceful election and transition process was a tribute to the commitment of the Guatemalan Armed Forces to reopen the political process after decades of combat against Soviet- and Cuban-sponsored insurgency efforts, aided by the U.S. Carter administration's 1977 blacklisting of Guatemala from any military or economic aid on the hypocritical grounds of "human rights violations."

One contributing factor to the success of the electoral process was a surprise military assault against 40 marijuana plantations in the northeast section of Guatemala, plantations for the most part run by the FAR (Armed Revolutionary Forces). At the end of October 1985, on the eve of the first runoff round of presidential elections, a battalion of Guatemalan Army troops conducted a 72-hour assault against the jungle plantations on the border with Belize, destroying crops valued at over \$20 million on the retail markets in the United States, and capturing literature and explosives linked to the FAR. The elections came off smoothly, and FAR representatives, as well as spokesmen for Fidel Castro winced at the fact that they had been caught knee-deep in the dope trade.

At the time of the Cerezo inauguration, this author, again recently returned from a visit to Guatemala City, wrote that within the first hundred days of his administration, Cerezo would have to set the path that his government would pursue—choosing between the course adopted by Peruvian President Alan García—an aggressive war on Soviet-backed narco-terrorism and a commitment to defend the people of his nation against the looting policies of the International Monetary Fund and the major international banks—or that of Argentine President Raúl Alfonsín. Alfonsín, on the other hand, has fully swallowed the IMF's conditionalities, and has tragically directed his government into a crusade to de-

stroy the Argentine military.

Over eight months have passed since the Cerezo inauguration, and the President has yet to clearly define his government's policies on any major issues.

For its part, the United States has failed miserably to live up to its commitments to support the recently democratized Guatemala. Swept up in the budget-cutting frenzy of Gramm-Rudman, and the State Department and Congress's continued adherence to the Carter-era vow to "break" the Guatemalan military, the Reagan administration to date has provided no assistance to the embattled Guatemalans.

Guatemala is quickly becoming a time-bomb ticking away in America's own backyard. A government that as yet has shown little capacity to confront the grave crisis facing the nation, a recently escalated Soviet-backed insurgency poking for any openings provided by the recent democratization process, and a United States blind to the pending crisis: All of the ingredients of a tragedy waiting to happen are playing out—much faster than anyone in Washington cares to notice.

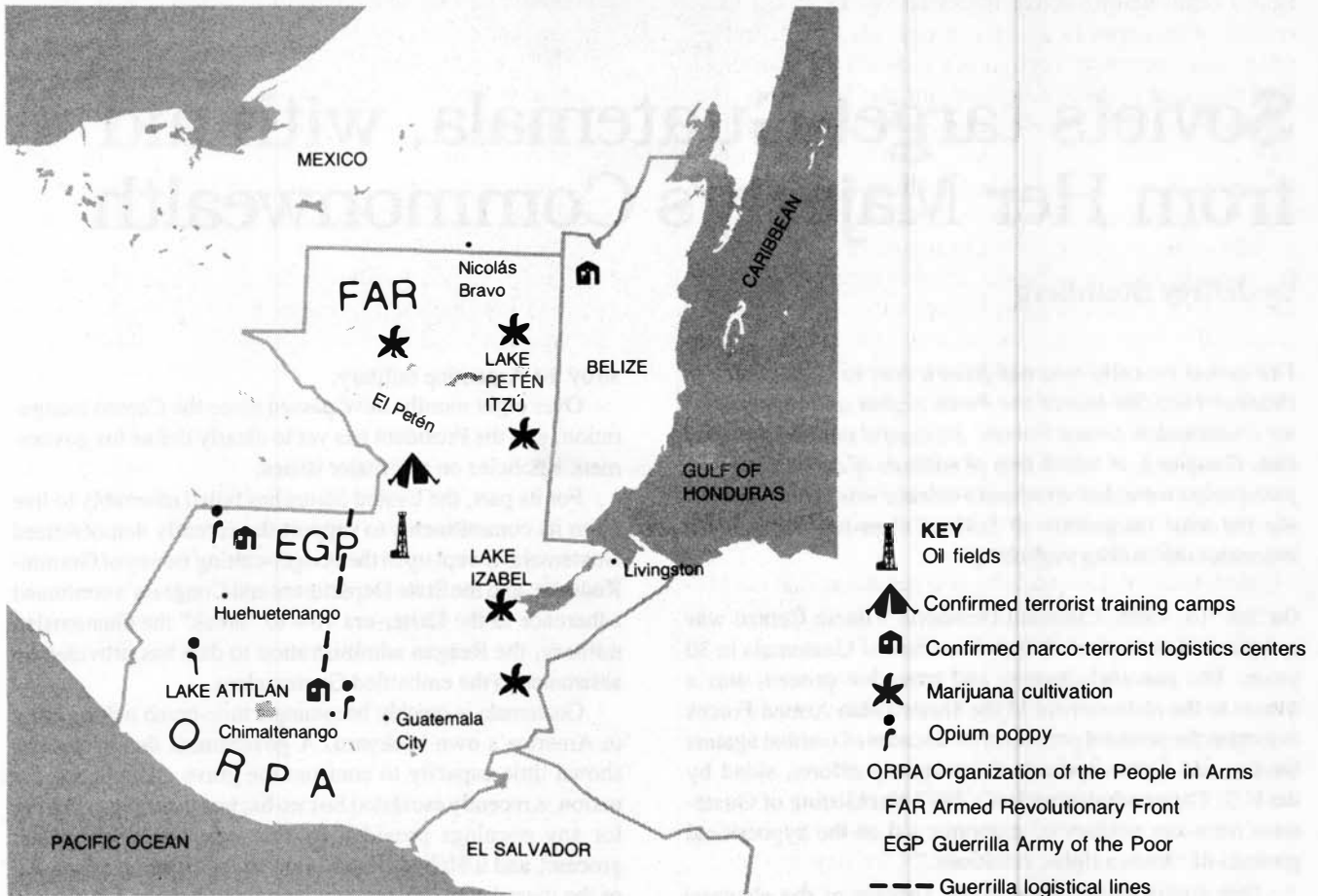
The combination of significant overt and covert U.S. military and paramilitary presence in neighboring El Salvador and Honduras, and the continued failure of the Reagan administration to restore the economic and military aid cut off with the Carter administration so-called human rights crusade, has defined Guatemala as the number-one regional target of opportunity for Soviet destabilization.

As has been the case in the still-unfolding drama in southern Africa, Moscow has found a willing ally against Guatemala in the British Commonwealth: Belize, formerly British Honduras, an independent Commonwealth member-nation since the late 1970s, is presently serving as the most important staging area and logistics base for the recently heavily re-armed insurgency forces active inside Guatemala.

Occupying the bulk of the Atlantic-Caribbean coastal area of the northern tier of Central America, Belize has the port and highway infrastructure to bring weapons into Guatemala to service the narco-insurgents, who, in turn, ship Guatemalan marijuana and opium poppies, as well as cocaine transshipped from Cartagena, Colombia, through covert landing strips on the Pacific coastal plain of Guatemala into Belize.

From Belize, those drugs are reported by regional drug-

## Narco-terrorism in Guatemala



enforcement officials to be 1) shipped to the U.S. markets via the conventional Caribbean routes into the Gulf states of the United States; or 2) picked up directly by Cuban planes flying into a string of guerrilla-controlled airstrips on the northwest corner of Belize. During the previous Price government in Belize, which maintained more-than-cordial ties to Cuba, enormous tracts of land along the border of the El Petén region of Guatemala, were turned over to the Cuban government on 99-year leases. Nominally leased as orange plantations, these sites have been confirmed by Guatemalan Army sources to house a 20-person FAR cell, charged exclusively with maintaining the arms-for-drugs logistics through northwest Belize in direct collaboration with Cuban intelligence.

Guatemalan authorities have identified another terrorist camp in southwest El Petén, adjacent to the Mexican border at Chiapas. Reports of the existence of this camp have been confirmed by U.S. military authorities. The El Petén camp reportedly has students and instructors from the Spanish Basque region, Iran, Lebanon, and Western Europe. The U.S.

sources interviewed in Guatemala stated categorically that this mixture of indigenous guerrilla and international terrorist forces at a single training compound is a significant signal of the planned spread of Middle Eastern and European-type terrorism into North America. The location of the camp in Guatemalan territory also underscores the priority which Moscow has assigned to Guatemala in its continued Caribbean-Central American low-intensity warfare.

Guatemalan military intelligence sources believe that the URNG (Guatemalan National Revolutionary Unity), the Managua-headquartered unified political-military command binding the three major guerrilla forces—the FAR (Armed Revolutionary Forces), EGP (Guerrilla Army of the Poor), and ORPA (Organization of the People in Arms)—with the urban-based PGT (Guatemalan Workers Party), the official Moscow Communist Party, has used the first eight months of the Cerezo government to prepare the next phase of the Soviet-backed offensive.

While this period has seen relatively little terrorist activity per se, two other dangerous trends have been confirmed.

First, the URNG has used a nominal cease-fire period to, again, begin putting active forces into place in the urban centers, particularly in the capital city. Had a hard core of urban narco-terrorists been in place during the Guatemala City riots and protests accompanying the September 1985 student, municipal, and oil-workers strike, the country could have been hit with the kind of low-intensity war that characterizes the present Soviet-backed "Shining Path" insurgency against the García government in Peru today.

The urban-based side of the insurgency buildup has been facilitated by the non-stop anti-Cerezo agitation of the GAM, the so-called Mutual Support Group, which is the principal Guatemalan front of the international human rights mafia. Using doctored studies prepared by Amnesty International and Oxfam, GAM is claiming 40,000 "disappeared" persons were killed by the Guatemalan Armed Forces and associated "death squads" over the past decade. GAM demands that Cerezo dismantle the armed forces and institute the kind of show-trials of the generals that President Alfonsín has carried out under IMF orders in Argentina.

Both Guatemalan and U.S. sources report that GAM is the umbrella under which the urban terrorist front of the URNG is being rapidly rebuilt.

Second, the three major insurgency forces operating in the countryside have each taken to reorganizing and re-arming in preparation for imminent larger-scale military engagements. The FAR, EGP, and ORPA have been heavily re-armed with predominantly U.S. Vietnam War-vintage equipment seized by the North Vietnamese, including M-16 rifles, rocket launchers, mines, etc. Some of the new equipment, according to Guatemalan sources, is the most advanced matériel ever found in the possession of the guerrillas. Cuba has been identified as the primary source of the arms.

Armed with this new equipment, the three main guerrilla forces have been restructured. Rather than operating in small, at most company-sized elements, the narco-guerrillas have recently, according to Guatemalan Armed Forces accounts, grouped into battalion (400 to 600-man) size elements. This is in preparation for assaults against targeted military installations and units, the first such large-scale action since the insurgency peak of 1980-82.

The efforts of the EGP and ORPA in the Chimaltenango area are a significant indicator of the URNG-led strategy. The city of Chimaltenango, located due west of Guatemala City, has been designated as the communications center for the EGP, whose main forces are based in the Chixoy and Huehuetenango zones, due north of Chimaltenango. An Indian population in Chimaltenango is targeted as a fertile recruiting ground. Given the close proximity to the capital, the majority of Indians there have traveled to and worked in Guatemala City, thus representing a bridge between the rural and urban components of the narco-insurgency force.

The historical military objective of the URNG has been to cut off the western highlands region of the country from central government control, to accomplish the same goal in

the sparsely populated, but strategically located, El Petén, and simultaneously to commence low-intensity warfare inside the capital, thus paralyzing government functions.

Both Guatemala and U.S. military experts interviewed in preparation for this report, have characterized the current Soviet-backed guerrilla activation as a Phase III insurgency. By these standard measures, Phase I is the early recruiting and propaganda phase; Phase II is the period of armed propaganda in which limited terrorist actions, carried out at no more than a company-level of deployment, augment recruitment and logistical buildup. Phase III is the transition into larger-scale military engagements beyond simple skirmishes that signifies a commitment to a qualitative escalation, beyond mere low-intensity unconventional warfare on a theater-level.

The Guatemalan Armed Forces moved in early spring to choke off this guerrilla regroupment before its consolidation, by sending concentrations of troops into the western highlands area around the state of San Marcos and near the western side of Lake Atitlán, to hit the ORPA forces as they were deploying to consolidate their company-level forces at battalion strength. As of this writing, that Guatemalan Armed Forces campaign was to be re-targeted against EGP strongholds (see map).

## Steinberg jailed by money launderers: Guatemala

The leading daily of Guatemala, *El Gráfico*, published a two-page spread on Oct. 12 entitled, "Drug Money Laundering Mafia Orders Arrest of Jeffrey Steinberg, the Anti-Drug Expert and Adviser to Democratic Presidential Candidate Lyndon LaRouche."

The text indicts William Weld, Donald Regan, and George Shultz for having fulfilled the wishes of Gorbachov, in imprisoning Steinberg and his wife Michele for alleged "obstruction of justice" on Oct. 6 (cf. *EIR*, Oct. 17, 1986). It notes: "Jeffrey Steinberg, famous in Guatemala for his contributions to the anti-drug fight, coordinated an *EIR* team which wrote a special report titled, *Soviet Unconventional Warfare in Ibero-America: The Case of Guatemala*, and a film documentary with the same name in August 1985. The report shows the links between the Carter administration and the Soviets' war against Guatemala."

The newspaper observes how "those democrats who have made so many campaigns about supposed violations of 'human rights' in other countries, had no qualms about violating the human rights of the Steinberg couple."



## New leads in fight against terrorism

*Six assassins nabbed at Heathrow Airport have provided valuable intelligence on Syrian and other terror networks.*

**J**oint Franco-British investigations led to the arrest at the end of September of a six-man team in London, deployed by the Abu Nidal terrorist group. The six were caught almost as soon as they landed at Heathrow Airport, and were interrogated for 10 days before being extradited to their countries of origin on Oct. 11. Reaching London through Spain—now a principal terrorist center, since activities in France and Italy have been curtailed—the team was planning to carry out either an attack on the American embassy in London or a kidnaping of a leading diplomat.

It turns out that the team belonged to a larger group of members of the Abu Nidal gang which had reached Europe the previous month. Up to 80 members have arrived from the Middle East, mostly through the streetcar connection linking East and West Berlin.

Abu Nidal in Damascus, and his number-two man, Mustapha Merad, based in Libya, are said to control up to 200 killers presently deployed in Western Europe, including "sleepers" who have been in Europe since at least the beginning of the 1980s. Forty percent of these "sleepers" belong to European terror groups like Direct Action (France) and the Red Army Faction (Federal Republic of Germany). Inge Wielt of the RAF, who is sought for the Oct. 10 murder of the director of the political department of the Bonn Foreign Ministry, is known to have developed close links to these networks during her three-year stay in France.

Two important lines for investigation have come out of these arrests. First, is the tracking of Middle Eastern refugees into Europe. The hit team interrogated in Britain included four Jordanians, one Tunisian, and one Swede. The Swedish national was in fact a Palestinian who had emigrated to Sweden at the beginning of the Israeli invasion of Lebanon in 1982, obtaining political asylum and later Swedish citizenship. A closer look at the flow of Middle Eastern refugees from that time, may go a long way toward dismantling the terrorist networks. While many were genuine refugees, others were sent to Europe to establish new terror networks.

Crucial to that process has been the activities in Sweden of the remaining networks of American deserters of the late 1960s and early 1970s. Many of these individuals now occupy leading positions which allow them to decide who is to be granted political asylum. It is such an inside track which has led to the establishment in Scandinavia of a large Middle Eastern terrorist underground, which has also been involved in drug trafficking.

A crucial twist to the affair was revealed in the London *Times* of Oct. 15, which reported that as soon as he landed in Stockholm, Abu Nidal's man was placed under interrogation by the Swedish police for his "potential connection to the murder of [Swedish Prime Minister] Olof Palme." This was certainly an embarrassment to some Swedish officials, who knew of the possible connection but did nothing; they were forced to move as soon as

the British nabbed the man. Yet nothing of this has yet been published in the Swedish press. Soon, we hope to be able to reveal more in this connection.

The second important line of investigation concerns the fact that the terror team was deployed into Europe following a Sept. 18-19 gathering in Nicosia, Cyprus. Attending were Lebanese-based terrorists sponsored by Syria, Libya, and Iran; Syrian intelligence luminaries such as Brig. Gen. Ghazi Kenaan and associates of Air Force Intelligence Gen. Mohammed al Khouli; and secondary figures from the Libyan and Iranian services.

Though Europe was one main subject of discussion at the Nicosia planning session, it was not the only one. Another focus was the annual summit of the Islamic Conference, scheduled to be held in November in Kuwait. The summit is to be attended by heads of state, possibly including Egypt's President Hosni Mubarak. Diplomatic sources expect a large terrorist deployment against the meeting.

This was already indicated by the repeated threats from the Islamic Jihad group, that unless 25 of its members, in jail in Kuwait since 1983, are released, the Jihad will retaliate. The Jihad has also warned that it would execute French and American hostages.

Just a few days before the Nicosia gathering, Iranian Minister of Security Hojatessalam Mohammed Reysharhi met with Raim Safavi of the "special forces" of the Iranian Revolutionary Guards (Pasdarans), Hojatessalam Hakim Bakr of the Iraqi Islamic organizations, and representatives of the "liberation fronts" of Bahrain and the Gulf. It was reportedly decided to launch kamikaze operations against Bahrain, the Emirates, and other locations.

## The CDU 'wonder-weapon' fails

*Even Franz-Josef Strauss couldn't halt the draining away of Christian Democratic votes in the Bavarian elections.*

More than the Lower Saxony municipal elections on Oct. 5, the Bavarian state elections on Oct. 12 were considered a test of the strength, or weakness, of the German Christian Democrats (CDU). In Bavaria's State Gov. Franz-Josef Strauss, the Christian Democrats had their most prominent conservative politician. The CSU, the independent Bavarian section of the CDU, was to prove that the drain of conservative votes, which the CDU suffered in all recent elections, could be halted with a campaign emphasizing anti-liberalism.

It didn't work. Strauss's CSU took a loss of more than 2% of the vote (from 58.3% in 1982 to 56.1% now), and losses were highest in the "farm vote belt," where farmers abstained from the vote, or voted for the new extreme right-wing "Republikaner" Party. In the farm belt votes, the CSU lost an average of between 5% and 6%. Even when one takes into account that average losses for the opposition Social Democrats were higher, at 4.2%, the CSU's poor showing is telling.

The only good news from the Oct. 12 elections is that the liberal Free Democrats failed to reach the 5% margin of votes mandatory for a seat in the parliament. But the bad news is that the radical-ecologist Green Party gained 7.3% and will be seated with 16 deputies in the Bavarian State Parliament—for the first time. The appeasement approach of the CSU on the question of nuclear policy, a tactic pursued after the bloody May 17-19 riots at the planned Wackersdorf plant

for nuclear reprocessing, did not stop the Greens.

It is obvious now that Strauss's party is no exception in the popularity crisis of the German Christian Democracy. In about 100 days, West Germans will elect a new parliament, and more than 20% of the country's 42 million voters live in Bavaria. The 5% drop in the general vote participation on Oct. 12 speaks a clear language.

It is generally expected that during the week of Oct. 31 to Nov. 6, after the scheduled series of strategy sessions, the CSU will decide whether to have a joint campaign platform with Chancellor Helmut Kohl's CDU in the 1987 elections or not.

CSU chairman Strauss will have to decide whether to keep to his profile as the main critic of Foreign Minister Hans-Dietrich Genscher and his Liberals, persisting in making Genscher's departure the main condition for supporting Chancellor Kohl's policy.

Should Strauss decide to back down and accommodate to Kohl's liberalist course, the drain of conservative votes from the Christian Democrats would accelerate. Many a conservative voter has stayed loyal to the Christian Democrats because of Strauss's position as the spokesman of the party's anti-liberalist wing. Once Strauss drops his gun, many of the conservative battalions will leave Kohl's army.

There is another, crucial aspect of the Bavarian state elections which has to be kept in mind: the surprising vote turn-out for the Republikaner Party,

which is appealing to the views of the extreme right-wing. These are voters hostile to foreigners, foreign workers, and exiles in Germany. These are voters who are straight monarchists, or subscribe to other oligarchical world-views, such as "nature before industry," including nuclear industry.

They also include voters who are fixated on an extreme localist or regionalist profile and do not care about national, international, or strategic issues. For them, the Western Alliance is no good, simply because the main ally, the Americans, are not Germans, and are not even Europeans. They want a nationalist, neutralist solution of the "German Problem." In terms of economic policy, the constituency of the Republikaner Party believes in full autarchy and extreme protectionism. The Republikaner Party, whose chairman, Franz Schoenhuber, publicly states his pride to have been a member of Hitler's Waffen-SS, is the German equivalent of the National Front of Jean-Marie le Pen in France.

The Republikaner Party invested more than 1 million deutschmarks in the Bavarian campaign, and is said to have a war-chest of more than 4 million to be used in the "near future." Party chairman Schoenhuber is hinting that his party may run in the 1987 national elections, stating that he hopes to conquer a good portion of the "conservative vote" from the CDU and CSU.

Many in West Germany are comparing these Republikaners to the neo-Nazi National Democratic Party (NPD), which was able to conquer a significant portion of the right-wing vote in the mid-sixties. In the national elections of September 1969, the NPD contributed to a significant loss of votes for the Christian Democrats, which enabled the Social Democrats to take power then. What happened in 1969 could happen again in January 1987.

# International Intelligence

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## ***Moscow sets diplomatic drive in Western Europe***

Soviet Central Committee member Georgii Arbatov, head of the U.S.A. and Canada Institute, announced in Reykjavik, Iceland at the close of the superpower summit there, that the U.S.S.R. would launch a "big diplomatic offensive" in Western Europe. The drive is intended to break European support for the U.S. Strategic Defense Initiative, and boost Moscow's arms-control proposals.

A group of disarmament negotiators, headed by Viktor Karpov, set off in mid-October on a tour of European capitals, beginning with a meeting with British Prime Minister Margaret Thatcher and Foreign Office officials. "We do not deny the possibility of finding a solution on medium-range nuclear weapons in Europe separately from space and nuclear offensive arms," said Karpov, at a press conference at the Soviet embassy in London on Oct. 14.

On Oct. 15, Karpov arrived in Bonn for meetings with West German Foreign Minister Hans-Dietrich Genscher. "It has always been our position that INF [intermediate-range nuclear forces] can be dealt with and agreed upon as a separate issue," he stressed. "We are ready to discuss and solve this question separately if there is willingness on the part of the United States."

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## ***TASS hints Reagan will get the JFK treatment***

The Soviet news agency TASS, in its first comment on the Iceland summit meeting between President Reagan and General Secretary Gorbachov, invoked the memory of John F. Kennedy, implying that Reagan might share the fate of the assassinated President.

Referring to Kennedy, the commentator said: "The ghost of the American President who said way back at the dawn of the space age that 'he who would dominate space would dominate the world' clearly prevailed

over the U.S. delegation in Iceland." TASS said that the Soviet delegation had shown a constructive approach, but that this was rejected by the U.S. side, which is not ready to renounce its dreams of military superiority.

Radio Moscow commented that President Reagan is "seeking military superiority through the Strategic Defense Initiative" and is a "tool" of the military-industrial circles in the United States, who "is not free to make decisions."

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## ***Commandos assassinate high German official***

Gerold von Braunmühl, a civil servant who headed the political department of the West German foreign ministry, was assassinated by a masked terrorist on Oct. 10. A letter was found near the scene, claiming responsibility for the murder in the name of the Ingrid Schubert commando of the Revolutionary Front.

Von Braunmühl was in charge of anti-terror coordination with the United States and France, and worked as a liaison to NATO and the Western European Union. He was scheduled to accompany Chancellor Helmut Kohl to the United States on Oct. 20-22, during which discussions with President Reagan on measures against terrorism were planned. An expert on Soviet affairs, von Braunmühl reportedly accompanied Foreign Minister Hans-Dietrich Genscher to Moscow in July.

Friedhelm Ost, the official spokesman for Chancellor Kohl, declared on Oct. 11 that "the assassination of von Braunmühl signals that terrorism will target the state directly now." A similar statement was issued by the Federal Prosecutor's office, pointing out that the attack marked "a shift from attacks on persons of the military-industrial complex toward direct attacks on government representatives."

The latest assassination has provoked protests at the failure of the government to prevent such terrorist atrocities. Waltrude Schleyer, widow of industrialist Hanns-

Martin Schleyer, who was assassinated nine years ago, told the daily *Bildzeitung*, in a statement published Oct. 14: "I have the feeling that what could be done to provide safety for the citizen, is not being done. People in certain circles still have illusions about these enemies of our state."

Interior Minister Friedrich Zimmermann, in a statement published by the daily *Die Welt* Oct. 15, called for new measures against the pro-terrorist media and terrorist sympathizers.

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## ***'Time to kill off the AIDS plague'***

The 3.5 million-circulation British newspaper the *Sun* published an editorial call on Oct. 10 for emergency government efforts to stop the AIDS epidemic, under the headline "Time to Kill Off the AIDS Plague."

"Let the politicians give the war on AIDS all the commitment they give to winning elections," the paper wrote. "If they fail to do so, there may be no one left to vote for them."

"Suppose there was a new epidemic of smallpox. Immediately, all the resources of the state would be mobilized to protect the nation. Yet, what an extraordinary contrast there is, when the menace is AIDS.

*"This disease threatens to become the greatest mass-killer since the Black Death of the Middle Ages.*

"Horrible warnings are being issued by medical experts all over the world on how it may spread. If unchecked, its victims could be numbered in the millions or tens of millions. A London doctor, William Harris, declares that it could affect every family in the land.

"Faced with such a threat to our very existence, the politicians' reaction is a mixture of lethargy and complacency. *For God's sake, why?*

"Despite the smirks, AIDS is not a joke. It does not affect only homosexuals. It can be transmitted through normal sexual relations with carriers.

"It is absolutely vital that an immediate

## Briefly

campaign against AIDS should be launched, and backed up with all the authority of the Prime Minister herself.

"ONE: To spell out the dangers of immorality. TWO: To devote all the money, all the energy, and all the talents needed to find a cure. . . ."

### **Anti-drug crackdown in Dominican Republic**

Dominican Republic Defense Minister Rear Adm. Manuel Barjan Mudfi and 23 generals were fired Oct. 8, apparently for their role in protecting the island's estimated \$9 billion annual narcotics traffic. The shift came days after a plane with 310 kilos of cocaine, the largest amount ever captured in the Caribbean, was apprehended on the island.

General Antonio Imbert Barreras, the new defense minister, vowed on Oct. 10 that drugs will be extirpated "to their roots." He added: "All men of conscience in the country have to agree to fight narcotics traffic." Imbert Barrera is a popular national figure deemed to be independent of drug interests. He was one of the military officers personally involved in killing former dictator Rafael Trujillo.

### **Soviets demand closing of 'hostile' media centers**

The United States has begun to close down facilities of Radio Liberty in Munich, West Germany, in what knowledgeable German sources describe as an accommodation to Soviet demands. Radio Liberty is a main center of Russian and other language broadcasts into all parts of the Soviet Union.

Under the "New Yalta" reorganization, the Munich facilities are being relocated to Washington, D.C. Radio Liberty has already rented office space in Washington for the first phase of the move, which is expected to be completed within two to three years.

Anti-Soviet media centers have been the

target of a vigorous campaign in the Soviet press lately. Valentin Falin, the former Soviet ambassador to West Germany and current head of the news agency Novosti, wrote an article in *Pravda* Oct. 6 denouncing the West German government-financed radio station Deutsche Welle and "other subversive centers" in the Federal Republic, which put out "anti-Soviet propaganda."

### **More terrorism targets top Peruvian officials**

An attempt to assassinate Peruvian President Alan García was foiled on Oct. 11, when police found 47 sticks of dynamite under the dress of a 32-year-old Indian woman who was trying to enter an artisans' center an hour before García was due there. The murder attempt took place in Juliaca, Puno, in the immiserated far south of Peru, where the Shining Path terrorists have been extremely active recently. Four police officers were assassinated a week before the President's arrival.

The attempt against García is one of several recent attacks against high government figures in Peru. Deputy Interior Minister Agustín Mantilla, the man principally responsible for waging Peru's war on drugs, narrowly escaped death Oct. 10, when three masked men sprayed machine-gun fire into a crowd of hundreds of workers at a center where the García government gives minimum wage employment. Two workers were killed and several wounded. The assault took place minutes before Mantilla arrived to participate in a ceremony.

Then on Oct. 14, Rear Adm. Gerónimo Cafferata, García's adviser on naval affairs, was gravely injured when four terrorists ambushed his car and pumped it with machine-gun fire. He was hit by four bullets in the head, abdomen, and side.

Admiral Cafferata is the highest-ranking military officer to be attacked yet by the terrorists. Since he stepped down from active duty last year, he has been president of the government's Industrial Bank.

● **FRENCH PREMIER** Jacques Chirac, commenting on the collapse of the Iceland pre-summit Oct. 13, said that he doesn't "share the general pessimism" surrounding the event. Disagreement was "inevitable," given U.S. firmness on the Strategic Defense Initiative, which is "potentially an element of profound discord in the future." He added that "France has no intention of staying behind in space research."

● **GREEK DEFENSE** Minister Ipannis Kharalambopoulos on Oct. 15 rejected as "unacceptable" and "irresponsible" an AP dispatch from Athens dated Oct. 4, which claimed that the Greek Air Force had been ordered to fire on U.S. planes in the event of violation of Greek air space during recent NATO exercises.

● **THE PANAMANIAN** Congress's president, Ovidio Diaz, on Oct. 15 presented a letter of protest to U.S. Ambassador Arthur Davis, concerning intervention by the U.S. Congress in Panama's internal affairs. The protest was triggered by Sen. Jesse Helms's (R-N.C.) request that the CIA investigate Panama, UPI reports.

● **IN MEXICO CITY**, 17% of professional blood donors carry AIDS antibodies, the first survey of AIDS in Mexico discovered. Dr. Arturo Toledo Saavedra, director of the Civilian Hospital of Cuernavaca, reports that since the hospital's HTLV-3 analysis unit became functional on Sept. 19, it has tested 567 people.

● **QUEEN ELIZABETH** arrived Oct. 12 in Beijing, for a week-long visit to China. The London *Sunday Telegraph* described the trip as "setting the seal on the warmest relationship between China and Britain for two centuries." The Chinese are said to be particularly interested in the fact that the Queen traces her descent from the Tang dynasty.

## President Reagan's victory at Reykjavik

by Lyndon H. LaRouche, Jr.

The *Washington Post*'s Lou Cannon described the aftermath of the Iceland "pre-summit" in the following terms, in the lead page 1 story of the Oct. 15 edition:

Reagan sought to depict the Iceland summit, which Secretary of State George P. Shultz two days ago called a "disappointment," as "a major advance" in the U.S.-Soviet relationship.

Cannon apparently refuses to grasp the crucial fact, that the President and his secretary of state have divergent views on U.S. strategy in general, and the Strategic Defense Initiative (SDI) most emphatically.

Shultz, White House Chief of Staff Donald Regan, Henry A. Kissinger, and "Iceland-summit architect" Zbigniew Brzezinski each oppose the deployment of an SDI "population defense," and insist that the only value of the SDI is as a "bargaining chip" in arms-control negotiations with Moscow. President Reagan views SDI as the last chance for defending the West against Soviet imperialistic expansion.

This difference in views within the administration was underlined the morning of Oct. 14, when Donald Regan, speaking on ABC-TV's "Good Morning America," insisted that SDI is "a bargaining chip." Later in the day, at a White House press conference, President Reagan's spokesman, Larry Speakes, flatly contradicted Donald Regan's remarks. Speakes stated flatly, that the SDI is not "a bargaining chip." In what the White House press corps saw as a related statement, Speakes announced, that, hereafter, no administration officials would be allowed to speak to the press anonymously, "on background."

In other words, in the final outcome at Reykjavik, Pres-

ident Reagan won, while those sharing the contrary views of Secretary Shultz lost. According to eyewitnesses at Reykjavik, Shultz's characterization of the outcome as a "disappointment" was a masterpiece of understatement. As Shultz came out to announce the breakdown of the negotiations on Sunday, reporters saw a secretary profoundly shaken, ashen-faced, and apparently at the verge of tears. Eyewitnesses contrasted Shultz's depressed mood, with the tough, confident mood of the President's impromptu address to U.S. military personnel, shortly after the Shultz press conference.

### The Soviets' personal threat to Reagan

Several senior observers emphasize, that the key to understanding the Soviets' tactics at Reykjavik, is the implied threat to President Reagan's life issued by the Soviet government immediately after the close of the "pre-summit." The Soviets compared President Reagan symbolically to the late President John F. Kennedy, whom they classify as the last U.S. President to pursue a policy of maintaining U.S. military superiority, a peace-through-strength doctrine. A comparison of the two Presidents' dealing with Moscow is key to understanding Soviet policy in the aftermath of the Reykjavik meeting.

At their first, Vienna meeting, Soviet dictator Nikita S. Khrushchov, briefly alone with the young President, assaulted the President physically, an action which analysts read as the Soviet tyrant's attempt to test the President's personal character. Based on the personal weakness which Khrushchov saw in the President, Khrushchov later ordered East Germany's Walter Ulbricht to construct the Berlin wall, predicting, accurately, that the President would "chicken."

However, later, President Kennedy toughened up. It is

generally believed among senior observers, that the connections of the President's father to military circles around Gen. Douglas MacArthur, may have been a factor. When Khrushchov pressed Kennedy to the wall again, in the Cuba Missile Crisis, the Soviets met a Kennedy significantly tougher than the President had been during the Berlin Wall Crisis of 1961. After the Cuba Missile Crisis, the President showed signs of growing toughness, right up to the "peace through strength" address which McGeorge Bundy recently stated Kennedy was to have delivered in Dallas on the day he was assassinated.

No investigator believes that Lee Harvey Oswald, a controlled asset, jointly, of the Office of Naval Intelligence and FBI's Division Five, was involved in killing President Kennedy. Suspicion naturally points to those who orchestrated the cover-up of the assassination: National Security Adviser McGeorge Bundy, and circles around Establishment leader John J. McCloy of the extended "Teddy" Roosevelt family's private intelligence arm, sometimes called "the bankers' CIA." This "bankers' CIA," an outgrowth of the old 1920s Soviet "Trust" organization at 120 Broadway, New York City, is the principal Soviet back-channel connection into the U.S.A.'s policy-shaping and intelligence community. In any high-level political assassination, professional investigators regard the agencies which orchestrate the cover-up as the prime suspects for authorship of the assassination itself.

Khrushchov's motives in ordering the assassination of President Kennedy were very, very clear ones. Through back channels such as Bertrand Russell and the Pugwash Conference, Khrushchov had reached agreements on "mutual deterrence" and "global society" arrangements, with high levels of the U.S. Eastern Liberal Establishment. Kennedy's opposition to a U.S. protracted land war in Southeast Asia, and Kennedy's 1963 doctrine of peace through strength, was directly bucking the Establishment, and a profound threat to the "nuclear deterrence" agreements which Khrushchov had negotiated with leaders of that Establishment.

The prospect of Kennedy's being re-elected, and then, probably succeeded by his brother, Bobby, signaled the possibility of 13 more years of a "Kennedy dynasty" committed to peace-through-strength policies. After the assassination of Kennedy, and the follow-up assassination of his vengeful brother, Bobby, no U.S. President, until Ronald Reagan, has threatened to upset the not-so-secret "global society" agreements between Moscow and McGeorge Bundy's Eastern Establishment. Johnson submitted without question; so did Nixon. Ford was Ford, a nice guy without much understanding of the deeper issues. Carter was a Yerkes laboratory creation by the Teddy Roosevelt clan's Georgia, Bulloch-Root "mafia."

Not only have the Soviets threatened President Reagan with the "Kennedy treatment." The Iceland "pre-summit" was a set-up from the beginning, organized by the Soviets in collaboration with the U.S. Eastern Establishment. Moscow had counted upon its admirers in the Congress, plus Estab-

lishment figures such as Shultz, Regan, and Haig-allied Brzezinski, to set the President up at the "pre-summit." The Soviet master-plan for Reykjavik diplomacy, was to assign Raisa Gorbachova's husband, Premier Mikhail, to break the Ronald Reagan's will, pressing the President to give up the only U.S. policy Moscow fears, the SDI.

The Soviets' Reykjavik tactic was to attempt to lull the President into an amiable, concession-strewn state of mind over the initial sessions, and then to hit the President with brutal force on the issue of SDI. Although there is no indication that Gorbachov attempted to assault the President physically, as Khrushchov had done with Kennedy, the sight of fist-wielding Gorbachov, right after the summit, gave a clear indication of the side of Gorbachov's personality which the President had seen in the final session, Sunday.

Moscow miscalculated badly. Try those tricks on Ronald Reagan, and you "get his dander up." He is a deeply religious, old (if spry) man, whose self-interest lies in the kind of United States he bequeaths to those who come after him. In such a situation, what passes through the President's mind runs something like this: "You Russian idiots! Do you imagine that I, a devout Christian, 75 years of age, a man who has reaped every honor his nation could bestow upon him, can be manipulated into betraying my entire life's work for sake of a few personal threats from men I regard as the emissaries of Satan?"

In the Soviet mind, Gorbachov's failure to match the President's will-power at Reykjavik, is a humiliating political defeat. To the Russian Raskolnik mind, political will is almost everything. They pitted Gorbachov's will-power against President Reagan's, and lost the battle. Worse, by going to the brink in this test of will-power, they exposed their hand. They showed the President that the only thing which stands between Western civilization and Soviet world-domination, is the SDI. If the President every had lingering doubts about pushing the SDI full-steam ahead, Gorbachov removed those doubts. Moscow is humiliated and enraged.

The post-summit personal threat against the President, is to be taken very seriously.

### **The 'LaRouche factor'**

Many of the leading journalists gathered in Reykjavik ended their visit expressing astonishment at the accuracy of *EIR* White House correspondent Nick Benton's insight into the summit from the beginning. At the outset, most journalists were convinced that the intermediate-range European missiles was the leading issue of the "summit." Beginning with the exchange between Benton and Soviet laser-specialist Velikhov, *EIR* had shown that it knew that the SDI, not the INF, was the key issue.

A half-hour before the collapse of the talks was announced, journalists gathered in press rooms were watching the Cable News Network (CNN) on the television screens. To their astonishment, a clip of National Democratic Policy Committee chairman Warren Hamerman appeared on the

screen, stating that SDI "intellectual author" LaRouche had been targeted for a police-state-style raid on his friends just days before the summit, as part of the effort to crush SDI at the meeting. Gasps of astonishment erupted from among senior correspondents. A few minutes later, they learned that the SDI was the make-or-break issue of the Reagan-Gorbachov meeting.

How did *EIR* know that the only real issue of the Reykjavik meeting was the SDI, when most of the governments and editors around the world had assumed that agreements

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*If the President every had lingering doubts about pushing the SDI full-steam ahead, Gorbachov removed those doubts. Moscow is humiliated and enraged. The post-summit personal threat against the President, is to be taken very seriously.*

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on INF reductions were the central theme? *EIR*'s knowledge was certainly not based on high-level background leaks; nearly all *EIR*'s usual "on background" sources in the U.S.A. and Europe, had insisted that the INF was the key issue. State Department channels throughout Western Europe had repeatedly insisted that major U.S. concessions on the INF were the only important feature of the meeting.

Simply, *EIR* was the only press service which had a correct reading on the reasons for the illegal, police-state-style raid on Leesburg. *EIR* reasoned, that if Moscow had ordered the raid over the issue of the SDI, just before the "summit," then the SDI was the only issue with which Moscow was concerned at the meeting.

Concerned figures at very high levels in several European nations, had recognized that the Leesburg raid had been carried out on Moscow's orders. However, most U.S. and European news services, avowed LaRouche-haters, had dismissed the charges of a Soviet hand behind U.S. Attorney Weld's raid, as "not credible." These news services had also dismissed as either "not credible," or "highly exaggerated," *EIR*'s document showing Weld to be part of a Soviet intelligence network inside the U.S. government. Therefore, those news services came to the wrong estimation of the Reykjavik agenda.

Although Weld himself hates me because of my part in exposing Weld's one-count cover-up for drug-money laundering in the Bank of Boston case, and although White House Chief of Staff Donald Regan hates me for this same reason,

the decision to unleash "loose cannon" Weld against Leesburg was made by those acting under Soviet pressures for exactly such a KGB-style political action.

*EIR* knew that the SDI was the only issue in the Soviets' mind at Reykjavik. *EIR* knew this not only because of the fact that Weld's Leesburg raid had been conducted under Soviet pressure. *EIR* had done a major counterintelligence job, in investigating those Soviet channels which had placed this pressure on Eastern Establishment and State Department channels.

The orders for Weld's operation against LaRouche came directly from Mikhail Gorbachov's wife, Raisa. She is, in fact, of much higher rank in the Soviet dictatorship than her husband. She is the daughter of the oldest surviving personal collaborator of V. I. Lenin, 92-year-old Maxim Titorenko. Titorenko was a leading architect of the Soviet "New Economic Policy," and is the oldest surviving Bolshevik member of the 1920s Soviet foreign-intelligence partnership with 120 Broadway's Soviet partners, the "Trust." Gorbachov rose to power largely by marrying into it.

Raisa's personal power-base in the Soviet command, is a 40-person committee heading up the Soviet Cultural Commission. A key figure of this Commission is long-time "LaRouche watcher" Julian Semyonov. Directly under Raisa's Commission is the hand-picked successor to the late Mikhail Suslov, Yegor Ligachov. Ligachov heads the Soviet Central Committee's committee on culture and ideology, a key oversight committee over both the Soviet KGB and Soviet military intelligence (GRU). It is this channel of Raisa Gorbachov's control over IMEMO, the KGB, and the GRU, which applied the pressure on both the U.S. State Department and U.S.-Soviet "back-channels," to eliminate me prior to the Reykjavik meeting.

The way in which Ligachov organized his part of the operation against me, revealed many of the details of the operation, showing *EIR* exactly what the probable outcome of the "summit" would be, and how the "summit" was being conducted, both from the Soviet side, and by the circles of Henry A. Kissinger and Zbigniew Brzezinski from inside the United States.

There are three key figures directly under Ligachov, all three involved in a major way in bringing pressure on the U.S. to eliminate me prior to the Reykjavik meeting.

The first, in charge of the political-diplomatic operations, is former Soviet ambassador to Washington, Anatolii Dobrynin, a crony of Henry A. Kissinger.

The second is 63-year old Alexander Nikolaevich Yakovlev, chief of propaganda for the Soviet Central Committee. Yakovlev was the Soviet official directly responsible for the wave of Soviet press attacks on me during August, September, and October, and key to Secretary Gorbachov's public attack on me in an address three days prior to Weld's Leesburg raid.

The third figure, is Yuri Voronov, chief of the culture department for the Soviet Central Committee.



Directly under Yakovlev, is Albert Andreyevich Belayev, the editor of *Sovetskaya Kultura*, a publication controlled by Raisa Gorbachova.

Both Dobrynin and Yakovlev are personal cronies of both Henry A. Kissinger and Zbigniew Brzezinski. According to an interview which Yakovlev gave to the Italian daily *La Repubblica*, on May 21, 1985, he has had a close and continuing personal relationship to Kissinger and Brzezinski dating from the time Yakovlev was studying at New York's Columbia University, in 1958. In the 1970s, he was Soviet Ambassador to Canada, where he functioned as the overseer of the connections of LaRouche-haters Henry A. Kissinger, Albert G. Besser, William Weld, Jerome Cohen, Benjamin Schwartz, William Hinton, and others, to Beijing. He organized Gorbachov's May 1983 visit to Canada, after which he was appointed by Soviet President Yuri Andropov to head the Soviet foreign-intelligence agency IMEMO, becoming the boss of David Rockefeller's crony, Georgii Arbatov.

Characterized as "an anti-American extremist," Yakovlev's current role is typified by his travels to London with Gorbachov in 1984, the year Yakovlev was elected to the Supreme Soviet. Prior to the Reykjavik meeting, Yakovlev accompanied Gorbachov to Geneva in 1985, and was part of the team directing Gorbachov's tactics against President Reagan at the Reykjavik meeting.

Yakovlev was behind the publication of the five-page attack on me in the Sept. 15 issue of the largest-circulation Soviet publication, *New Times (Novoe Vremya)*, as well as the Aug. 7 and Sept. 30 editions of *Sovetskaya Kultura*. Significantly, U.S. drug-lobbyist and Anti-Defamation League (ADL) asset Dennis King, was adopted openly by *New Times's* Sept. 15 attack on LaRouche.

When Gorbachov's top Reykjavik "summit" advisor, Yakovlev, caused Gorbachov to make the themes of the Sept. 15 *New Times* item the central feature of his Moscow "Thaelmann memorial" address, three days prior to Weld's Leesburg raid, this constituted conclusive proof that the thoughts Gorbachov had in mind for his Reykjavik meeting, were efforts to browbeat President Reagan into scuttling the SDI.

The conclusive proof came in the form of an intelligence specialist's reading of the warrants which Weld used for the Leesburg raid. Not only had the warrants been issued on Sunday, a day before the raid, but internal features of the affidavits showed that the paper-work had been pulled together over the weekend, following Gorbachov's delivery of his Moscow "Thaelmann memorial," pre-summit address. The operation was a last-minute rush, as directly ordered by Yakovlev's planted piece in the Sept. 30 issue of Raisa Gorbachova's *Sovetskaya Kultura*.

### **The danger to the President's life**

The use of the John F. Kennedy references in the personal threat which Moscow published against President Reagan, immediately after the Reykjavik events, must be read as a clear signal of an threat to the President's life. This coincides

with a hastily assembled, fresh effort to arrange my own assassination over the coming days, this attack organized by way of Canada-based circuits linked to William Weld and the mob-linked First Fidelity attorney, Al Besser. Moscow and its high-level Western hemisphere assets are in a mood to kill.

The President has one important advantage which John F. Kennedy did not have. There is advance warning of who would be complicit in any effort to assassinate him; the same apparatus tied to Weld in the Soviet-inspired operations against me.

Only very credulous people believe that major figures are killed by "lone assassins." To attempt to kill a highly protected major public figure, and to fail in an open attempt, is the most dangerous enterprise any group of assassins could undertake. Any powerful figure, especially a head of state, who survives an attempted assassination, has the means to lash back in fury against those responsible. President Charles de Gaulle demonstrated that point. It must be a "sure kill." One person or a team of persons may actually do the killing, but the assassins can not be assured of success unless there is a very elaborate and very high-level complicity, to bring the assassins to the right place at the right time, and to leave no living backtrail to the authorship of the assassination.

No public figure has absolute protection against assassination, if a major power's government, or an agency as powerful as the "bankers' CIA" is determined to kill him, although physical security of endangered public figures is an indispensable part of the effort to preserve their lives. What physical security does, is to keep out the "trash," to force the enemy to resort either to well-organized plots of covert assassinations, or to throw aside all cover, and resort to all-out brute force. Since any conspiracy has the potential of generating leaks of one kind or another, the combination of good physical security and far-reaching intelligence screening, makes political assassinations very difficult, and very risky politically.

If the intended victim knows from what quarter the threat is coming, intelligence-style precautions can be deployed, putting every aspect of that capability under the closest scrutiny. Unless the Soviets intend to kill the President by brute force methods, there is one channel of cooperation inside the United States on which they would have to depend for a covertly run assassination: the same circles represented by William Weld, and the forces behind him. Weld's backers have telegraphed their punch. Let the President's security either act accordingly, or be held guilty of reckless omission should any untoward thing happen to our President.

Finally, should any new untoward developments occur around me, after my statements beginning Oct. 6, and the issuance of this article today, then such a development signals that the threat to the President's life is a more or less immediate one.

October 15, 1985  
Leesburg, Virginia

# How the Soviets demanded the shutdown of LaRouche

*Warren J. Hamerman, the chairman of the National Democratic Policy Committee (NDPC), was widely quoted throughout the international media for his charge that the Oct. 6 raid against Lyndon LaRouche's associates was an attempt on the eve of the Iceland summit by White House Chief of Staff Don Regan to appease Gorbachov, who had "demanded LaRouche's head on a platter." On Oct. 14, Hamerman released the following statement at a Washington, D.C., press conference, along with 20 pages of documentation from Soviet sources:*

Today I am releasing documentary proof of the massive record in the Soviet Union's own literature that the government of Gorbachov had made known their policy priority before the Iceland summit to silence Lyndon LaRouche and his organization as an integral part of the Iceland pre-summit. They intended for Mr. LaRouche and his organization to be served up on a platter as part of a Western capitulation agreement on the SDI. They view LaRouche as a growing, politically dangerous rallying point and symbol of uncompromising Western resolve to research and deploy the Strategic Defense Initiative (SDI) on a crash program basis. The Soviet policy statements cover the period from the spring of 1983, immediately after President Reagan's March 23, 1983 proclamation of the Strategic Defense Initiative (SDI), to the immediate days before the Leesburg raid, when their denunciations of LaRouche intensified and became explicit "instructions" to U.S. authorities to crush LaRouche on the pretext of so-called financial "irregularities."

Many journalists in Reykjavik were aware that *Executive Intelligence Review (EIR)* correspondents in Iceland, particularly in a direct exchange with Soviet Academician Velikhov while the negotiations were ongoing, had the only cor-

rect evaluation of the single substantive issue in the pre-summit: the outrageous demand by Gorbachov that President Reagan should kill the SDI in the cradle.

In the Soviet mind, Lyndon LaRouche is the "intellectual author" of the SDI policy, even though Dr. Edward Teller later became publicly a true additional champion of the policy. In the Soviet mind, since Lyndon LaRouche was the first figure in the West to publicly call for an SDI layered-defense system of laser and other advanced directed energy beam devices well over a year before any other spokesman, it is LaRouche who must be eliminated as the symbol of the SDI.

As had been exclusively the analysis of Lyndon LaRouche and *EIR* before and during the summit, the *only* issue that the Soviets had been concerned with was trying to force President Reagan to give in and dismantle the SDI. However, President Reagan did *not* submit to the man with the mark of the beast on his brow in Reykjavik. Therefore, Gorbachov blew up the summit over the SDI. All of the negotiating items other than the SDI which the Soviets had supposedly been interested in, as events unfolded, in fact were demonstrated to be irrelevant. The Soviets were totally uninterested in these other issues. Thus, Lyndon LaRouche's evaluation of the Soviet policy considerations at Reykjavik prevailed.

To understand the Soviet response in Iceland, therefore, you have to follow the pattern of Soviet hysterical denunciations of Lyndon LaRouche ever since President Reagan's March 23, 1983 announcement of the SDI policy on national television.

In the two-month period prior to the Oct. 6 Leesburg raid—which has been characterized by professional law-enforcement officials as an "overkill" deployment by two orders of magnitude of excessive force—the Soviets began a relentless campaign in their media which culminated in an

## File civil rights claim against FBI raiders

Attorneys for the corporations ransacked in Leesburg, Virginia, Oct. 6 are preparing a civil-rights suit for injunctive relief against the illegal search and seizure of documents in the raid. The corporations will demand that the FBI raiders be enjoined from either publicizing or using the documents illegally seized. The corporations will also seek multimillion-dollar damages.

In specific, the search can be shown to have violated the First Amendment rights of the individuals whose property was seized. On the whole, the search can be described as "a general warrant," in the sense that everything in sight was seized, to be examined later.

The violation of First Amendment rights was particularly evident through the seizure of lists of names which were used strictly for political organizing or business functioning, not for "fundraising." The FBI can now be expected to call and harass these individuals, as it has done

with other names provided.

Privacy of individuals was also violated by the theft of such things as payroll checks, which are of absolutely no use to the raiders.

Other categories of illegalities in the search include the following:

1) Seizure of documents which fall under the rubric of attorney-client privilege;

2) Xeroxing of documents which were not taken, and were undoubtedly not covered by the search warrant in any way, shape, or form;

3) Denial of the right for a legal observer;

4) Seizure of documents belonging to organizations which are not even mentioned in the search warrant, such as the National Democratic Policy Committee.

Certain of the seizures can also be considered "punitive," like the seizure of corporate checkbooks, which are of no use to the raiders, but whose loss causes difficulties for the corporations.

The self-serving role of the state of Virginia will also come under scrutiny, due to the lack of probable cause for a search, as reflected in the state's search warrant.

explicit series of policy statements in the days before the raid.

This final phase of the Soviet Union's semi-official demand for LaRouche's head on a platter can be seen in the following chronology of high-level policy statements:

- The Aug. 7, 1986 issue of the Soviet weekly *Sovetskaya Kultura* published a major article entitled "About A Fraud" devoted to a denunciation of Lyndon LaRouche for running a large "illegal" financial network engaged in "all sorts of tricks with credit cards." *Sovetskaya Kultura's* editor-in-chief, Albert Belayev, is a known KGB-connected protégé of the late KGB boss and Kremlin leader, Yuri Andropov. Belayev, before coming to *Sovetskaya Kultura* earlier this year, had been, first, deputy head, and then head of the Soviet Central Committee's Cultural Department since November 1972.

- On Sept. 15, 1986, the Soviet weekly *Novoye Vremya*, which appears in 11 languages (including *New Times* in English) carried a 5-page slander spread against Lyndon LaRouche and his collaborators and organizations in the United States, the Federal Republic, France, Sweden, etc. The *New Times* diatribe appeared under the banner headline: "Nazis Without the Swastika" and contained the evaluation that the LaRouche "groups are extremely dangerous and must be closely watched by the world public so that their aims and ambitions do not become reality."

- The Sept. 30, 1986 edition of *Sovetskaya Kultura* contained a major policy article denouncing LaRouche as a dan-

gerous and "growing" political force in the United States. Less than one week before the Leesburg raid, this Soviet article asked:

"How is it possible that the LaRouchites can act so openly and fearlessly? . . . Why isn't the Internal Revenue Service interested in the affairs of a man who received millions of dollars from publications and in the form of contributions, but has not paid any taxes, claiming he doesn't know who pays for his estate in Virginia? . . . Rouche and his followers are zealous supporters of the notorious 'star wars' program of the Reagan administration."

- On Oct. 3, Soviet leader Mikhail Gorbachov himself, in his speech at the unveiling of a memorial to Ernst Thaelmann in Moscow utilized the formulation of the Sept. 15 *New Times* five-page attack to target the La Rouche movement as a strategic hostile force to the Soviets.

The para-military raid on Leesburg occurred three days later. The force deployed was excessive and redundant. The raid itself was carefully staged as an international media event. There is no substance to any of the charges but the implementation on a crude scale of Soviet demands to "make an example" of Lyndon LaRouche for his role in design and defense of the SDI. To this day, there has not been a single indictment, let alone a conviction, of Lyndon LaRouche. He is innocent, according to every constitutional and judicial standard in American law. According to Soviet justice, however, he is guilty and condemned to death.

# The 'Bankers' CIA' after the great Leesburg raid

by Criton Zoakos

The infamous Great Leesburg Panty Raid of Oct. 6, 1986 against organizations associated with LaRouche, ought not, perhaps, be called a "police-state action," even though a small army of 400 armed men, two armored personnel carriers, two helicopters, and one fixed-wing aircraft were deployed to heroically liberate a few accountants' ledgers, copies of which had earlier, voluntarily, been supplied to the government.

That brutal action, though it employed federal, state, and county law-enforcement officers, was not strictly a "police-state action," since it was not designed, prepared, and ordered by the state, but by a powerful circle of private interests which merely used the state as a patsy in its private vendetta against LaRouche.

As one veteran said, "The Trust went after LaRouche, because he has gotten too close to where the monkey sleeps." Who this "monkey," The Trust, is, and what LaRouche's and his friends' fight with it is, will be the centerpiece of all American politics from now on.

The orders for the Leesburg Panty Raid came from the new director of the Criminal Division of the Justice Department, William Weld, a government official. He did not, however, act in his capacity as a government official, as his violation of at least three Amendments of the Bill of Rights and of numerous other statutes shows. He acted in his capacity as a member of The Trust.

Weld's case is clearcut: He and his wife Susan Roosevelt Weld are, like their fathers and grandfathers before them, members of that private intelligence organization that works both above and against the U.S. government, provably since the assassination of President William McKinley in 1901. Various, this circle has been referred to in the past as "The Trust," "The Bankers' CIA," (as distinct from what Gen. Walter Bedell Smith had in mind), "Force X," or even "Submag" (for "Submerged Agency").

This "Bankers' CIA" vendetta against LaRouche began in 1968, when McGeorge Bundy was president of the Ford Foundation and was pouring billions of dollars of foundation money to create the New Left, the anti-war movement, and the terrorist Weatherunderground. The vendetta was contin-

ued when Henry Kissinger supplanted the "Forty Committee" of the National Security Council, and later, in 1977, when Zbigniew Brzezinski, as national security adviser, launched, with the help of the Roosevelt-controlled Chemical Bank of New York, an anti-LaRouche project code-named "FIST and SWEEP." William Weld has the following common feature with Bundy, Kissinger, and Brzezinski: a Harvard University based pro-Soviet strategic intelligence unit which, among its leaders, has included William Yandell Elliott, Brzezinski's and Kissinger's original recruiter and trainer, as well as China Card specialists Jerome Cohen (the mentor of Susan Roosevelt Weld), Benjamin Schwartz, and John Fairbanks and his wife.

During the postwar period, this group forced upon the United States, first, the policy of allowing China to become communist, second, the mythical concoction that there is "Sino-Soviet split," third, as a consequence, a policy of growing U.S. cooperation with both communist China and communist Russia, on the pretext of keeping them apart from each other—the so-called "China Card" policy. Numerous major disasters have flown from this orientation, such as the Korean War, the neutralization of Gen. Douglas MacArthur, the Vietnam War and the breaking of the United States Officers Corps, the anti-War movement, the SALT I and SALT II Treaties, and finally, the currently attempted strategic decoupling of Europe from the United States.

## The Canadian connection

This Harvard unit is interfaced with Soviet intelligence in numerous ways, and prominently through Canada. Canada, of course, is the geographical base of the infamous Institute of Pacific Relations, the original grandmother of both the "China Card" and of "Who Lost China." Within Canada, the Institute of Pacific Relations has had extensive Soviet intelligence links, among them Georgii Arbatov's USA-Canada Institute, former Soviet ambassador A. N. Yakovlev, and emigré Russian aristocrat Count George Ignatiev, formerly a member of the Queen's Privy Council. A notorious collaborator of this Harvard unit is septuagenarian KGB officer "Ernst Henry," the original recruiter of Burgess, Maclean, and Philby, and the man who more than anyone else,

with his official policy formulations from Moscow, helped the "Harvard unit" to instill in the U.S. government, during the 1950s, the myth of the "Sino-Soviet split."

Not only have William and Susan Weld been raised and educated inside this milieu, but, as their public financial records show, they have generously contributed to the Soviet and Chinese communist cause. They have financed the production of pro-Chinese communist propaganda films and of pro-communist newspapers, most notably the *Boston Real Paper*, which was the flagship publication of the anti-war and deserters' movement in the 1960s and 1970s.

Throughout the 1920s and 1930s, the only serious intelligence agencies that the country had were the small intelligence establishment of the Army and the Navy, whose activities were focused, in a straightforward fashion, on identifying and keeping an eye on whatever adversary posed or might pose a threat to the U.S. national security.

Some of the senior officers of those pre-war services still survive, and massive amounts of files in the National Archives of the United States are still available which show that, during the pre-war days, the ancestors of today's "Bankers' CIA" were a matter of major concern for what was then the country's "intelligence community." Reports of U.S. military and naval attachés' from the period, show that certain powerful New England and New York banks and families were financing both communist and Nazi movements. Beyond the massive documentation of Jacob Schiff's and the Morgan bank's financing of the Bolshevik revolution, and, later, of Hitler's rise to power, during the pre-World War II years, massive, "beyond top secret" classification files had been built up by our military intelligence services, of certain traitorous U.S. families, files of their activities going back to the 1880s and, in some instances, back to the Civil War. These files, hopefully still in existence, have not yet seen the light of day.

However, during the period between the First and the Second World Wars, quite apart from the official, governmental intelligence agencies associated with our military establishments, there existed in the United States a highly organized, private intelligence community, namely the intelligence community servicing those very treasonous banks and families which were being watched by our military intelligence. That private intelligence community was essentially housed in certain major law firms, such as **Sullivan and Cromwell** and its associated businesses, J. P. Morgan and Company, Brown Brothers Harriman, Chase National Bank, First Faniotal Corporation of Boston, Lehman Brothers, etc, and **Cravath, Swaine and Moore**, associated with the Roosevelt Family's Chemical Bank, First National City Bank, and First Boston.

During and after the First World War, this "bankers' intelligence community," identifiable by the temporary name, "The Trust," played a controlling role in financing, launching, and consolidating the Bolshevik Revolution, and also in

controlling the outcome of the Versailles Conference and the subsequent treatment of Germany. Sullivan and Cromwell's John Foster and Allen Dulles, representing J. P. Morgan & Company, played a central, determining role in first setting and later managing German reparation payments, and at least a marginal role in sending Lenin off from Switzerland to Russia in the legendary "sealed train" through Germany. The promotion of Lenin, German reparations management, and the Bolsheviks' financial consolidation during the interwar years was, notoriously, the principal preoccupation of the mysterious and legendary Alexander Helphand "Parvus," the putative spiritual father of the Russian Revolution, the post-revolution New Economic Policy, German economic reorganization, the Rapallo Treaty of 1922, and the program of the Pan-Europa Union.

All of these projects, including, especially, the financial bolstering of the Bolshevik regime, were the main preoccupations of the pre-war U.S. "bankers' private intelligence community." The initial proposals, to the U.S. government, that Bolshevik Russia might be a "natural ally" of the United States, originated in 1918 with the American International Corporation of 120 Broadway, New York, organized by Paul Cravath and First National City Bank, and had, as one of its senior officers, the father of present Secretary of State George Shultz, Earl Birl Shultz. Ironically, the person who made the day-to-day decisions of what was to be traded with Bolshevik Russia, was Allen Dulles of Sullivan and Cromwell, then serving as a special adviser to the War Trade Board.

## U.S. intelligence before the war

Before the United States joined World War II, the "bankers' private intelligence community," was given full official governmental status for the first time. With the Lend-Lease Act of 1941, the following entities were created: the Office of Lend-Lease Administration (controlled by Harriman), the Board of Economic Warfare (controlled by Morgan), the Coordinator of Inter-American Affairs (controlled by Rockefeller), as well as the mixed bags of the Office of War Information and the Office of Strategic Services, in which both the "bankers' intelligence service," academic, and old-line military intelligence traditions mixed. The intelligence organizations of the armed services also continued and expanded, but they were no longer the only producers of intelligence for the U.S. government.

This uneasy marriage continued throughout the war and produced phenomena such as the assassination of Gen. George S. Patton, attempts to penetrate military intelligence (such as Fritz Kraemer's infiltration of Henry Kissinger into Oberammergau), and so forth.

The real story of the secret war between the "bankers' intelligence service" and traditional U.S. intelligence, which broke out around the National Security Act of 1947, has not yet been told. When it does one day get told, it will include the following salient elements.

Before the creation of the National Security Council and the Central Intelligence Agency, with the 1947 Act, Allen Dulles from Sullivan and Cromwell had become the central coordinating point for the “bankers’ intelligence service.” His repeated efforts to become the first head of the CIA were frustrated, and, as a result, he limited himself to running worldwide operations from his law firm. Through it, he maintained and controlled networks which, during the war, had formally joined the government, and were now in the process of being amalgamated into the Central Intelligence Agency, but still owed their loyalty to the New York and Boston banking crowd.

The most characteristic such treasonous network was the notorious Office of Policy Coordination, led by Frank Wisner, which provided the cover for H. A. R. “Kim” Philby’s operations. The Office of Policy Coordination, OPC, is the great-great-grandfather of today’s Deputy Directorate of Planning, nicknamed “Clandestine Services,” headed today by Claire George, one of the American guardian angels of Greek Socialist Prime Minister Andreas Papandreou.

Formed in June 1948 as a component of the CIA assigned to covert operations, psychological warfare, economic warfare, and political warfare, the OPC, in fact, did not then belong to the CIA, but to the State Department. Its chief, Frank Wisner, was appointed by the secretary of state, and refused to ever report to the director of the CIA. With the onset of the Korean War in 1950, the OPC’s task was defined as coordination between the secretary of state and the secretary of defense. It played an important role, with guidance from W. Averill Harriman, in organizing the demise of Gen. Douglas MacArthur.

Only when Allen Dulles became CIA director in 1953, did the Office of Policy Coordination become fully amalgamated with the CIA under its new director, who now promoted and transformed the OPC into a full-fledged Directorate of Planning, which, though called “Planning,” in fact was “Clandestine Services,” and absorbed between 70% and 80% of all the resources of the CIA. Allen Dulles deliberately did not wish to have a serious intelligence and analysis capability in the CIA at that time. The strategic thinking was to be left to his brother at the State Department and to his colleagues outside the government, at Sullivan and Cromwell.

The war between old-line patriots inside the CIA and what had now, under Dulles, become the “Bankers’ CIA,” continued unabated through the years, down to the 1975 Church Committee hearings. What happened at those hearings was a rout—one hopes only passing—for the old-line patriots. These patriotic forces in the intelligence community, suffered staggering losses, lost their battle against the SALT Treaty sellouts, lost their careers and reputations, were hounded, but worse of all, never made public their extensive intelligence files, which contain the secrets of treason and double-cross of some of America’s most “damn respectable” financial families—files going back to the Civil War.

After the departure of Allen Dulles, the “Bankers’ CIA” maintained its hegemony over its opponents inside the intelligence community through the successive appointments of McGeorge Bundy as national security adviser, after him Henry Kissinger—who disbanded the Forty Committee and personally ran the entire intelligence enterprise of the U.S. government, until we came, after Nixon’s Watergate, to the 1975 Church Committee hearings “With Respect to Intelligence Activities.”

The essential matter to be retained respecting the Church Committee hearings—as, eventually, one day, an honest, patriotic Congress will have to seriously look into what was done to U.S. intelligence—is this: The Church Committee hearings were not run by Senator Church, nor his Select Committee. They were run by the “Bankers’ CIA” against their patriotic enemies inside the CIA and elsewhere; and they were run because of the “Bankers’ CIA’s” great fear that a revolt was brewing against Henry Kissinger’s SALT agreements with the Russians.

It could be fairly said that the Church Committee hearings were run by the law firm of the Roosevelts’ Chemical Bank, which is also a law firm for First Boston, **Cravath, Swaine and Moore**. The chief legal counsel for the Church Committee was Frederick A. O. Schwarz, Jr., a partner of Cravath, Swaine and Moore. Even Senator Church would admit that F. A. O. Schwarz, Jr. ran his Committee’s strategy in the witchhunt against the CIA. Another enemy of the CIA, from the inside, was its own director, William Colby, who was then consummating a certain strategic economic deal with Walter Wriston of Citibank.

The primary purpose of the Church Committee was to destroy the ability of U.S. intelligence to identify and monitor Soviet penetration into the radical mass movement (SDS, Weatherunderground, etc.) which was being financed by McGeorge Bundy’s Ford Foundation to the tune of billions of dollars. If that radical mass movement is now extinct, despite Church Committee protection, it is because, as Bundy well knows, of a special intervention by LaRouche and his friends.

After the Church Committee hearings disaster, the patriotic forces in the intelligence community have been forced into a defensive, low-profile posture. Colby, Schlesinger, Kissinger, and others, went on to organize major economic intelligence private organizations: Colby servicing mostly Citibank, Kissinger, Chase Manhattan, and so forth. The Economic Analysis section of the CIA proper, under Heymann, fed by masses of NSA intercepts, churns out the latest world economic intelligence to feed it to the New York and Boston banking crowd. At the moment, the Central Intelligence Agency appears to be captive of the “Bankers’ CIA,” the old “Trust” of Lenin’s time. Other elements of the government, such as the Criminal Division and the Office of Special Investigations of the Justice Department are similarly, for the moment, captive.

# Reagan makes SDI '86 campaign issue

by Kathleen Klenetsky

President Reagan gave a speech in Maryland Oct. 15 to boost the campaign of Republican Senate candidate Linda Chavez, in which for the first time, he put the Strategic Defense Initiative right in the middle of the 1986 election campaigns.

"Today," said Reagan, in his first campaign appearance since the Iceland summit, "I urge the voters of Maryland and the voters of this nation to ask each of their candidates this question: Where do you stand on defending America? Where do you stand on SDI?"

Reagan scored Chavez's opponent, liberal Democrat Barbara Mikulski, and her co-thinkers on Capitol Hill, who want to give up the SDI and the rest of American military defenses. Branding Mikulski a "wily liberal" and an "advocate of the failed policies of the past," Reagan said: "It would be a terrible tragedy for this country and for our children's future if those on Capitol Hill opposed to SDI are allowed to hand over to the Soviet Union free of charge what we refused to hand over across the negotiating table in Reykjavik.

"Forty-eight hours after we came home from Reykjavik some on Capitol Hill were already promising to take a meat ax and chop up America's SDI, which is exactly what Mr. Gorbachov is hoping Congress will do."

By going on the offensive, by aggressively making support for the SDI a key issue in the November elections, Reagan has done what Democratic presidential candidate Lyndon LaRouche and his wing of the Democratic Party, the core of pro-SDI political forces in the United States, urged him to do in 1986: He has turned the tables on the liberal Democrats, who had themselves been counting on using the SDI and the collapse of the summit as an election weapon against Reagan and his party.

If Reagan had done this earlier, the SDI would not be endangered today—and the failing U.S. economy would be already experiencing the benefits of the technological "boom" the SDI will bring to it.

Reagan's new resolve was signaled as soon as the summit broke up, as various representatives of the Moscow support group on the Hill crawled out to blast the President for his "intransigence" on the SDI.

Sen. Ted Kennedy (D-Mass.) lamented that a "grand and historic opportunity was there in Iceland, but it has been sacrificed—at least for the moment—on the uncertain altar of the SDI." Sen. Gary Hart (D-Colo.), who is retiring from the Senate to run full-time for the presidency, charged that Reagan had "given up what could have been an astounding

achievement in arms control to protect a system that is theoretical and enormously expensive. . . . History will show that was a bad bargain on his part."

Others, like Sen. Sam Nunn (D-Ga.) and Rep. Les Aspin (D-Wisc.), made thinly veiled threats that they would now seek to destroy the SDI through cuts in funding; Rep. Tony Coelho (D-Calif.), chairman of the Democratic Congressional Campaign Committee, said there may now be a revolt among some House Democrats who will "question whether we should go along with the President now. . . . This shows the administration is not able to bring about world peace or turn around the economy."

## Democrats' dilemma

But pursuing this strategy could sink the Democrats politically. Reagan's decision to make SDI a centerpiece of the campaigns is backed by post-summit polls showing that the American electorate overwhelmingly supports what Reagan did at Reykjavik, and shares the President's dream of building a defense that will render nuclear weapons "impotent and obsolete." The results are particularly telling, given how much outright lying the mass media has done to undermine support for the anti-missile system:

- Eighty percent of callers to an informal poll conducted by WTTG-TV in Washington, D.C., Oct. 14 said they supported President Reagan's handling of the Reykjavik summit. Of 7,421 calls received, 6,014 said they favored Reagan's handling, and 1,407 opposed.

- An NBC-*Wall Street Journal* poll conducted Oct. 14 showed that 71% of Americans fully back Reagan's handling of the Reykjavik summit. Fifty percent supports the SDI no matter what the Soviets do (e.g., break off arms talks); another 27% supports the SDI as a bargaining chip; while "only 15%"—as disgruntled NBC anchorman Tom Brokaw put it—totally oppose the program.

- In a national CBS-*New York Times* poll, 68% of those queried backed Reagan's stand at Iceland on the SDI, while only 20% said he "should have given up the SDI . . . in order to get Gorbachov to agree to a big reduction in Soviet and U.S. nuclear weapons." Moreover, 60% of those polled said they believe the SDI is likely to work, as opposed to 21% who said it wouldn't.

Reagan pollster Richard Wirthlin's opinion poll showed that 73% of Americans now approve of the way Reagan is handling his job, an increase of 9% since the summit. Reagan's approval rating jumped 6 points following his Oct. 13 report to the nation on Reykjavik, and 3 points more after administration officials began hitting the airwaves to explain what had occurred. Of those questioned, there was 3-1 agreement that "if the Soviets feel so strongly about the U.S.'s SDI, then they must feel it has a good chance, if developed, to shoot down ICBMs."

Apparently, unlike the majority of U.S. congressmen, most Americans don't want to depend on Moscow's good graces for their future security.



## After Reykjavik: shake-ups in store

President Reagan learned as much about his own advisers as he did about Gorbachov during his marathon sessions in the Hofti House at Reykjavik Oct. 11-12.

The White House entourage had barely touched down at Andrews Air Force Base from the trip when it was announced that, from now on, National Security Adviser Adm. John Poindexter would become a major spokesman for administration policy.

Poindexter has been almost invisible since he took over for Robert McFarlane earlier this year. But he began briefing the press immediately after the summit, including television interviews with networks from NATO countries. Asked whether the new high profile for Poindexter were here to stay, White House spokesman Larry Speakes said "Yes."

Poindexter, who was the target of a State Department-*Washington Post* operation to oust him over a "credibility gap" charge in September, has apparently prevailed, while his factional enemies within the administration have suffered. In particular, Secretary of State George Shultz is on the ropes.

Rumors were circulating among the media hordes gathered at Reykjavik that Shultz was in trouble even before the summit—that Shultz's hand-picked choice for press spokesman, Bernard Kalb, had been given his walking papers because he was discovered as the source of the leak of a Poindexter memorandum in August

that was used by the *Washington Post's* Bob Woodward against Poindexter.

Speakes made it clear that the President was hopping mad about that leak. Days later, Kalb "resigned."

Shultz is also in hot water over his performance in Reykjavik.

According to columnists Evans and Novak, Reagan's advisers caucused with him near the end of the four-hour unscheduled fourth session Sunday, Oct. 12, and presented Reagan with a draft of the final U.S. proposal, offering to extend the ABM treaty to 10 years, with a phased, simultaneous elimination of all nuclear weapons over the decade.

However, Reagan noticed that in the draft, the definition of the ABM treaty allowed for only "research and development" of the Strategic Defense Initiative. It took Reagan's own intervention to insure that "testing" was added to the final draft presented to Gorbachov.

If this is true, Reagan had to be wondering what his so-called advisers were up to, since the issue of testing was the fundamental component of the SDI the President was refusing to concede in his confrontation with Gorbachov.

In reality, there is little doubt that Reagan surprised everyone, Shultz and Regan as well as the Soviets, with his sheer endurance and resolve to buck the Soviets' well-planned effort to offer the "carrot" of big arms reductions the first day, and then wear the 75-year-old President down, subjecting him to physical and mental exhaustion by almost eight hours of negotiations the second day.

Not only was Reagan more than a match for this operation; when it became clear to him that the sole purpose of Gorbachov's whole negotiating ploy was to get the United States to give up the SDI, the President judoed the sit-

uation to his own advantage by making the "ultimate offer" of the 10-year extension of the ABM Treaty and the total elimination of all nuclear weapons, knowing in advance that Gorbachov would refuse it, but giving Reagan the ability to tell the world, "See how far I was willing to go to end the arms race. See how the Soviets were unwilling to go along, only because they want us to stop a defense program that they themselves have."

The report that it was Gorbachov, rather than Reagan, who reached for his briefcase first, in exhausted frustration that his effort had failed, is undoubtedly true.

Reagan went directly to the Keflavik airport, where he spoke to the U.S. troops stationed at the base there. He gave a short, upbeat account of what happened, and how, in the name of freedom, he refused to give in to the Soviet pressure to abandon the SDI. When Reagan made a fist and proclaimed, "I could not and I would not give in!" and the crowd went wild, it became clear that, despite whatever the media would say, this was going to be seen by Americans as a major victory for the President and the SDI.

Shultz, on the other hand, went from the Hofti House to the White House media center to brief the press, and gave a morose account of the "disappointing" failure to reach an accord after the Soviets had hung the carrot out so far. Shultz's zombie-like performance disturbed the President. So did Chief of Staff Don Regan's claim two days later on NBC that Reykjavik proved how effective the SDI is as a "bargaining chip." Later the same day, Speakes reprimanded Regan publicly; the next day, Regan recanted.

It was a wiser President—wiser about the Soviets, but also about his own staff—who returned triumphantly from Iceland.

## The Guam Doctrine and irregular war

*Part 2 of a review of the Army's TRADOC study, written to provoke debate on the U.S. capacity to meet the Soviet threat.*

A recently released U.S. Army study hints that Henry Kissinger's "Guam Doctrine," which set the United States on the path of withdrawal from the Pacific, could be a big reason why the United States is ill prepared to deal with Moscow's terrorism.

As reported in this column last week, the Army's Training and Doctrine Command (TRADOC) has completed a study of the current status of U.S. capability to respond to the global pattern of "low-intensity conflict"—in military terms, irregular warfare.

Since the end of World War II, U.S. military policy has been a continuous re-statement of the principles embedded in the Yalta agreements between Stalin, Churchill, and Roosevelt of January 1945, which established "spheres of influence," and the responsibilities of the signing powers within their respective areas.

Each postwar administration has reaffirmed this principle; as in the Truman Doctrine, the Reagan Doctrine, etc. But Henry Kissinger's Guam Doctrine has become the model for U.S. political-military action in the recent period. The Guam Doctrine was the announcement by Richard Nixon in 1969 of the "Vietnamization" policy (the Vietnamese would fight the war and not the United States), and that the allies in the Pacific would have to defend themselves.

Even though the Guam Doctrine guaranteed the disaster in Vietnam, it has been an article of faith in the foreign policy catechism, and the bu-

reaucratic planning documents of the government genuflect before it, as they go about rationalizing the latest military or political capitulation to Soviet demands.

The TRADOC study, however, is a critique of the failures that are normally rationalized away, and offers the beginnings of a critique of the policies behind the failures. "The principles of the Guam Doctrine provide only the broadest framework for counter-insurgency strategy and little in the way of an overall approach to low-intensity conflict. When combined with presidential policy statements and the statements and plans of various federal departments and agencies, they provide guidance. . . . While collectively these statements do not prevent action, neither do they generate or ensure it." Therefore, it is virtually impossible to propose an effective war-fighting strategy under these restraints!

The report points to the disastrous effects of congressional actions in the past, and notes that "Collectively, the statutory limitations make efficient, effective United States programs more difficult to implement and create confusion and frustration among policymakers and foreign governments. Yet, congressional objectives for economic and security assistance programs appear to be essentially congruent with Executive Branch objectives as established by the Guam Doctrine."

As with other areas of defense policy, the legacy of Kennedy's Defense Secretary, Robert S. McNamara, and his systems analysts sits heavy in the

congressional budgeting process that strangles every key policy initiative. The report comments: ". . . United States government budgets as formulated through the Planning, Programming, Budget, and Execution System (PBBES) will continue to be unable to meet the threat of low-intensity conflict because resource requirements for it are relatively small, they are spread through all departments and agencies, and they have no single strong proponent to articulate total needs."

The study suggests a direction for institutional changes to correct this problem, stating, "We will need the courage to depart from conventional institutional norms," and hints: "The Vice President's task force on international terrorism has publicly proposed just such an initiative in suggesting a senior National Security Council coordinator for combatting terrorism. This effort needs to be expanded to include all aspects of low-intensity conflict. . . ." Congress has recently proposed to consolidate all Special Operations Forces under NSC direction, a move which would seem to agree with the above proposal.

Of course, institutional change alone will not solve problems which originate with the flawed policies the institutions were created to serve. It is not surprising that a report such as this does not pursue the line of investigation which identifies the flaws of the Guam Doctrine, for such an investigation would soon expose the treasonous character of the current "New Yalta" policy negotiations being conducted by George Shultz.

As the authors state, this report is designed to start a debate motivated by the urgency of the crisis upon us; if so, it will soon be "open season" on Shultz, his aide Robert Murphy, and other Kissingerian apologists for Soviet imperial designs.

## Wilson and Hart oppose Proposition 64

Senators Pete Wilson (R-Calif.) and Gary Hart (D-Colo.) have gone on the stump against Proposition 64, the California ballot referendum which calls for emergency public-health measures to stop the AIDS epidemic.

Wilson sent a letter to President Reagan on Oct. 13, calling for the formation of a blue-ribbon "Presidential Commission on AIDS." According to the *San Francisco Examiner* on Oct. 16, Wilson said that disjointed efforts by different agencies have compounded irrational fears about AIDS. He said that if the public understood that there was no valid medical reason for a quarantine, Proposition 64 would not be on the November ballot.

Wilson's office indicates that if the President does not establish a commission, Wilson will submit legislation to the Senate.

Gary Hart, who is campaigning for the 1988 Democratic presidential nomination, toured California Oct. 11-12, lashing out at Proposition 64 as "almost fascistic." He complained that passage of the resolution would give credibility to Lyndon LaRouche—whose associates sponsored it—and would lead to enactment of similar measures in other states.

## Glenn limit on SDI foreign contracts removed

The Defense Authorization conference report removed a provision which would have limited the involvement of U.S. allies in the Strategic Defense Initiative. Sponsored by Sen. John Glenn (D-Ohio), the amendment sought to limit the funds for contracts

which the SDI could give to allied governments or to firms in allied nations.

Opponents of the Glenn amendment argued that it would be bad for our allies and hinder the SDI program. The contracts that the United States has offered abroad have played an important role in lining up support for the SDI effort.

Glenn, whose office characterizes him as a "strong supporter of SDI research," had added his amendment to the Defense Authorization bill on the basis of the argument that the work should be done "at home," rather than giving technological competitors a boost. The amendment originally contained a flat prohibition against giving contracts out abroad unless the secretary of defense certified that the work could not be reasonably done in the United States. An attempt to stop the Glenn amendment in the Senate on Aug. 9 was defeated by a vote of 33 to 64.

Glenn then softened his amendment in an attempt to overcome opposition, specifying that not more than 3% of SDI funds could be spent abroad. If the allied government or firm put up more than 50% of a specific contract, then those funds would be exempted from the limit.

## SDI supporters push for early deployment

A number of congressional and scientific backers of the Strategic Defense Initiative, joined by some would-be saboteurs of the program, called for a separately funded effort for near-term deployment of strategic defense systems, in a letter to President Reagan dated Oct. 1.

"Specifically, employment in very

near term of the most modern defensive means can serve to deter use of Soviet tactical ballistic missiles," the letter reads. "In this case the early fruits of SDI work could be used to deter war in the Middle East, and to defend our European and Asiatic allies from attack with shorter range Soviet ballistic missiles."

The signers made their concerns clear that the Soviet Union should not achieve an overwhelming military superiority. They motivated this early deployment effort as "critical in preventing a military imbalance, similar to the one that led a half century ago to the surrender at Munich."

Co-signers of the letter included Republican Reps. Courter (N.J.), Kemp (N.Y.), Hyde (Ill.), and Hunter (Calif.); Sens. Wilson (R-Calif.), Wallop (R-Wyo.), Quayle (R-Ind.), Hollings (D-S.C.), Heflin (D-Ala.), Boschwitz (R-Minn.), and Humphrey (R-N.H.); and scientists Drs. Lowell Wood, Edward Teller, Robert Jastrow, Fred Seitz, Hans Mark, and Harold Agnew. Eugene Rostow and Zbigniew Brzezinski, advocates of limiting SDI to a point-defense system which would not protect populations, also signed.

The signers suggest that "even within the ABM treaty we could and should deploy 100 defensive launchers at a single site in the United States. What is to be carried on these launchers should continually express the latest advances in ongoing SDI research. . . . The purposes of such deployments should include population defense, defense of critical military sites, and exploration of advanced defensive technologies."

The would-be saboteurs are seeking to ensure that deployment never progresses beyond this initial point, while scientific backers such as Teller

and Wood are seeking a means for early deployment of promising SDI systems.

## Resolution seeks probe of FBI abuses

A resolution is being advanced by Sen. Dennis DeConcini (D-Ariz.) that would establish a special select subcommittee of the Senate Judiciary Committee to investigate allegations "that members of Federal strike task forces and employees of the Department of Justice, the Department of Treasury, and other Executive Departments engaged in serious improprieties and violations of the law while investigating public and private citizens."

DeConcini said that these allegations "have engendered doubts about the legality and propriety of the motives and methods of these strike forces and their supervisors within the Executive Branch. . . ."

Concern that the FBI and other agencies are targeting individuals on the basis of personal and agency vendettas, resurfaced during the second week of October, as the Senate voted up three of the four articles of impeachment against Judge Harry Claiborne of Nevada, who was convicted of tax evasion. Claiborne maintained that the FBI was out "to get him."

On Oct. 9 shortly after the impeachment vote, two senators spoke of the abuse of federal power. Sen. Howell Heflin (D-Ala.) said that "there is no question that most of the Members of the Senate feel that there should be an investigation . . . pertaining to the possible overreaching by the executive branch into the judicial branch and an investigation into the procedure which has been called targeting."

Heflin declined to accuse any agency; he said that such a probe should look at the Claiborne and Abscam cases "and determine whether or not there was targeting . . . [and] whether the targeting was proper or not."

Sen. David Pryor (D-Ark.) also pointed out the abuses of the current system. Pryor served, along with Heflin, on the Ethics Committee, which considered the case of Sen. Harrison Williams (D-N.J.), who was convicted in 1981—because of an Abscam "sting" operation—of a crime which he did not commit.

"I rise today," Pryor said, "to speak against what has become the accepted practice of arbitrarily and capriciously targeting individual citizens of our country, of intimidating witnesses in their trials, of forgiving past crimes to testify against particular people, of ensnaring individuals into crime or becoming Government bounty hunters."

Pryor denounced FBI "headhunters" like special agent Yablonsky, who got Claiborne. "I fear that there are too many Yablonskys out there in this country, working for various agencies of government, who have become headhunters," he said. "They are unbridled. They are people who arbitrarily and capriciously make these decisions which can suddenly bring to a crushing end the careers and lives of any American citizen they so choose."

"They set up Pete Williams," Pryor charged. "He was entrapped."

Yablonsky "evidently was given the widest and unchecked latitude to headhunt. He wanted someone big and someone important. Did he go after the drug lords? Did he go after the major crime figures? Did he go after the child pornographers? No. He went after Judge Claiborne, and allegedly he also wanted Senator Laxalt. He said

he did not like Laxalt. I ask, is that the criteria our Federal Bureau of Investigation uses in going after someone? . . . When is our Government finally going to realize that these sorts of operations represent not the best but the worst within our system? The framers of our Constitution never intended it this way."

## Why commemorate Shays' Rebellion?

Congressman Silvio Conte (R-Mass.), who can often be seen bellowing on the House floor about how the Congress is in a "morass" and can no longer legislate, has raised doubts about which side of the American Revolution his sympathies are on.

On Oct. 10, Conte sponsored and the House approved House Joint Resolution 10, to designate the week beginning Jan. 19, 1987, as "Shays' Rebellion Week" and Sunday, Jan. 25, 1987, as "Shays' Rebellion Day."

But wasn't Shays' Rebellion *against* the fledgling American government, which had just established independence from Britain? A couple of Conte's "whereas" clauses even acknowledge that it was: "Whereas Shays led the dissatisfied landowners in a series of attacks to stop debt procedures in local courts; Whereas on January 25, 1787, a major confrontation occurred in Springfield when the militia wounded, killed, and caught several of Shays' rebels as they stormed the arsenal. . . ."

Why commemorate them, then? Because, reads Conte's resolution, "Shays' Rebellion was instrumental in bringing about the writing of the Constitution," since it "exposed the problems in the existing form of government to the people of America."

# National News

## KGB methods used against EIR reporters

Michele and Jeffrey Steinberg, *EIR* journalists seized in the FBI's 400-man raid of Oct. 6 in Leesburg, Virginia, were subjected to psychological warfare measures while being held without bail in a Washington jail, on charges of "obstruction of justice." The Steinbergs are security aides of Lyndon LaRouche, as well as experts on drug trafficking and terrorism.

They were to have been transferred to Massachusetts Oct. 14, but were instead wakened in the early morning, transferred to one cell, van, or holding pen after another, in one building after another in Washington. Finally, at day's end, they were returned to their original cells in the District of Columbia jail. At no time during the ordeal were attorneys, friends, or family informed of their whereabouts or the procedures under way.

They next day, their lawyers intervened, and had them flown to Massachusetts for their scheduled arraignment Oct. 20.

The Steinbergs underwent such treatment, in violation of the Bill of Rights, after being seized at the personal order of Boston Brahmin William F. Weld, head of the Justice Department's Criminal Division.

The Steinbergs have no criminal record, but still are being held without bail on what legal professionals describe as the "flimsiest" obstruction-of-justice indictments they have ever seen. The Steinbergs' "crime" is their effectiveness as journalists, in exposing the links of Weld and friends to drug interests and to the Soviet Union (see for example, *EIR*, Aug. 1, 1986, Jeffrey Steinberg, "Dope, Inc.'s Man at the Justice Dept." and Michele Steinberg, "Dope Lobby Pulls Weld's Strings").

The KGB methods being used against the Steinbergs conform to the thrust of an article by John Mintz in the *Washington Post* on Oct. 9, who wrote that Assistant Attorney-General Weld's plan was to put pressure on LaRouche's arrested associates in

hopes of "flipping" someone into accusing the presidential candidate himself of crimes.

## 'Gay City' planned for Nevada desert

An effort is under way to build the first "Gaytown," reports the London *Daily Telegraph*. It would be the world's "first city solely for gays and lesbians."

The idea comes from Fred Schoonmaker, who has publicized the venture in 254 homosexual publications across America. It would be located in a "ghost town" in Nevada.

Schoonmaker says there are "between 30 and 40 million gays and lesbians in the United States, and if we attract one-half of one percent of them, we have 126,000 people."

## Graham tries to head off President's SDI

Lieutenant Gen. (ret.) Danny Graham, whose High Frontier organization has sought to limit the U.S. Strategic Defense Initiative to obsolete "kinetic energy" technologies, demanded immediate deployment of an anti-missile system, in an Oct. 7 press conference.

Graham denounced the Strategic Defense Initiative Office, headed by Lt. Gen. James Abrahamson, for allegedly focusing too much on research on technologies of the future, rather than on deployment of an off-the-shelf system.

Abrahamson—like Defense Secretary Caspar Weinberger, Lawrence Livermore Laboratory's Dr. Edward Teller, and *EIR*'s Lyndon LaRouche—has insisted that a research approach at the frontiers of science, focusing on laser and particle-beam technologies, including the x-ray laser, is the only way an *effective* SDI system can be devised.

At his press conference, Graham re-

leased a report prepared by High Frontier which said: "High Frontier believes the growing strategic imbalance in favor of the U.S.S.R. deprives the U.S. of the luxury of unlimited time in which to develop and deploy strategic defenses. . . . Proven technology is available today to permit a successful attack on an [enemy incoming missile] through most of its trajectory."

In a private discussion, Graham still maintained that the President agrees with him: "President Reagan made clear at Reykjavik that he supports my policy, rather than Teller's. Reagan said he wants deployment options—obviously that means kinetic systems, since beam systems won't be around for decades. The President said that his SDI will be non-nuclear. Well that means no x-ray lasers and that sort of thing, because they're nuclear-pumped."

## SDI foes demand 'special envoy'

White House Chief of Staff Don Regan is part of a Moscow-directed cabal that includes Henry Kissinger, Zbigniew Brzezinski, and a crew of "conservatives" at the Heritage Foundation and Georgetown's Center for Strategic and International Studies (CSIS). This group is advising President Reagan to appoint a "special envoy" to Moscow to work out a deal on the SDI, despite the President's insistence that the program cannot be a bargaining chip.

The deal would be along the lines Kissinger, Brzezinski, and Graham have been pushing: a strictly limited point-defense of missile silos and the like, based on obsolete "kinetic energy" technologies. That formulation would preserve "Mutually Assured Destruction," instead of inaugurating the era of mutually assured survival President Reagan envisions from a deployment for population defense.

Don Regan said in a television interview Oct. 13 night that it was very "possible" the President would appoint a special envoy on arms control to help restart negotiations with Moscow. A Heritage-linked source dis-

closed that the CSIS crowd is making a push to get such an envoy appointed.

Former national security adviser Robert McFarlane, Henry Kissinger, Zbigniew Brzezinski, or Kissinger-clone Brent Scowcroft are the most likely candidates.

The CSIS source also reported that former CSIS bigwig David Abshire is using his current position as U.S. ambassador to NATO, to promote Brzezinski's policies, including a U.S. troop pullout from Europe.

McFarlane, who is now running a secret arms-control strategy group at CSIS, called Oct. 15 in a *Washington Post* commentary for the United States and its allies to appoint a "Council of Wise Men" to draw up a negotiating strategy, that would include only "limited strategic defense."

## Send Robertson back to Bible School

Lyndon LaRouche was the guest on Oct. 15 Addie Gillespie's "Christian" talk show on WGGH radio station, an Illinois station which can be heard in four surrounding states. He was asked to open the show with a prayer, and responded with the following: "We know, Lord, that we are in the time, like the time of Armageddon, described in the *Book of Revelation*. And we need the strength and courage, to see clearly the nature of these times, and what we must do. Bless us, and guide us, in the name of the Lord, Jesus Christ. Amen."

He was asked: "You are a declared candidate for 1988. We know that there's a possibility that Pat Robertson may be running on the Republican ticket. Give us your evaluation of Pat Robertson."

**LaRouche:** "I'd like to set up a school, if I had the time, on theology and divinity. And I would tell Mr. Pat Robertson, that before he did any more preaching, he has to come to my school, and be reminded of such things as the 28th verse of the First Chapter of *Genesis*, and a few other little highlights there that he missed when he brought this Jeremy Rifkin on his program and embraced him."

**Q:** "Who is Jeremy Rifkin?"

**LaRouche:** "Jeremy Rifkin is an old leftist, who has written a book called *Entropy*, and Jeremy says that Christianity is a big mistake, and he's running about from pulpit to pulpit explaining how we're not supposed to alter nature, which we're commanded to do. And he believes that we should all go back to more simple forms of life, which is neo-Malthusianism. It's evil, it's Gnosticism. It's not Christian, it's Satanic.

"Mr. Robertson should not have involved himself in sponsoring that sort of devilry. And I think that Mr. Robertson needs some re-education. He may not think that he wants to take it from me, but I think he needs it. I wouldn't push the Bible in the campaign, but there is a certain kind of morality and respect for Judeo-Christian natural law which any qualified candidate must carry with them."

## Satanic rock concert canceled in Texas

Satanic rock star Ozzy Osbourne brought his "Ultimate Sin" group to Texas on tour at the beginning of October, but found such a hostile reception that one of his concerts was canceled.

Osbourne is known for such hideous barbarism as biting off the heads of bats and stomping puppies as part of his act. He uses symbols such as upside-down crosses to accompany the evil messages of his songs.

A group of citizens from Corpus Christi, primarily Baptists, took to the City Council to protest Osbourne's scheduled Oct. 6 concert there, but the concert was held nonetheless.

Not so in Tyler, where angry citizens forced the cancellation of Osbourne's Oct. 11 concert. "He desecrates everything we believe in as Christians," said one Baptist minister there. "He advocates the worship of Satan, harming animals. It's something that not only the Christian community is obligated to oppose, but all morally conscious people as well."

## Briefly

● **POPE JOHN PAUL II** has accepted the resignation of two American bishops, Maurice Dingman of Des Moines and Loras Watters of Winona, Minnesota, allegedly for reasons of health. Dingman figures prominently in the American heresy faction, and has been particularly involved in Benedictine rabble-raising among farmers.

● **ARMAND HAMMER**, the oldest living agent of "the Trust," was the first Westerner to donate money to the newly established Soviet Cultural Foundation, whose Board includes Moscow's top anti-LaRouche operatives.

● **RICHARD HOLBROOKE**, assistant secretary of state for Far Eastern affairs under the Carter administration, was recently in China, representing Shearson Lehman Brothers, Inc. Holbrooke still has substantial influence over U.S. foreign policy in the Far East and is a close associate of Zbigniew Brzezinski.

● **HENRY KISSINGER** advised President Reagan before the Iceland summit to put the SDI on the bargaining table. Interviewed on "ABC Good Morning America" on Oct. 10, Kissinger first claimed to support the SDI, then said: "I think we can bargain away levels of SDI, the size of the deployment."

● **LIZ TAYLOR** was "livid" at the Los Angeles Airport recently, reports *Star* magazine Oct. 21. "She noticed a political group getting petition signatures. Close up, she saw they were campaigning in favor of Proposition 64, which seeks to quarantine AIDS victim—a potential law which Liz publicly denounces. . . . Her eyes positively bulged when she saw they were holding a sign that said: 'The only proposition that Liz ever turned down!'" She marched into the airport manager's office and insisted that he oust the petitioners.

## Editorial

### *No more Wackersdorfs!*

Five months have passed since the events of Wackersdorf, West Germany, over the Pentecost weekend of May 17-19. As *EIR* emphasized at the time, the violence that occurred at the planned nuclear waste facility in the Bavarian village of Wackersdorf was no mere "riot," but actual war, using militarily trained and centrally commanded forces of the Soviet "irregular warfare" units sometimes called *spetsnaz*.

Under the protection of over 10,000 so-called peaceful demonstrators, approximately 2,000 trained shock troops attacked the reprocessing facility at Wackersdorf and the security forces deployed there with unprecedented brutality. The weapons are hunting slingshots with steel pellets, axes, flare pistols, and, in some cases, small-bore shotguns. The communications equipment: walkie talkies, etc. These and the tactical execution of the attack, revealed military planning. The "fighters," as the terrorists called themselves, expected there to be deaths. With the 200 wounded police, it was almost a miracle that no one was actually killed.

These facts finally clear away the false belief that *spetsnaz* troops, that is, elite Soviet sabotage and assassination squads, will only be activated 48 hours before the beginning of a nuclear war. In fact, *spetsnaz* are already at work—at the front line of the war to weaken and wear down the enemy, the Federal Republic of Germany.

Now, in the wake of President Reagan's triumph over Gorbachov at Reykjavik, the Wackersdorf troops are regrouping for a new phase of assault. There has been mass distribution of leaflets in Wackersdorf and nearby Obersfeldt, calling for sabotage of power lines, blocking of the main arteries, and other actions.

The purpose is clear: Destroy NATO, and drive the United States out of Europe. This fits into a war plan to destroy the Strategic Defense Initiative that includes, as Lyndon LaRouche stressed in this week's *National* lead article, the threat of assassination against Ronald Reagan.

The Soviet leadership aims, through massive pro-

paganda bombardment and simultaneous low-intensity war ("terrorism"), to so weaken West Germany's will to defend itself that the Federal Republic will, for all practical purposes, break from the Western Alliance and fall under the control of the Soviet Union. As a means of enticement to the "useful fools" of the West, disarmament proposals, economic treaties, etc. are also offered, continuously.

The official figures on terrorist attacks and acts of sabotage during the past 18 months alone show that, on the average, at least three terrorist acts have occurred each day. Thus, each day, somewhere, a bomb explodes in a police station or army barracks, somewhere a fire is set in the computer center of a large firm, somewhere the overhead lines along a stretch of railroad track are pulled down with kedge anchors, to become entangled in the wheels of the express train running by. Somewhere, high-power cable towers are "laid low," as the saboteurs put it, with cutting shears. These "successes" are then published with pride in the pages of such radical newspapers as *tageszeitung* or *Radikal*.

The culmination of the Soviet low-intensity warfare strategy is the condition of "ungovernability" and civil war in the state affected—perhaps the Federal Republic of Germany, perhaps Italy.

*EIR* has intervened against this scenario in West Germany with a Special Report on "The Green Party and Terrorism," now also being published in English, which documents the Soviets' political and military command of irregular warfare.

Here in the United States, a post-Reykjavik house-cleaning is due, particularly in the State Department nests that have nourished the terrorist-harboring Green Party from its inception. U.S. Ambassador to Bonn Richard Burt, who told reporters at an embassy press conference on Oct. 16 that "stationing Pershing II missiles in Germany is unnecessary," is clearly working for the other side. Isn't it time to finally fire Richard Burt, before there are *many* Wackersdorfs, and Europe is lost?



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