Eye on Washington by Nicholas F. Benton

Armand Hammer: zero-option author

Speaking at the National Press Club May 5, Occidental Petroleum magnate Armand Hammer praised Soviet leader Mikhail Gorbachov as "the most intelligent Soviet leader ever" who, "because he wants nothing but to better the living standards of his population," offers the West a "unique window of opportunity" for an historic arms control treaty.

Hammer brags of his personal friendship with Lenin, and every Soviet leader except Stalin. He refuses to make a value judgment between the U.S. and Soviets. "Let history decide which system is better," he said. As to the Soviet dictatorship, he responded, "The Soviets have their way of choosing their leaders, and we have ours. At least the Soviets have law and order. The streets in Moscow are safer than those in most U.S. cities."

Hammer speaks not as an outsider to the Reagan administration, but, through his friend, Charles Wick of the USIA, this "Commie-symp" is perhaps the single most influential person in shaping the administration zero-option proposal on the table today at Geneva, from the inside.

Hammer, who says he supports Sen. Albert Gore (D-Tenn.) for President and says that oil will cost $100 a barrel in five years because the government is not subsidizing his investments in oil shale development in the Rockies, "predicted" that Gorbachov will come to Washington this year to sign an Intermediate Nuclear Forces treaty with Reagan, and get a chance to go on national TV.

He said the Soviets would then invite Reagan to come to Moscow to do the same thing the next year. "Maybe some day, we'll have a world that has the best of both systems," this Reagan insider commented.

SDI chief presents economic 'modeling'

Within a swift overview of developments in the Strategic Defense Initiative program presented to the annual conference of the American Institute of Aeronautics and Astronautics (AIAA) April 29, SDI Director Lt. Gen. James Abrahamson briefly outlined a new project to do a computer model of the industrial base of the entire national economy involved with the SDI.

Abrahamson remarked on the problems that some subcontractors involved in SDI projects have had in meeting their deadlines and dedicating sufficient resources to research in their assigned project area, due to financial constraints.

He said the computer modeling effort is designed to develop a strategy for overcoming such problems. This is critical to the success of the SDI, he said, "Because it is essential that the components we need will be there when we need them."

To make sure the components are of the best quality, he added, there needs to be a thriving environment of competition among the industries producing these components.

What Abrahamson projected, in his usual understated manner, is a strategy for unleashing an industrial renaissance under the aegis of a national security mobilization.

The model will reveal what kind of credit and monetary policies will be required to maximize the technologies of the future, insuring that they will be ready not only for first-phase deployment of the SDI, but also for virtually limitless spinoff applications to the civilian economy. The model, in short, presumes the kind of conditions that existed during World War II, when monetary and credit policies were subordinated to the need for crash industrial modernization and infrastructure build-up.

By forcing the credit and monetary reforms required to make the SDI operational as soon as technologically possible, the SDI program will fulfill its role as originally conceived by economist Lyndon LaRouche, years before President Reagan announced the program on March 23, 1983, as the "science driver" that will propel mankind toward a new, plasma technology-based industrial revolution.

At this stage in the collapse of the economy, it is also the only pathway to avert a full-blown international monetary crash.

Doing that may require the SDI office to use the new "wafer technology" computers that Air Force Gen. John Chubb described in his talk to the AIAA. Developed in the last two years, they are capable of doing three trillion operations per second, and will soon be able to fit in a coffee can.

Combined with a "new arithmetic" that utilizes "linear filtering," Chubb said, the time required to make the computations to knock down a massive Soviet nuclear launch with kinetic-energy "smart bullets" in the first 60 seconds of boost phase has been reduced from over a month to 20-30 seconds, making even the first generation of an SDI forward deployment technologically feasible.