

Emergency Strategic Memorandum:

## Vital Strategic Implications Of British Intelligence Admission Philby Was Treble Agent

*The following analysis was issued on Feb. 4, by Lyndon H. LaRouche, Jr., U.S. Labor Party Chairman.*

British Secret Intelligence, acting through controlled, "tongue-in-cheek" leaks published in the Feb. 1 *London Guardian* and the Feb. 2 *London Times*, has semi-officially "blown the cover" off its treble agent, "Kim" Philby, currently last known to be in place in the Soviet KGB establishment. This means that British intelligence has also "blown" major elements of the Soviet leadership as British agents or agents-of-influence, including the command of IMEMO and the USA-Canada Institute of Georgii Arbatov. (See reprints on page 7)

This action by British intelligence is the indirect consequence of my own detection and exposure of Philby as a British SIS triple agent during the closing months of 1977. This evaluation of Philby — and of the IMEMO and Arbatovian circles — is now known by Western intelligence services to have been adopted by relevant Soviet circles. Under these circumstances, British intelligence reacted instinctively, attempting to get the proverbial last drop of blood from the wasted Philby, hoping, no doubt, to set off the sort of purge wave in the Warsaw Pact nations earlier triggered with aid of wasted British agent Noel Fields (the complicit British agent in the Polish security apparatus) during the postwar period (the so-called Splinter Factor affair).

An immediate by-product of British SIS's action this week is a notable increase in the reputation for authority of the U.S. and European Labor Parties among military and other intelligence services of several nations. It has been strongly recommended by several such sources that I immediately develop my own evaluation of the implications of the new turn in the Philby case, and give this evaluation the widest immediate circulation.

The implications of the Philby case have the most profound bearing on the possibility of general, intercontinental thermonuclear war during the immediate future.

### The Philby Case As Such

Although my associates and I obviously lack the material resources for intelligence work commanded by governments, it is increasingly recognized in leading military and intelligence circles of a number of nations that in our area of work on certain matters of strategic intelligence we are *conceptually* superior to corresponding efforts of any established intelligence service.

The principal source of our advantages in the conceptual side of strategic intelligence is our unique superiority in political economy, most notably our mastery of

methods of application of epistemology to work in the physical sciences as well as political matters, and the mastery of these skills over approximately a decade to date of persons who represent a selection of the finest young intellects of the 1960s university graduate and undergraduate strata. It was my focusing on the epistemological characteristics of the finely cross-referenced work and influence of Arbatov, IMEMO's Maclean, and Philby that we cracked the Philby case, and set into motion the process which has now led to British SIS's extraordinary action.

The crucial additional piece of outside source information which enabled us to crack this case was the receipt of verified information from a major Western intelligence service source that "Kim" Philby was working within KGB circles at a high level last summer and fall, and that he was important in the effort to induce the Warsaw Pact's intelligence services to support British intelligence services international terrorist deployment. This received information, cross-checked with appropriate other sources of information, was the vital, additional piece of knowledge which enabled us to prove conclusively that Philby, Maclean, and Arbatov were British agents.

The immediate reason we "blew" a top British agent within the Soviet hierarchy was our determination to benefit the vital interests of the United States, France, Italy, and the German Federal Republic. The long-range aim was to restore a form of detente between the USA and the Soviet Union which President Franklin D. Roosevelt and Josef Stalin developed—prior to Roosevelt's untimely death and Britain's creation of the Cold War, and at least twice since a near-miss with total thermonuclear war.

For, if the British succeed in putting the capitalist sector on a neo-Schachtian "fiscal austerity" under the rule of the International Monetary Fund and World Bank proposals now afoot, and if Fed nominee G. William Miller, a British agent-of-influence, together with Mondale, Brzezinski, Schlesinger, Blumenthal, and Kissinger, wreck the value of the U.S. dollar according to the adopted scenario of the London merchant banks, then total thermonuclear war is virtually unpreventable during the period ahead. Unless the merchant banks of London are bankrupted, and unless British intelligence's international terrorist, Maoist, and "environmentalist" movements are quickly and resolutely crushed in the United States and Western Europe, there is no possibility for preventing total thermonuclear war and the radioactive extinction of most of the area and population of Central Europe and the United States.

The primary danger until recently has been that British agents such as Philby, Maclean, and Arbatov working from the Soviet side, and British agents pushing anti-communism from the Atlantic Alliance's side, would set up an international right-left political hysteria which would facilitate the imposition of the neo-Schachtian zero-growth fascist order on the Western nations, exploiting manipulation of the Soviet leadership to feed that process. Under such a scenario of London's "anticommunist" manipulation of foolish leading forces in the United States and Western Europe, with the foolish Soviets playing into the game, the countdown to total war becomes inevitable as it was after Churchill, personally and directly, blocked Admiral Canaris and the Wehrmacht command from overthrowing Hitler in 1938.

It was part of our effort to destabilize crucial elements of the evil British plot, that we blew Philby publicly in such a way as to aim that the Soviets would prepare to purge the entire British network with which Philby, Maclean and Arbatov are associated. The timing of this exposure was dictated by British intelligence's July murder of Dresdner Bank President Jürgen Ponto, and September kidnapping and death of West German industrialist leader Hanns-Martin Schleyer. It was urgent that the Soviets put their influence and resources on the side of Chancellor Helmut Schmidt and others in making feasible such things as the Mogadishu airport antiterrorist police action.

These cited points are leading elements of the present and growing danger of total thermonuclear war. There is an additional major blunder of policy perception on the Soviet side which must be corrected quickly. I shall turn your attention to that problem in due course in this memorandum.

## The Ho Chi Minh Case

Recently, there was a seminar on the current problems among representatives of U.S. Labor Party intelligence and some leading retired and other senior military officers. These senior officers had been involved in every principal military action of the United States forces from World War II through the Vietnam war. The purpose of the meeting was to debrief Labor Party intelligence at leisure on strategic estimates, so that the judgment on these matters might be informally conveyed to other relevant senior officials.

During this seminar, a question from one senior officer to the Labor Party set off a most profitable Platonic dialogue. The kernel of that dialogue is appropriately reported here for the benefit of those competent to understand its present strategic implications.

The notable question was: "Why did the United States lose the Vietnam war?" The Labor Party representative answered, "Because Giap used the methods employed by Washington in the American Revolution, whereas the U.S. used British methods."

It happened that one of the participants was the leading officer who had been sent to work with Ho Chi Minh and Giap in U.S. interests during World War II. He enthusiastically intervened at some length. They had

worked out an independent Vietnam to be based on a constitution evolved from the model of the American Declaration of Independence. He outlined for the others from first hand knowledge of Ho and Giap how the model of the American Revolution had been central in the minds of these persons. He concluded that but for the folly of the French reoccupation, all of Southeast Asia would have become "the jewel of U.S. foreign policy."

On the later stages of the Vietnam developments, the French and U.S. follies in that region were caused by British influence over French and American policies. The facts to add to the observations of the officers in the seminar are these. Some of this information originates with documents dating back to 1943 in archives. Other elements are directly from U.S. senior officials on the scene at the relevant points.

The consistent strategic policy of President Roosevelt, according to reports of witness Elliot Roosevelt as corroborated by other sources, was to break up the British empire, replace the bankrupt "18th century method" (President Roosevelt's own term) of Churchill et al., and proceed to build the world, especially the developing nations, using high-technology American System methods. This policy thrust was revived during the second Eisenhower Administration, and the revival of the Eisenhower Atoms for Peace global strategy was attempted by Secretary of State Rogers and others during the Nixon Administration. Roosevelt's policy was to put the lunatic nation of Britain into its proper, modest place in the world, and to establish durable detente with the Soviet Union.

Roosevelt's effort on these and other crucial matters was sabotaged by British sympathizers in the U.S. State Department and other channels, the British forced the Cold War upon the United States, the British sabotaged Eisenhower's effort. According to Washington official archives for the 1943-1945 period, it was the British who forced the reluctant United States to drop the A-bomb on Hiroshima and Nagasaki. According to bloody-handed Harold MacMillan's own corroboration, it was British influence which blackmailed Kennedy and the United States with the Berlin Crisis and the Cuban Missile Crisis. According to documented and corroborated sources, it was Henry Kissinger, massively documented to be a British-trained, British agent-of-influence, who not only ran all the inside aspects of the "Watergate" affair, but who additionally sabotaged the Atoms for Peace policy, worked with London to create the 1973 Arab-Israeli war, and worked with London to trigger a near-miss of thermonuclear war during that period.

It was the British who got the United States into Vietnam. It was the British General "Malaya" Thompson who, during the early 1960s, first set the Vietnam war into motion with his role "on the ground" in shaping U.S. policy in that nation. It was the British who pushed the United States into escalating the war—through British "friends" McGeorge Bundy and Robert McNamara. It was McNamara and his British friends who sabotaged the nearly successful CIA peace effort around "Big Minh," and set the war into its escalation. It was the British and their agents-of-influence in the Democratic Party (chiefly) who prevented President Johnson from getting out of that war. Nixon intended to have the war ended within weeks of his inauguration. Henry Kissinger,

and his aides Daniel Ellsberg, James R. Schlesinger, Colonel Alexander Haig, and other British agents-of-influence (linked to the Royal Institute for International Affairs and the International Institute for Strategic Studies) worked under London's direction (a documented fact!) not only to prevent an end to the war, but to force through the Cambodian escalation.

Similarly, today, the British created the Horn of Africa problem, in direct collaboration with British agent-of-influence Henry Kissinger.

The relevant institutions involved in the Horn destabilizations include the following: the Royal Institute for International Affairs, the IISS, the London Institute for Race Relations, Roy Jenkins, British Chancellor of the Exchequer Denis Healey, the Washington, D.C. Institute for Policy Studies and its European affiliate, the Transnational Institute and the British intelligence "sunni" networks deployed widely up into high places throughout the Islamic world. Elements of Israeli intelligence allied with British intelligence networks inside the Socialist International are also significant in Africa, as the Socialist International is used as a key cover for British black intelligence operations in India.

The principal covering British intelligence projects are the "nationalities" projects. This is represented by the British intelligence "black consciousness" movement in Africa, the Islamic separatist movement in Yugoslavia, and the Corsican, Basque, Breton and Polisario "nationalists" terrorist groups in France. These "particularist" terrorist movements are so closely interfaced with other terrorist groups, the Maoists, the environmentalist movement, and so forth, that no efficient distinction among these "movements" can be made at the command level or their particular points of interpenetration and interface. (They also interface British intelligence's Italian Mafia, Corsican brotherhood, and the British-controlled fascist international network.)

This indicated British network, operating partially through Oxford, Cambridge, and the London School of Economics (the Sodom and Gomorrah of the international intelligence community) launched a double game in which Henry Kissinger played a leading contributing role. While London and Henry Kissinger incited Somalia to perceive Ethiopia as its major adversary, British networks working the Somalia side manufactured the "greater Somalia" particularist movement in Somalia, Kenya, and Ethiopia, and staged some provocative triggering gestures around the issue of Djibouti. In the wake of Rambouillet, 1975, then-Soviet-allied Somalia was pushed into the Ogaden operation at the same time that the British-launched process of coups in Ethiopia took a turn which the British had not expected.

The Ethiopian leadership, some of which knows the British well from Oxford University days, has blown the kernel of this story during recent weeks, while the British press and government has been utterly shameless in their demands that the U.S. government follow Kissinger and Brzezinski's advice in making a new Cuban Missile Crisis over the issue of Soviet aid to Ethiopia.

Similarly, it was British intelligence, with aid from Socialist International figures and from British agents-of-influence in the United States, which sabotaged the Begin-Sadat negotiations. Known British agents in Egypt fostered (some shamelessly wrote in their own names) a

flood of invective against Begin personally. These press clippings were assembled in detail by Moshe Dayan and his associates. A British intelligence operation maneuvered to threaten Begin into a box controlled by friend-of-Britain Dayan into which box Dayan poured upon Begin's head the collections of invectives culled from British agents — scribblers — in the Egyptian press. Kissinger, Brzezinski, Mondale, and others meanwhile conspired with London to wreck the peace effort, at the same time that Secretary of State Cyrus Vance was struggling to keep the negotiations going.

It is the British, together with their agents-of-influence in Peking, who run the Moro bandits in the Philippines. It is the same combination which controls that nation ruled by a savage lunatic, Cambodia, and deploys that hapless nation against both Vietnam and Thailand.

One wonders when the world will learn its lesson. The British have been responsible for every war European civilization has fought since 1773, including the creation and pre-1940 backing of Adolf Hitler. Speaking as an American, anything which weakens Britain is a defense of the most vital interests of the United States, continental Western Europe, and the developing nations.

If the Soviets and other Warsaw Pact nations choose to put the whole pack of Philby, Maclean, and Arbatov cronies to trial for high treason and capital crimes of espionage, no sane person could object if Soviet courts aid such criminals in hastened descent to their spiritual reward. It would be in the interest of every nation of the world, but Britain, that such proceedings occur quickly and neatly, with a minimum of destabilizing machinations or misguided excesses. Obviously, the British don't appear to care — since it was British SIS which semi-officially and most publicly delivered the death sentence to its agents Philby, Maclean, and Arbatov.

Obviously, as we have indicated, the British would like a wave of silent purges, or something in that order. They must have pre-calculated, in the nasty way peculiar to such immoral creatures, whether or not such a purge process would weaken the Soviet command for awhile. It would not, if conducted in the way I estimate the Soviets would probably conduct it. The British may have reached the same conclusions. Nonetheless, they have certainly calculated that the purge would be exploitable as anticommunist propaganda, for manipulating political processes within the Atlantic Alliance nations. Unfortunately, within the Atlantic alliance we have too many leading figures who are perennially hysterical dupes of the British on such matters.

## Soviet Follies

Despite reawakened Soviet awareness that Britain is the true enemy of all continental Europe and most of the rest of the world, and despite the appropriateness of Soviet leader Boris Ponomarev's proposals to the U.S. government, the Soviets have not yet adopted the policies which could stop the present march of the Western nations toward intercontinental thermonuclear war.

First, once again, the question of war. I know, and my judgment is corroborated by leading military professionals and some other leading strategists, what the Soviet order of warfare would be in circumstances of

any direct confrontation between NATO and Warsaw Pact forces. This order of warfare has no resemblance to the lunacy passing for official wisdom in NATO command or IISS circles.

War begins with a combined strategic intercontinental thermonuclear and other strategic ABC weapons strike against NATO territories for maximum nullification of combat and logistical rear echelon capabilities out of near-term reach of Warsaw Pact ground forces. This initial combined strategic salvo is accompanied by ABC salvos against intermediate range military and logistical targets — including (at last report) two 50-megaton bombs on Britain — plus an ABC “paving” of all NATO ground forces’ frontal positions in depth, preparatory to ensuing mobile Warsaw Pact forces advancing on a broad front of assault through heavily ABC-contaminated routes of march in combat group formation.

The war lasts probably for a maximum of four weeks in a pattern of progressive “deescalation” from maximum thermonuclear strategic strikes toward “conventional” percent of Soviet population and production capability is lost as a penalty of war, and the Warsaw Pact, by accepting this hideous penalty, wins the war in approximately a month or less.

This is what the British lunatics are toying with, and what all those who vacillate before, temporize with, the British policies are aiding to occur. Obviously, the horrifying indicated deterrent capability of NATO forces prevents any Soviet military ventures, except under conditions of NATO forces’ demands that the Soviets make decisive strategic concessions under threat of military confrontation. If that matter occurs, as Britain moots now for the Persian Gulf and the Horn of Africa, then the war occurs.

This Soviet capability is being augmented not so significantly by new generations of missiles, but through the development and deployment of new qualities of weapons, of which a most notable part are derived from plasma physics research of the type not presently matched in the Atlantic Alliance nations. The Soviets possess the technological capabilities — although the extent of deployment is not yet ascertained — to neutralize the control of the entire NATO ballistic missile force, and do have specifics needed to develop weapons which can destroy missiles in flight.

Ironically, it is the British-created environmentalist movement and its supporters which is destroying the Atlantic Alliance’s nuclear and related high-technology activities, and thus eliminating the broad base of scientific training and application on which “Western” nations would depend to match Soviet technological capabilities.

The public debate of NATO policy, the foolish babbling about such junk as cruise missiles and neutron bombs, has no connection with the emerging realities of the strategic balance and capabilities.

Apart from the military side of the strategic question, on which our conceptual competence is not to be doubted by any sane professional, there can be also no competent doubt of our judgment concerning forward strategic Soviet capabilities. As official (FOIA) releases document, on a number of occasions the U.S. govern-

ment’s relevant departments have been stunned by the proven accuracy of our policy judgments concerning fusion research and our evaluations of the theoretical and practical implications of known Soviet plasma physics research. That, in brief, identifies the element of strategy on which Soviet command thinking is excellent and essentially correct.

It is on the political side that the Soviets commit their dangerous follies.

Exemplary of the problem is a recent piece of *Pravda* coverage of the current Italian crisis. The *Pravda* report correctly identifies Henry Kissinger as the principal open spokesman of the effort to destabilize Italy. It adds the childish explanation that Kissinger’s motive is to keep Italy solidly within the NATO alliance. That matter, of course, is the excuse Kissinger offers for his present “90-day” Chile-modeled scenario for Italy, but any government that believes Henry Kissinger’s explanation is behaving childishly.

Kissinger, as a British agent-of-influence — as we have given overwhelmingly documented proof of that fact in other locations — is working on behalf of the forces associated with the British (black Guelph) monarchy, the group of private merchant banks which own the London Round Table, the Royal Institute for International Affairs, the Tavistock Institute, the International Institute for Strategic Studies, the *London Times*, the *Financial Times*, and *London’s Economist*, and so forth. These are the policy institutions of the British monarchy, which control the British military and intelligence services — in effect, totally independent of the parliamentary government in the United Kingdom.

These financial institutions include Barings, Lazard Brothers, N.M. Rothschilds and Sons, Hill Samuel, Schroeders, and numerous others. These banks, through their international connections, own the leadership of the Socialist Party of France, own most of the leadership of the Communist Party of France (Rothschilds), own Jean-Jacques Servan-Schreiber of France, own elements of the French majority through Jean Monet-linked networks, and own the French branches of the environmentalist and terrorist movement (with included mediated role from a British agent-of-influence who worked for the first secretary to the U.S. Embassy in Paris). They also own the Lombardi-Craxi leadership of the Socialist Party of Italy, the Radical Party of Italy, the pro-terrorist Lotta-Continua, the Italian environmentalist movement, the Fanfani wing of the Christian Democracy, the Napolitano-Amendola wing of the Communist Party of Italy, the Italian Mafia, and Ugo La Malfa.

So far, in Italy, Europe has held off a fascist British takeover of Italy through a programmatic understanding between the forces of the Andreotti government and the Communist-linked trade union federation, the CGIL. Prime Minister Andreotti’s direct appeal to the trade unions, on matters of government economic development policies is what built and maintained that government. If that informal alliance breaks apart, then Italy is destabilized with intervening aid of either a Fanfani or a Moro government, or some hideous multiparty *minestrone* of the sort pushed repeatedly by Ugo La Malfa.

Under those conditions, under a Fanfani or *minestrone*

modern

government, for example, the terrorists, the other hooligans and the Autonomi are unleashed, with a sideshow of bloodletting between the British-controlled Italian fascism (the Mafia) and the lunatic "left." The absence of a government to crush this destabilization at the outset leads, according to Henry Kissinger's calculations, to readiness for a Chilean "alternative" by about summer 1978.

If Socialist Party chief Mitterrand wins the election in France, and if the British-influenced "left"- "right" wings of the major parties bring down the Schmidt government in the Federal Republic of Germany, then all Europe collapses under control of the London merchant bankers and their International Monetary Fund and World Bank "fiscal austerity." That is Henry Kissinger's objective; that is the objective of Henry Kissinger's London masters.

The Soviets know this. They know that London's effort to bankrupt the U.S. dollar — with aid from British agents-of-influence in the Carter Administration and the Republican Party — is aimed at establishing control of the world's monetary system by the London merchant banks and their allies. London takes over control directly of the IMF, and with it, "friend" McNamara at the World Bank, puts the entire world under Schachtian forms of "fiscal austerity."

British intelligence's murder of Jürgen Ponto and of Hanns-Martin Schleyer had exactly the same motive as Kissinger's opening "anti-Communist" caper in Italy. And, Robert Triffin is presently in Italy to prove that I am absolutely correct, there conspiring together with the rest of the "black Guelph" Vienna crowd. Ponto was killed because he was key in developing the Luxembourg market as an alternative to the City of London. Ponto and Schleyer were selected as terrorist victims because Dresdner Bank and Mercedes Benz were key participants in a southern Africa development program effort. Ponto was also killed because he was influential with Chancellor Helmut Schmidt. It is industrialists, bankers, and politicians opposing British monetary swindles and pushing nuclear energy and other high-technology development who are the principally targeted victims of British intelligence's "proenvironmentalist" terrorists. The terrorists are an auxiliary arm of the "leftist" environmentalist movement created by British intelligence as part of its effort to create a Schachtian world fascist order of "fiscal austerity."

Any government which is able to defend its nation from environmentalism and terrorist influence, which blocks "fiscal conservatism" of the fascist sort demanded by the World Bank and IMF, is a target for British destabilization operations.

Kissinger's gutteral absurdities concerning "NATO" and "communists" are merely a London trick to lead foolish conservatives around by the nose. They have nothing else to do with the matter.

Is London concerned about NATO? Not as a central European military capability against the Warsaw Pact strategic forces! Why did the British use the issue of the surveillance of the Maoist KBW to push West German Defense Minister's Georg Leber's resignation? The KBW is engaged in undermining the Bundeswehr's capability. The Italian army has never been listed by NATO among

"acceptable forces" for defense of Europe against Warsaw Pact attack. Henry Kissinger's avowed concern for NATO is bunk. His object is to destroy the Christian Democratic Andreotti government by eliminating the crucial margin of Communist Party voting for that government.

*Pravda*, nonetheless, self-righteously edified its readers with shop-worn nonsense about the perennial anticommunism of "dark forces," such as Henry Kissinger. I could tell true and revealing stories about the days, not so long ago, when foolish Moscow listed Kissinger "realistically" among "peace-loving" forces — and Kissinger nearly stole Moscow out from under their foolish noses.

The truth of the matter is, Moscow ought to know this, that there is no likelihood of general war as long as the principle OECD nations are enjoying reasonable industrial prosperity and continued economic growth. London's lunatics have repeatedly brought us closer to the actuality of general war since 1945, but have never succeeded, because the OECD nations generally — especially the United States — had reasonable prosperity, and therefore too many good things to lose to jeopardize those things in one of London's insane adventures of general war risking. However, put the entire capitalist sector under the sword of open Schachtian looting "fiscal austerity" which London, the IMF and World Bank now demand, and one sets into motion the same kinds of processes which were set into motion by London installations (through Hjalmar Schacht and Schroeders Bank) of Adolph Hitler in the Chancellory, in behalf then of the same program of Schachtian "fiscal austerity" London demands today.

If Moscow really wanted to avoid general war, it would put its weight entirely into the balance to aid the developing and key OECD nations in crushing the City of London, and in launching economic recovery around a nuclear energy centered high-technology boom. If Moscow follows any other course, it is in effect sitting back and waiting for general war. The cited *Pravda* coverage of Italy is just such insanity on Moscow's part.

The same problem is found in East German circles. Poor old, tired, Julius Maader, poured out new supplements to Grimm, howling like a *grundliche* (obsessively thorough) sort of enraged gnome against the supposed neo-Nazi "revanchisme" in the Federal Republic of Germany. What a poor fool Maader is! The fascists exist, but they are to be found chiefly among the liberal "left," the environmentalists who propose "labor intensive" forms of employment (e.g., the Nazi *arbeitsdienst*), and those liberals who propose Schachtian forms of fiscal austerity.

Maader has been so busy attempting to frighten the credulous children of East Germany with the "revanchist" bogey man, that the poor fellow never had the time or margin of wit to discover how the head of the German Liberal Party, Hjalmar Schacht, created Nazi Germany and embedded in it those policies which led to the notorious sequelae. Maader ignores the Weimar counterculture, the Nazi SS, and the likeness of that to the environmentalist left of today. Maader rails against fascism, but, unfortunately, has never discovered what he is wailing about.

## Why Moscow Is Foolish

The problem in Moscow is the idiotic doctrine tediously poured out by the Institute of Marxism-Leninism. The gist of that pathetic litany is this: "The essential struggle is between the capitalists and the workers. Today the capitalists are essentially imperialists, since this is the epoch of imperialist decay. The Soviet Union is the bastion of the workers' movement." And so, on and on.

For the Soviets to face the reality, that the progressive forces of the capitalist sector are essentially the industrial capitalists, the skilled and semi-skilled trade unionists, and progressive farmers oriented to high technology would, as the current saying goes, blow their minds. Trade unionists, yes. Successful (e.g., "rich") farmers, a frown. Industrial capitalists and bankers committed to industrial capitalist policies: dark glower radiates from the students of the driveling doctrinal glosses issued by the Institute of Marxist-Leninism.

The City of London? According to the doctrine prevailing to the East, finance capital is merely an outgrowth of industrial capitalism, though after capitalism. So, they grip firmly Marx's original, credulous blunder on this point, in the tattered, pathetic form that blunder exists in Eastern capitals at this time. They have history and political economy wrong, but they would, in effect, rather go to general war than correct their foolish ignorance in this connection. At least, that is the kernel of the matter to date.

Since they refuse to regard industrial capitalism as the "progressive political force" against the oligarchical monetarists today, the Soviets will not — so far — put their forces on the side of the strategic balance with the industrial capitalist faction. They will make agreements with industrial capitalists, for Soviet *raison d'être*, but they will not ally with them politically for successful capitalist development in general.

Their policy towards the capitalist sector is one of war avoidance, waiting for the time when capitalism collapses of its own internal contradictions, and so forth. They manage this process usually by intervening in world affairs on behalf of "liberal" and "radical" currents within the capitalist sector, and choosing between the factions deemed "greater or lesser objective danger" at the given moment. Since 1962, their choices have been almost consistently wrong.

## How War Will Come

It is possible that general war could occur within as brief a time as months or weeks. The instability of the present global situation makes this menacingly possible, although not probable. The outbreak will more probably follow a lawful course analogous to the case of Nazi Germany.

At the moment, London's strategy concentrates on breaking the will of the industrialists and skilled workers through deploying the "environmentalists" and terrorist forces it has created in many nations. The environmentalists, Maoists, and terrorists are London's contemporary fascist *sturmbteilung* (stormtrooper)

forces. Once London breaks the will of the industrialists, a transformation will occur analogous to that which occurred shortly after Hitler's accession to power; "left-wing" danger of the environmentalists, Maoists and terrorists *sturmbteilung* will be eliminated in the appropriately bloody fashion.

This transition will be accompanied by an accelerating emphasis on military production.

This military production dovetails precisely with the current policies of the London merchant banks for the United States. The scenario, as reported by a leading executive of those banks, and corroborated by undercover intelligence work of the U.S. Labor Party in the United States, is as follows.

The key to the establishment of global fascism is, according to London's current plans, the installation of G. William Miller, a key agent of London-connected financial and political forces, into the chairmanship of the Federal Reserve system. Miller, according to London's plans, will unveil himself as a "fiscal conservative." This means he will sharply increase the reserve requirements of the commercial banks and slow down the flow of liquidity to those banks. This will virtually bankrupt the commercial banks in favor of the investment and merchant banks. The bankruptcy will be averted in most cases through a total takeover of the commercial banks by the investment banks (which are not burdened with reserve requirements and other obligations, prudence, and costs imposed upon commercial banks.)

This financial power will then be used for forcing massive contraction of U.S. industry, by cutting off credit to industries the investment banks and London wish to drive out of business. A remaining core of industrial and other firms will be kept in operation. These will be forced to sell out their prize holdings to London interests at bargain prices. These surviving industries will then be financially cartelized — in effect, a revival on an international scale of the Schacht Rentenmark and Mefobill method.

The rest of the United States is scheduled to go under the rule of regional "economic development banks" of the sort proposed by Lazard Freres' Felix Rohatyn and by British agent-of-influence Sen. Edward Kennedy. This will be an evil "asset-stripping" operation, of the sort at which Miller became expert during his reign at Arthur D. Little's Textron Corporation. The armies of unemployed generated by Miller's fiscal conservatism will be herded into "labor intensive" employment of the sort consciously modeled on the Nazi *Arbeitsdienst*.

This hideous transformation of the United States will then undergo the same lawful degeneration that the Nazi society experienced during the 1933-36 period. The "1936" will arrive soon for the United States, at which point the imminently visible collapse of even the constricted, cartelized U.S. industry and skilled labor force will spell doom. At this point, the United States is impelled towards full-scale military production and general war — at whatever risk and cost.

Hitler could have been overthrown during the 1936-1938 interval — because forces outside Germany created an environment in which such internal possibilities existed

for the Wehrmacht command. Churchill prevented Canaris and the Wehrmacht from dumping Hitler. The United States under Hitler would not have such an opportunity to neglect. Either the process is stopped before it begins, or the whole business will run its course to the end, and no one will be able to stop it by any means short of total thermonuclear war.

We must stop London now at all costs. We can count only weeks at our disposal. The destabilization of Italy, of France, of West Germany, undertakings which London

already has visibly in process, combined with the installation of Miller in the Federal Reserve system, and the countdown begins with no visible opportunity ahead for stopping it.

If Moscow would come quickly to its senses and help to prevent such a catastrophe in the weeks remaining for this purpose, we would have a vastly improved possibility for saving the human race from a hell which is beyond almost anyone's power to imagine it.

## London Press: Philby Is Still Ours

*Back-to-back articles this week in the London Guardian and the London Times openly boasted that "Kim" Philby, the leading British deep penetration agent into Soviet intelligence who was exposed by EIR in late 1977, has in fact been serving Her Majesty from his post at the KGB for years.*

*Following are reprints of the two articles.*

*Britain's Guardian printed this article, entitled "How Many Stars for Our Spies?" on Feb. 1:*

Spies get no public recognition, except when they fail, so that *Time* magazine's idea of awarding stars to espionage services, as Michelin does to restaurants, should do much to raise standards within the profession and encourage traffic in a better class of secret. The idea, though, is crisper than the execution. Britain gets the top four-star rating — rightly, assuming Philby was not a double agent but a treble agent, working for "M" even now — and so, by any standard, must the Soviet Union. But does either the United States or Israel, the only other countries so honoured, deserve to be in the four-star list? In the CIA's case especially it is easy to judge because all its affairs are conducted in public. Its daily appearances at Congressional hearings to announce what plans it has stolen, what regimes toppled, since the day before have been frankly unimpressive. Nor does its award distinguish between quantity and quality as Michelin would distinguish in approaching, say *Le Perdreau Rôti aux Herbes*. If every agent files everything from every outpost in the world the total of facts is magnificent, but is it intelligence? Or is it not merely le pudding de collège? Israel certainly has the reputation for sound intelligence, partly because its operatives speak English just broken enough to sound sinister. But if Israel really knew Sadat was coming, why had it not done some work beforehand? Why was Begin caught off balance?

If *Time* is to make its awards an annual event it must adopt more convincing criteria. Who are the judges? How are they empanelled? Are they active in the field, knowing which trails are hottest, or are they long retired? The idea of recognising merit is a good one. We do it in journalism, and doubtless there will soon be a permanent Under Sec. of the Year. But a man must be judged by his peers in these matters, and a spy who is well known to the trade surely cannot be a very good one.

*"A Few Home Truths about Philby's Silent War" by Robert Cecil, printed in the London Times of Feb. 2, follows in full:*

Interest in the three spies—Philby, Maclean, and Burgess — has been well sustained. They have been fortunate in the era into which they were born. Time was when spying was regarded as disreputable and treachery was relegated to dishonoured silence, but we live today amid shifting values and declining standards of public and private morality. It is a climate in which the anti-hero can flourish, especially the anti-hero who makes a fool of the "establishment."

Interest in the case has also been inflated by official reticence, which has left gaps in the story where gossip and speculation take root. In default of an authoritative account of what occurred, we are in danger of accepting at face value the glib evasions and half-truths of Philby himself. His book *My Silent War* was described by Graham Greene as "far more gripping than any novel of espionage I can remember." Unfortunately the public, including many who should know better, have not read the book as a novel, and it is all the more likely to be accepted as fact because SIS archives are unlikely to be published. An obligation to supply a corrective therefore rests upon those whose first hand experience enables them to straighten at least some of the "facts" that Philby has twisted.

Philby's book was composed in Moscow, when his double life was over and he could no longer combine the pleasure of living in a free society with the masochistic satisfaction of secretly working to destroy it. The hard realities of communist regimentation had at last caught up with him and, in retrospect, he naturally sought to glamorize his past life as a Soviet agent. His book also had to serve the disruptive aims of his Soviet masters by promoting the ideological struggle, extolling the virtues of the KGB and, above all holding up to derision the British and American counterespionage services and aggravating mistrust between them. This explains why his masters permitted him to write the book, it fails to explain why so many of his readers in the free world have apparently taken it as face value.

There are numerous passages in the book where facts have been twisted, but in what follows I propose to concentrate on one phase, which I observed myself, namely Philby's takeover of section IX of SIS, the section