

## National News

### Nunn urges deep cuts in forces in Europe

Senate Armed Services Committee Chairman Sam Nunn (D-Ga.) has launched a campaign for a massive withdrawal of American forces in Europe.

Nunn told the Jan. 1 *New York Times* that the Bush administration proposal to the Conventional Forces in Europe reduction talks (CFE) to reduce the number of American ground troops in Western Europe from the current 305,000 to 275,000 is inadequate, and that the U.S. should be seeking to cut its troops to between 200-250,000.

The U.S. should inform its NATO allies that "what we are going to be evolving toward will include U.S. strengths, and our strengths don't include getting a huge number of heavy forces to Europe during an emergency," Nunn said.

Echoing a proposal made by David Owens published by the Council on Foreign Relations, Nunn said that there should be a division of labor in NATO in which the U.S. would specialize in air power, while European NATO members would assume more responsibility for ground defense. "Independent of Gorbachov," he said, the U.S. "should have been putting more emphasis on air power and on light mobile forces."

Nunn also advocated a "partial, gradual drawdown" of American troops in South Korea, and the withdrawal of some U.S. troops from Japan.

Nunn is expected to push this agenda—which accords totally with the current direction of Bush administration policy, and with the Andropov doctrine—when his committee begins hearings later in January on the Pentagon budget and the development of a new U.S. military strategy.

### Bush family faces S&L corruption scandal

House Banking Committee Chairman Rep. Henry Gonzalez (D-Tex.) is planning to continue his hearings into abuses of the sav-

ings and loan system and will subpoena records including those of an allegedly fraudulent land deal between Lincoln and the Denver-based Silverado S&Ls, the European edition of the *Wall Street Journal* reported Dec. 27.

"Neil Bush, son of President George Bush, served on Silverado's board until shortly before the thrift was seized by U.S. regulators," the *Journal* noted. President Bush himself was present as recently as early December at a Denver Republican fundraiser chaired by Larry Mizel, whose MDC Holdings Inc. real estate company is implicated in the collapse of both Lincoln and Silverado.

Mike Milken, the former junk bond king at Drexel Burnham Lambert whose lawyer, Arthur Liman, had formerly served as counsel to the Senate Iran-Contra hearings in 1987, is expected to be subpoenaed. Drexel's Belgian mother firm, Banque Bruxelles Lambert, was implicated in the CIA's Iran weapons traffic as a financial intermediary.

### ADL head attacks Panamanian Jews

The national director of the U.S. Anti-Defamation League head Abraham Foxman attacked Panamanian Jewish leaders for demanding that the U.S. pay reparations to Jewish businesses that were looted during the American invasion of Panama, according to the Dec. 26 *Jerusalem Post*.

"There is a cost for freedom and liberty. I hope they have an insurance policy. There may in fact be some kind of settlement. The U.S. will do a lot because the economy of Panama is important to it. But to put forth a claim is terribly premature—and counterproductive," Foxman said.

According to the *Post*, Foxman was reacting to a statement by Moises Mizrahi, head of the ADL Committee in Panama, who claimed that 90% of the stores looted during the invasion were Jewish-owned, and that losses approached \$1 billion. The Jewish businesses are insured but the insurance companies are not paying since the policies do not cover acts of war.

### Conflict of interest haunts the Bushes

The White House denied charges on Dec. 29 that President George Bush's brother Prescott Bush is involved in a conflict of interest in the People's Republic of China by having a consulting contract with a firm benefiting from the President's recent approval of the sale of military satellites to Beijing.

Shortly after the Tiananmen Square massacre, Asset Management International of New York hired Prescott Bush under a \$250,000 a year consulting contract, which entailed establishing a communications link via satellite, and the value of which was enhanced by Bush's go-ahead for selling Hughes Aircraft satellites to the P.R.C. This is the second China deal in which Prescott Bush has been involved since May 1988, when it was revealed that he had acquired a one-third interest in the development of a country club in Shanghai.

Prescott Bush sits on the board of Americares, the Maltese Order's Contra supply operation.

### Pa. paper defends rights of Lewis du Pont Smith

The *West Chester Daily Local News* of Chester County, Pennsylvania, editorialized Dec. 26 that Lewis du Pont Smith, a political supporter and financial contributor to the causes associated with Lyndon LaRouche, is being harassed for his political beliefs. Smith is currently involved in a legal effort to overturn a decision of incompetency, imposed because of those beliefs.

"A Chester County judge maintains that du Pont heir Lewis du Pont Smith is mentally incompetent to manage his finances, but is that a judgment against Smith's politics and not his psyche?" asks editor Bill Mooney.

The paper noted that the bulk of the testimony of Dr. Abraham L. Halpern, a psychiatrist and leading authority on mental

health, is "that he does not believe Smith's conduct merits" a definition of incompetency. "Smith has donated large sums of money to the political organizations of right-wing extremist Lyndon LaRouche," the paper noted, but "Other than that, if there is any evidence that Smith is mentally unfit, it has yet to surface.

"Smith believes he is in effect a political prisoner. He might be right. . . .

"People—both foolish and practical—are separated from their money every day in America, and they are not hauled into court and declared incompetent. . . .

"Testimony also has shown that Smith disagrees with LaRouche on some issues, so it is hard to argue that he is a zealot to the cause, that he has surrendered all free will to the man. . . .

"It's the money—not the man—that others are worried about. If he is being foolish with it, well there is no law against that.

"And it seems clearer as this case drags through the courts that he is simply being harassed for his beliefs."

## NDPC files new appeal to stop liquidation

The National Democratic Policy Committee (NDPC), the political action committee representing the LaRouche wing of the Democratic Party, has filed a new appeal to the First Circuit Court of Appeals in Massachusetts, announced NDPC Chairman Warren J. Hamerman Dec. 30.

"We are challenging the Government's attempt to destroy a purely political organization based solely upon the *in camera*, *ex parte* filing of an affidavit by an assistant U.S. Attorney and other secret documents," Hamerman reported.

"What the U.S. government has attempted to do against an independent political action committee is unconstitutional and unprecedented. . . . [by] attempting to do it through secret *ex parte* proceedings, furtive *in camera* filings and sealed affidavits," Hamerman said. "Our appeal is based on many legal precedents which establish that *in camera* proceedings are extraordinary events in the constitutional framework be-

cause they deprive the parties against whom they are directed the root requirements of due process—notice of the allegations and an opportunity for a hearing," he said.

NDPC's new appeal asks, 1) Whether the district court erred on remand when it imposed \$2.77 million in contempt fines upon a political action committee, a) without a hearing and b) based solely upon an affidavit and documents filed *ex parte*, *in camera* by the United States, and 2) whether the district court erred by imposing daily contempt fines for alleged non-production of documents to a grand jury after the grand jury ceased to sit, and by denying a hearing to determine when the grand jury ceased to sit.

## RICO used against pornography opponents

A Racketeering Influenced and Corrupt Organizations (RICO) suit has been filed against the American Family Association of Florida "in retaliation for that anti-pornography group's attempts to get certain 'sexually explicit' magazines off the shelves of convenience stores and other outlets," *Village Voice* columnist Nat Hentoff reported Dec. 9.

"Among the 'patterns of racketeering' employed by the defendants. . . . have been letter-writing, boycotts and threats of boycotts," he reports. The suit has been filed by Burton Joseph, representing Playboy Enterprises; Maxwell Lillienstein, counsel for the American Booksellers Association; and Michael Bamberger, counsel to Media Coalition and lead lawyer for all the plaintiffs.

Hentoff reported that the AFA is charged with acts of "extortion" which "consisted of sending 'numerous' letters and postcards, picketing the home of an officer of a wholesale distribution company, and threatening to hold a press conference.

"As Gara LaMarche, program director of PEN's Freedom to Write Committee, points out: 'These are powerful institutions with many means at their disposal to counter the AFA—without lending legitimacy to an extremely repressive tool like RICO. What they've done will come back to haunt them. And all of us.' "

## Briefly

● **'LYNDON LAROCHE** followers will win at least two state primaries out west," the *Washington Times* predicted on Jan. 1 in its "prophecies" for 1990.

● **CHARLES KEATING'S** lawyers will argue in upcoming court proceedings that the Lincoln savings and loan thrift should not have been seized by the government since it was not insolvent and investments the government considered risky would have paid off over time, Reuters reported.

● **U.S. AIR BASES** in Britain have been ordered by the Pentagon to remove bumper stickers with cold war slogans such as "F-111E—Warsaw Pact Central Heating," and "Jet-noise—the sound of freedom," the *Sunday Telegraph* reported Dec. 30.

● **NEIL HARTIGAN**, the Attorney General of Illinois, on Dec. 26 declared that Mark Fairchild, his Democratic primary opponent for governor and running-mate Sheila Jones had no right to be on the ballot, regardless of the validity of their petition signatures, because they are "anti-Semites" and "racist." Sheila Jones is black.

● **GEORGE BUSH** was criticized by the Dec. 26 *Washington Times* for his refusal to do anything about the bombing of PanAm 103. "The question remains open as to whether President Bush is willing to use force against governments that sponsor terrorist acts against Americans."

● **THE UNITED MINE** Workers reached a tentative settlement with Pittston Coal Co. which may set the stage for government involvement in the retirement benefit plans of the coal industry. While no details will be released until the membership votes on the agreement, it appears that Pittston will no longer be bound by industry-wide agreements.