

# Behind the 'Camp David' hoax

*LaRouche exposes IMF scheme against the dollar*

*We reprint here an official U.S. Labor Party statement by party chairman Lyndon H. LaRouche, Jr., which first appeared in the Sept. 26 issue of the Labor Party newspaper New Solidarity.*

Crucial breaking developments of the past 48 hours have proven beyond all doubt that the "Camp David summit" was an intentional hoax from planning through its aftermath. The Arab-Israel issue was predominantly only a diversionary operation, and the delegation led by Menachem Begin only a collection of British monarchy puppets performing an assigned part. The true purpose of the "Camp David" side-show was to aid an operation whose objectives were wrecking of the value of the U.S. dollar, and plunging the U.S. economy into a "fiscal austerity" general depression.

Admittedly, President Jimmy Carter, like Begin and Sadat, was merely an actor performing an assigned "living theater" role in the performance. There are the most compelling reasons of evidence to doubt that President Carter yet knows who is shaping U.S. Administration policy, or to what ends policy is currently being shaped.

The crucial indicators include the U.S. State Department's "flat no" response to current proposals for reopening the United Nations "North-South" dialogue, and international deployments in behalf of the Atlantic Council's proposal to develop the International Monetary Fund into a new kind of world central bank. Under the proposed IMF scheme, every nation participating in the IMF would be subject to an IMF dictatorship over its governmental policies and appointments, and national tax and credit policies most emphatically. The nations to be subjected to that dictatorship during the period immediately ahead include the United States itself. If the UNO "North-South dialogue" were immediately reopened, as is being proposed over present State Department opposition, the IMF proposal would be wrecked at inception.

## The crucial issue

The crucial issue in every capital of the world today is the choice between the new world monetary system, for which the European Monetary Fund is a keystone,

and the old, bankrupt world monetary system, the International Monetary Fund (IMF) and World Bank. Every other issue is subordinate and defined by its relationship to the different kind of world represented, respectively, by the EMF and IMF. The issue of NATO posture vis-à-vis the Warsaw Pact is merely a subordinate issue *at this time*; the issue of alternative approaches to the Middle East, to Africa, to Latin America, to Southeast Asia, and the Asian subcontinent, are also merely subordinate issues *at this moment*. How each of these subordinate issues is to be approached, to be defined, is determined differently under an EMF or IMF world order, respectively.

The European Monetary Fund, adopted by a majority of Western European nations — excepting Great Britain — during early July 1978, is the projected \$50 billion new European central bank, intended to serve as the "seed-crystal" for a new world monetary system. Other key elements of that new monetary system are the Arab Monetary Fund and the recently established Tokyo capital market. The operation of the new monetary system will be as outlined in the author's *International Development Bank* proposal.

The major objectives of the new monetary system include saving the value of the U.S. dollar, stabilizing the dollar's role as a world reserve currency, and increasing volumes of world trade in the order of probably \$300-500 annually during the medium term beginning January 1, 1979. Such objectives were communicated to the U.S. government, and were confirmed in representations made by Chancellor Helmut Schmidt and others to President Jimmy Carter at the Bonn "summit." An orientation to support of the EMF was indicated as U.S. policy by President Carter following his return from that summit.

Then, the rats — including Zbigniew Brzezinski, James R. Schlesinger, and Henry A. Kissinger — went to work, playing key roles in bringing the nation to the mess in which we find ourselves at present.

The British monarchy and the City of London are in deadly opposition to both the EMF and the development of the new world monetary system. Since Brzezinski, Schlesinger, and Kissinger are "Tory traitors" in substance, and British agents-of-influence in formal fact, it is not astonishing that those agents have acted

in the interests of the British monarchy against the interests of the United States and its people.

The British policy is stated clearly both by official representatives of Her Majesty's government, and the City of London, and also in that British press which is known to be under the total management control of the British intelligence services: the London *Economist*, *Daily Telegraph*, London *Times*, *Financial Times*, Reuters news service, et al. (Reuters was taken over directly as a subsidiary arm of British intelligence early in this century. The British Broadcasting Company was created as a subsidiary of British intelligence.)

It is stated, most emphatically, in studies prepared for the Bank of England, studies adopted as working papers for promoting British efforts to wreck the U.S. dollar, that the goal is to end the dollar's role as a world reserve currency, and to plunge the U.S. economy into a "fiscal austerity" depression, enabling total British and Canadian takeover of U.S. finance, U.S. corporate boardrooms, and to consolidate control over top levels of all U.S. political parties.

The foregoing characterization of British policy is not inference, but a report of what official British governmental and financial powers state British policy to be.

The British fear the EMF on two, interrelated counts. Most immediately, the establishment of the EMF will end the power of the City of London over the bulk of the world's financial markets, reducing London's power to that represented directly by the British, Canadian and certain other Commonwealth economies. More profoundly, the EMF-led conversion of up to three-quarters of a trillion dollars of presently churning liquidity in international markets into gold-secured trade and long-term investment credit will end forever the last vestiges of the British System of colonialism, imperialism and neocolonialism, and will lead to a reorganization of most of the world along the lines of the American System.

The EMF's success will mean that most of the world is committed to policies of generalized scientific and technological progress, and to high-technology, capital-intensive development of the world's productive powers in industry, agriculture and infrastructure. This second feature of the EMF's policies arouses the deepest passions of fear and hatred in the British monarchy and its "black" aristocratic allies internationally.

Weak, bankrupt Britain's sole option for defeating the EMF-spearheaded effort is to subvert the government of the United States, and to subject the United States quickly — to a semi-colony of the British-dominated IMF. Only by controlling the power of the United States can the British have a prayer of stopping the EMF developments.

For this purpose the British monarchy has two principal powers at its disposal: the financial power centered in the City of London — including the IMF and Eurodollar market, and the vast networks of British

agents and agents-of-influence in many nations, including the United States itself. Henry A. Kissinger is an outright British agent. Brzezinski's father was a British agent, and Brzezinski, like James R. Schlesinger, was brought up in status within the USA by networks controlled by British intelligence. The top levels of the "Zionist Lobby" in the USA are all either British agents or British agents-of-influence.

All the principal issues of international policy and all the principal features of internal conflicts within the USA are governed by direct or indirect reflections of the factional alignments between the respective supporters and opponents of the EMF and IMF.

## The 'North-South' aspect

The only solution available for either domestic or international inflation, for the current decline in levels of world trade, and for the growing debt problems domestically and internationally, is a twofold approach to developing the region below the Tropic of Cancer as a vast, expanding market for high-technology investments in industry, agriculture and infrastructure. This requires two measures: a new source of long-term credit at borrowing costs of four percent or less, and a reorganization of the existing external debt of those nations.

The debt problem of the developing nations is analytically analogous to that of the United States at the time of the first inauguration of President George Washington. Under Washington, and with a leading role performed by Treasury Secretary Alexander Hamilton, the United States successfully reorganized its domestic and foreign debt on the basis of an accompanying commitment to generalized scientific and technological progress. The development of infrastructure (roads, canals, etc.) combined with the promotion of industry and commerce produced an explosion of increased per capita productivity in key urban centers and in agriculture. By tying the re-scheduling of our debt to the increased tax-base and per-capita output realized through technological progress in industry, agriculture and infrastructure, the U.S. liquidated its debt problem within two decades, laying the foundations for the most powerful economy the world has seen.

This great progress of our own nation was accomplished chiefly through groundwork accomplished during three periods. The first period was that of the Federalist administrations of George Washington and John Adams. The second period was from approximately 1818 through 1828, under Federalist Monroe and Federalist-Whig John Quincy Adams. The third period was under President Abraham Lincoln, a Carey-Clay Whig representing the Whig faction within the Republican Party. Lincoln's reorganization of national credit for a *dirigist* approach to fostering industrial and agricultural progress during the war capitalized on achievements

established during the two preceding periods, to institutionalize the industrial-development impetus which carried into the present century — despite such Tory sabotage of our progress as the 1879 Specie Resumption Act and the creation of the Federal Reserve System.

It has been persisting *nationalist* U.S. policy to bring to an end the British “18th century” system of colonialism, imperialism and neocolonialism associated with the Tory doctrines of Adam Smith, and to create a secure and prosperous world order for our own nation by extending the American System to other nations, especially developing nations. Federalists, Whigs, Whig Republican currents and other nationalists have proposed that developing nations generally ought to develop through suitable forms of the policies our Founding Fathers (e.g., Franklin, Washington, Abraham Lincoln) employed for the greatness achieved by our own nation. With a world of such nations, we could enjoy security in our own prosperity at home, a prosperity enhanced through trade and through acquiring to our own benefit the contributions to technological progress contributed by others.

This was the policy which President Franklin Delano Roosevelt put forth as U.S. policy for the postwar period at the outset of World War II. Roosevelt, at the “Atlantic Charter” meeting, and again, at Casablanca, instructed an apoplectic Winston Churchill that the United States’ postwar policy was to eradicate all vestiges of British imperialist order and British “18th century methods” (e.g., Adam Smith) from the postwar world. Roosevelt specifically insisted that American methods would replace British policies worldwide, and outlined a high-technology development project for Africa’s potential breadbasket, the Sahel, as illustrative of such U.S. postwar policies.

Under President Eisenhower, our Atoms-for-Peace policy, and the U.S. government’s righteous and proper humiliation of Britain and its French Fourth Republic and Israeli puppets in the 1956 Suez crisis, represented the same *nationalist* thrust of U.S. policy. This self-interested, nationalist U.S. policy was revived in the form of the Rogers Plan under President Nixon — a policy which British agent Henry A. Kissinger, working in complicity with the British monarchy and the British Israeli-puppet government of that period, succeeded in sabotaging.

To argue that such a policy is not workable is to deny that you exist as an American. Without such a policy by our forefathers, you could not exist today. Hence, your argument against the policy’s practicability not only nullifies the criticism, but also puts the critic in the interesting position of denying his own existence — and hence of the existence of his criticism itself. To argue that such a workable policy *should not* be pursued is anti-American, a repudiation of the intent of our Constitution, and a posture of profoundly injuring our nation’s present most-vital interests.

Southeast Asia alone represents approximately a half-billion persons. U.S. partnership with Japan in the high-technology development of this region represents a cumulative forward potential for investment and trade in the trillions of dollars. The nations adjoining the Indian Ocean represent populations reaching toward a billion more persons! Again, the potential for trade and investment aggregates into the trillions.

In partnership with Japan and West Europeans, Mexico alone has a development potential amounting to trade and long-term capital loans in the order of tens of billions of dollars annually by some time during the medium term. In Latin America generally, the opportunities are vast. Brazil and Argentina are major “threshold” nations for advanced development projects. Potentialities in Africa for capital flows run presently in the tens of billions annually of newly launched industrial, agricultural and infrastructural projects.

The initial rate of in-sight increased capital flows into the developing nations — during 1979 — under joint efforts led by the EMF, AMF and Tokyo run in the order of over \$100 billion in projects immediately to be launched — contracts to be awarded for high-technology products and heavy engineering.

Why, then, in the face of this vast opportunity, are there so many industrial plants stagnating in obsolescence, so many skilled and semi-skilled operatives unemployed, misemployed (in service employment), and a shrinkage of our national tangible output in ratio to our growing GNP and monetary aggregates? It must be some lunacy in policy which prevents us from matching our idled and misused potentials to these vast opportunities. There is, indeed, nothing but lunacy ultimately responsible for this monstrous configuration.

If we enable these developing nations to secure cheap, long-term credit for useful industrial, agricultural and infrastructural high-technology projects, to increase thereby their per-capita social productivities and gross national tangible output, the reorganization of their debt poses no different problem in principle than Secretary Hamilton’s magnificent transformation of our own national credit by such policies. Under such arrangements, “nonperforming” existing debt can be converted into low-yield, highest-grade paper for purposes of exchanging dubious portfolio holdings of our commercial banks into high-grade convertible assets, discountable within the institutions of the new monetary system for purposes of creation of new volumes of domestic and international hard-commodity credit.

Precisely such a transformation is the central issue of the “North-South dialogue.” Any sensible U.S. Administration would seize such a proffered opportunity without a moment’s hesitation. Unless that Administration were under the control of treasonous British monarchy agents and agents-of-influence.

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### The recent U.S. shift

The feasibility of such an approach depended to a most significant degree on securing a special sort of agreement from the leadership of the Soviet Union. Federal Republic of Germany Chancellor Helmut Schmidt gained exactly such agreement — and even more than he regarded as probable — from President Leonid Brezhnev at May 1978 meetings in Bonn and Hamburg. Brezhnev set forth in those agreements a new quality of Soviet foreign policy, the policy which Presidents Roosevelt, Eisenhower, and Nixon had sought from Stalin, Khrushchev, and Brezhnev respectively in earlier probes.

The policy adopted was modeled consciously on the Great Design policies of Gottfried Wilhelm Leibniz, and of France's Henri IV. They had also been the policies of such Holy Roman Emperors as Charlemagne, Otto I and his successors, and such successors of Friedrich Barbarossa as Friedrich II. This was the policy of Dante Alighieri, of Petrarch, of Cardinal Nicholas of Cusa, and the policy of Benjamin Franklin and his European co-conspirators in bringing the United States into being with the aid of the League of Armed Neutrality.

It was also the policy governing the treaty which Ambassador Cassius Clay negotiated on President Lincoln's behalf with Czar Alexander II — the treaty which prevented the British monarchy, the Rothschilds, and British puppet Napoleon III from daring to make war upon the United States in 1863.

Under the policy of the Great Design, sovereign nations, defined in character only in terms of their common dedication to generalized (globally) scientific and technological progress, enter into *economic and political* cooperation against policies and forces which oppose scientific and technological progress. Whether the partners are democratic-republican, monarchical, autocratic, capitalist or socialist is of secondary importance. What is primary is a form of commitment appropriate to the institutional and cultural development of populations, which is a dedication to scientific and technological progress and a dedication both to fostering scientific and technological education of their citizens, and to providing those citizens opportunities to realize the

development of their minds in fruitful forms of productive and related employment.

The case of the government of Shahanshah Reza Pahlevi of Iran exemplifies an Islamic humanist prince who is properly developed as an ally of the United States against the forces of backwardness and evil. The case of Iran, burdened with the vestiges of oligarchical, rural backwardness, exemplifies the range of states which qualify as suitable partners for Great Design alliance by the United States.

The leading strata among our nation's Founding Fathers, who read and understood Niccolo Machiavelli, understood this principle, as President Lincoln also demonstrates in his conception of the principled basis for the Russian Treaty.

The essential feature of the Schmidt-Brezhnev agreements is that they go behind formal affirmation of respect for the sovereignty of treaty-partner nations. Mere formal agreements are next to worthless, unless there is a durable basis in mutual benefits and interests which gives each treaty-partner a powerful, overriding motive to enhance the sovereignty of its treaty-partners. This substantial feature of agreements must go beyond the existence of such interests in fact; the existence of such substantive interest must be conscious, and the consciousness of self-interest must be in efficient correspondence with objective self-interest. The essential feature of the Schmidt-Brezhnev agreements is that they not only enable the fostering of powerful motives for defending the sovereignties of the partner-nations, but that they correctly define the nature of that interest for consciousness. No nation so engaged will conduct or tolerate subversion of the sovereignty of its partner. It will follow this principle, not to honor mere formal agreements; it will do so because it is contrary to its actual and perceived fundamental interests to do otherwise.

The kernel of the Germany-USSR features of the May 1978 treaty is that the mutual benefits of economic cooperation between the two nations are readily developed to such gigantic proportions in respect of trade and scientific and technological cooperation, that those advantages give a most-durable content to the desire for preservation and enhancement of peace. This, immediate aspect of the treaties is only a subsumed, although important feature. Much more than a "new Rapallo" agreement is involved.

The Schmidt-Brezhnev agreements were keystone agreements. Through interlocking agreements of both immediate partners, the agreements reached by Schmidt were immediately on behalf of continental EEC nations — especially France, Italy, Denmark — and other European nations — Spain, Greece — and also on behalf of the Arab nations, Japan and the United States. Although the USA did not participate in the May 1978 agreement, Schmidt secured in effect a Soviet agreement to extending the same policy offer to the United States.

This accomplishment of May 1978 was decisive. Only a tiny handful of the topmost layers within the Executive Branch, or the Congress, or the financial and corporate elites, have as yet the slightest perception of the implications of the May 1978 summit. The top British circles do have such a perception, but it is an adversary's perception. On this issue, as has become usual throughout this century, the top U.S. strata are being led around by the nose by British agents, hypnotized dupes and errand-boys of the British monarchy.

The global, strategic implication of the May 1978 agreements and accompanying policy declarations was that East-West economic cooperation would be viewed as the basis for joint East-West cooperation in the economic development of the developing sector. This same proposal was reflected in quasi-official statements given through Barbara Walters's TV interviews by Cuban officials, proposing joint Cuba-U.S. cooperation in economic development in Africa.

The policy was put forward in the climate shaped by the history of PCI support for two successive governments of Giulio Andreotti. Although major Communist parties are divided factionally on this issue, the support of the majority of the PCI for the Andreotti government reflects a growing perception among leaders of those Communist factions dedicated to scientific and technological progress that their general function must be to act as an independent political force in support of capitalist parties and governments dedicated to generalized scientific and technological progress. It is only Communist party factions known to be controlled top-down by elements of British and Zionist intelligence networks which oppose this policy.

The leading forces of the developing sector, barring those controlled by British or Zionist intelligence networks, desire above all their own version of an American Revolution. The most sophisticated Soviet circles understand this strategic reality, especially in the aftermath of Fidel Castro's victory over Podgorny in respect to Africa policy. This writer can tick off, sitting at his typewriter, leader after leader of one developing nation after another who has expressed that policy either to him directly or through his immediate collaborators. It is certain that all senior State Department professionals — barring Kennedy-machine and Kissinger holdovers — not only have corroborating evidence in depth from their country teams, but can document this far, far better than this writer.

If, then, we secure a political-cooperation agreement matching economic-cooperation agreements with the Soviet and Cuban leaderships, we have secured the policy toward which Roosevelt and Eisenhower worked, the policy expressed by the Rogers Plan of the Nixon Administration. This means that the only remaining significant sources of political destabilization of developing regions of the world are London, Jerusalem, and Peking. Under the indicated

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agreements, those problems are controllable. Jerusalem will behave itself, London's teeth will be pulled, and Peking can be contained.

If we do not secure such agreements, if we continue with the directions determined by the IMF and World Bank, the world is headed toward thermonuclear war during the medium term, and we are presently on the verge of a combined arms race and "fiscal austerity" depression in Western civilian economies which rules the process of economic development *politically* out of practicability.

Beginning May 1978, escalating immediately in the wake of the Bonn Schmidt-Brezhnev summit, the Queen of England launched a political organizing tour against Chancellor Schmidt in the Federal Republic of Germany. Elements of the Maltese Order intimately allied with the British monarchy accompanied and followed that Queen's tour with a clamor for a Queen in Germany. Key oligarchist Otto von Hapsburg celebrated the addition of his German (Bavarian) citizenship to his Austrian and Maltese citizenships by promoting this clamor.

Meanwhile, both British intelligence networks and British-Canadian intelligence-controlled Zionist networks in the USA deployed to attack the Bremen EEC summit *weeks before the summit occurred*. Since British intelligence spokesmen had openly identified U.S. Labor Party Chairman LaRouche as the architect of the conceptions to be embodied in the new monetary system coming into being, the attack on the Bremen agreements (EMF) since May-June 1978 has been conducted by the same constellation of forces coordinating various rumors, harassments, attempted financial warfare, and assassination projects against the U.S. Labor Party and this writer.

The principal conduit for the initial campaign (of May-June 1978) was the Heritage Foundation. The Heritage Foundation, since a 1975 reorganization, has been a tax-exempt conduit for British intelligence operations. Its directors are members either of the IISS branch of British intelligence, or of the Mont Pelerin Society, a semisecret foreign intelligence agency which is the arm of the British networks of the Maltese Order. The activities of the Heritage Foundation were funded in part by the Eli Lilly Endowment, which was formerly chief funder of Philip Agee's CounterSpy operation, and which funded

the recent Atlantic Council proposal to turn the IMF into a Schachtian form of world central bank.

The other principal agency involved in the slanders ("CIA," "KGB," etc.) against the U.S. Labor Party were top Zionist circles. These included the B'nai B'rith, founded in the United States as a British intelligence cover during the 1840s, and the Anti-Defamation League, with top Israeli assassins deployed under the cover of "official courtesy" arrangements in the middle of discovered "black operations" being deployed by Zionist organizations against the Labor Party.

The B'nai B'rith and Jerusalem Foundation dirty operations and slanders were complemented by such fascist networks as those of Congressman Larry McDonald (D-Ga), the Shelton Ku Klux Klan, indicted hoaxster Glenn Turner's "Ten Million" operation, and Minuteman DePugh. DePugh, Shelton, McDonald, Turner and others were not only working in parallel, in the same "I.D. format," but were discovered in direct collusion in this effort. These networks are jointly controlled by B'nai B'rith special operations and the branch of the Maltese Order associated with Frank Cappel of Zarapeth, New Jersey. Cappel is spokesman for the "Eastern," or fascist branch of the Maltese Order, the Sovereign Order of the Knights of St. John of Jerusalem.

At the top level, the Heritage Foundation, the top Zionist networks, and the fascist networks are all the same thing — as are also most of the so-called left organizations in the USA, including controlling circles of the Communist Party, the Maoists, and so forth. Exemplary is the network focused on the Canadian Bronfman interests. This represents organized crime in the U.S. and Caribbean since the 1920s, represents the networks currently running illegal drugs into the USA, and has a stranglehold on paid sports, legalized gambling, and various real estate and other conduits for laundering dirty money. They penetrate directly and very high into the leadership of both the Republican and Democratic Parties — why no President has succeeded in continuing efforts against organized crime or illegal drug traffic — and control a major element of the New York City and other cities' investment-banking operations, penetrating heavily into commercial banks and corporate boardrooms through these and other routes.

Bronfman's links to fascist organizations are massively documented. Exemplary is the case of the Permindex entity expelled from Switzerland for funding fascist organizations then engaged in attempted assassination of President de Gaulle. Permindex was also a prime target of Attorney Garrison's investigations of operations bearing upon the assassination of President John Kennedy, and associates of that organization have been directly linked to the recent kidnapping-assassination of former Italian Prime Minister Aldo Moro. Permindex was coordinated by Major (ret.) Louis M. Bloomfield, a former SOE (British Special Operations Executive)

operative and otherwise most prominent in the Canadian side of various Bronfman operations.

Bronfman is at the center of Canadian banking, and interfaces the top circles of British-Canadian intelligence, including the Montefiore family. These same circles are at the top level of British monarchy secret-intelligence in London itself, as well as City of London finance. The Beaverbrook press (and intelligence) empire, with such spinoffs as the Rupert Murdoch press empire are part of the same incestuously, many times interlocked nest within which Bronfman interests are inextricably situated.

As an organized force, Zionism is not a creation of ordinary Jews, but an entity created and controlled by the British monarchy beginning in the 1840s, in which British monarchy agent Rothschild was delegated to perform a key role. Zionism — as such cases as Henry Jackson illustrate — is not a Jewish institution, but a cover for British operations.

The U.S. Labor Party has been situated to observe closely how outright gangster methods were used against leading elements of the Administration, of finance, of industrial leadership and trade unions, to dragoon these frightened persons into either giving support to an anti-EMF posture, or at least to cutting off contact with the Labor Party. This pattern has been significant, since the U.S. Labor Party is associated with knowledge of and support for the EMF proposals in every leading circle throughout the United States. In every case a key figure or institution has been forced into either rejecting EMF postures or simply dropping advocacy of that posture, there has been a correlated operation run to pressure that individual into cutting off contact with the Labor Party.

The operation has been run on various levels. The first level is "buzz-buzz-buzz ... CIA, don't you know ... KGB, don't you know ... East Germany, don't you know ... at least something fishy ... no one knows where they get their financing." If that sort of rumor-mongering doesn't succeed, outright gangster methods are brought into play.

This operation is assisted directly by Zbigniew Brzezinski, who has been running a special, illegal surveillance total operation against the U.S. Labor Party domestically and internationally since early August 1977. Through these illegal taps and other surveillance two kinds of operations are run. By widely distributing lists of all Labor Party activity in detail to various agencies, the information is leaked into the hands of the Kissinger machine, the Kennedy machine, and B'nai B'rith circles, as well as into the hands of British and Canadian intelligence. Through this information, elements of Labor Party conversations and so forth are selectively distorted and amended to afford what the credulous person assumes is a secret document "proving" this or that. Through this Brzezinski-coordinated operation, "black operations" are sometimes run against the Labor Party and its contacts within even minutes or less.

The information circulated to foreign governments, including heads of state, as part of this operation is somewhat effective. Some heads of state and heads of parties have been temporarily fooled by this black propaganda operation. Others have confided this to us and noted that the astonishingly massive surveillance and harassment of us presents a problem to them respecting direct contacts between this writer and his representatives on the one side and prominent officials on the other. Unfortunately, although experienced political figures with an intelligence background and knowledge of British methods and networks are never fooled by this, most prominent figures in industry, finance, trade unions, parties and so forth are astonishingly ingenuous, and have no idea of how the world is really run.

We have learned to smell out such operations and to track them to their sources. In no case has a single slander, harassment, or other operation against this writer or the U.S. Labor Party during recent years been deployed by any source but British-monarchy networks and the subordinated Zionist, fascist, "left" and Maltese networks of the sort we have indicated. Every slander circulated is centrally coordinated, using British methods based on those used by SOE during the last war.

The associated feature of the indicated process of moral degeneration in finance, industrial and other leading circles over recent weeks is the every-man-for-himself immorality which the British-coordinated networks bring out in these strata. These people are not converted to a policy of IMF support because of any concern for national interests. They are concerned either with such things as short-term profits on marking up Eurodollar money for commercial loans, or simply with the narrowest sort of personal advantage. They are "looking out for themselves" and really don't give a damn about their country or the human race generally.

## IMF policy

The proposal to make the IMF a world central bank — the gist of the Atlantic Council proposal — is a conscious imitation of the policies of Nazi Finance Minister Hjalmar Schacht. It will lead to a thermo-nuclear war which the United States will probably lose, just as Schacht's policies produced a parallel result for the case of Nazi Germany.

The problem of the U.S. and world economies generally is not a matter of too small or too large a mass of monetary aggregates. The problem is that monetary growth is being funneled into paper refinancing of old debts or purely speculative ventures. This tendency is aggravated by rising interest rates. At high interest rates, industrial and construction activity must sag or even collapse. Production can not afford such high-priced money, only inflationary speculation can provide marginal

yields of five-to-fifteen percent on eight-to-fifteen percent money. High interest rates, furthermore, suck capital out of the circulating capital of production and commerce into speculation. The object of major retailers becomes not that of selling merchandise, but of generating cash receipts for overnight-money markets' profits.

The problem is not the amount of monetary aggregates. The problem is that capital is flowing into inflationary speculation rather than into productive capital formation and financing of commerce in tangible goods. The point is to reverse that process, to drain monetary aggregates out of speculation into long-term capital formation and trade-financing. If the inflation rate can be brought down — which only a tie to inflation-proof monetary gold can accomplish under present circumstances — money can be made cheap enough for hard loans (an international prime rate of about four percent). Gold-denominated bonds could obviously sell for one-three percent yields, since three percent on an inflation-proof bond is a net gain, against the net loss represented by a 10 percent SDR yield under conditions of double-digit inflationary tendencies. By providing capital markets with inflation-proof, low-yield bonds for dollars, we attract dollars into a low-price, hard-loan market, draining away capital from inflationary speculation into useful production and trade — and productive employment.

That is what the new world monetary system will do. That is the secret of the EMF's role.

If we do not adopt the EMF, how do we manage the monetary system under conditions associated with the IMF? There is only one answer: *fascism*. To maintain yields on existing paper, interest rates must continue very high. To keep production from collapsing, large sections of industry must be virtually junked, or simply worked into the ground, so to speak, to squeeze the last drop of income from past accumulations. Production is maintained on some sort of level in basic industry by fascist methods of wage reduction ("fiscal austerity"), while the unemployed are soaked up in nonproductive or, at best, semiproductive labor-intensive "WPA" jobs (e.g., CETA, Humphrey-Hawkins).

The bankrupt IMF system as a whole is then maintained by some swindle like Schacht's Mefobill. The SDR is the paradigm for any suitable arrangement of the IMF. Where the EMF will swallow up monetary accumulations for, relending through low-interest, gold-reserve-tied bonds, the SDR will be an unsecured piece of fiat paper, tied to general inflationary rates, and thus intrinsically sold either at a loss to the buyer or at high interest rates.

The late Jacques Rueff's study of the Nazi economy is a text everyone should read before considering the current Atlantic Council proposal. Schacht's "fiscal austerity" does not halt inflation. Rather, it increases it. However, "fiscal austerity" acts as a kind of economic auto-cannibalism of the populations and productive capacities subjugated to it. The apparent

rate of monetary inflation is lessened to the extent that the bodies of people and the stored-up value of plant, machinery, soil, and so forth are looted to make up the difference. The result of the system of "fiscal austerity" is to produce "useless eaters." The Nazi "death-camp" system was thus created by Schacht, and is being proposed afresh by those, such as Milton Friedman, who shamelessly confess that their "fiscal austerity" measures are Schachtian fascism. (When Milton Friedman or the Heritage Foundation says "free enterprise," read "fascism.")

## Begin's puppet role

It has been the established fact of the matter that the only possible solution to the Middle East crisis is a comprehensive solution, and that no comprehensive solution will work unless it is an arrangement for high-technology transformation of the Middle East, especially high-technology transformation of its agriculture. Begin knows this very well. Every leading figure in Israel knows it. If he or she says differently, he or she is merely a shameless liar. The Eisenhower Atoms-for-Peace and the Rogers Plan were properly based on that principle; Israelis cooperated in a UNO study which outlined, fairly competently, a programmatic approach to creation of an independent Arab Palestinian state on this basis, showing also why such an approach was in several ways in Israel's fundamental interests.

It is also well established that any piecemeal approach which does not bite the bullet on comprehensive, economic-development-centered agreements leads only to more aggravated destabilization of the entire region. Any specialist who argues to the contrary is a liar. That is, he or she knows that his contrary assertion is a lie. The point is approaching at which Israel will be wiped out — not defeated, but wiped out — unless such a comprehensive agreement is adopted.

Why not, then, adopt it? Does Begin not care about the survival of Israel? I do not view him as quite as lunatic as his mouth often represents him to be.

*Britain would never permit it.* A comprehensive, economic-based solution to the Middle East situation would institutionalize economic development as a solution. It would play into the EMF, against the IMF. Furthermore, it would eliminate Britain's policy of creating and using an Israeli state in the Middle East as a crucial pawn in the British destabilization operations against the Middle East generally. On this latter count, the British policy is that expressed by Henry Kissinger's accomplice, Bernard Lewis. The British are bent at this moment on a wave of "tribalist" particularist insurrections and related destabilizations throughout the Middle East, aiming to end the Shah's development policy and to wreck the Arab Monetary Fund.

In brief, the "Camp David" operation had several

functions, none of which was aimed at securing Middle East peace now or during the foreseeable future.

Primarily, it was a flanking attack on the EMF and in behalf of the IMF world-bank proposal of the Atlantic Council. By rallying the Zionist lobby as a wrecking force against EMF sympathizers, it strengthened considerably the position of the IMF faction in the USA and destabilized opponents of the IMF within the parties, financial circles, industrial circles, and among trade unionists.

It had other important side benefits.

It was part of an ongoing "cold coup d'état" which Brzezinski is currently running in his effort to seize dictatorial control over the Administration, in cooperation with James R. Schlesinger, Joseph Califano, Vice President Mondale, Admiral Stansfield Turner, W. Michael Blumenthal, G.W. Miller of the Fed, and the Kennedy machine. The policies under which this coup is operating are those associated with Henry A. Kissinger.

The crucial feature of the Camp David fiasco was that it kept President Jimmy Carter not only out of circulation for a crucial period, but subjected Carter to the effects of a marathon "sensitivity session" in which the Begin crowd and Brzezinski's crew created a controlled psychological environment, forcing Carter to adapt his mind to choosing the options defined by the controlled-group situation. A simple name for this sort of operation is "brainwashing."

By leaving the nation without a reactive national leadership during a crucial period, it facilitated the promotion of the coup d'état in various aspects of government, and thus aided parallel gangster-method operations within the financial and industrial circles targeted for this purpose.

As a result, the Administration has been turned away from its Bonn agreements with Chancellor Schmidt, President Giscard d'Estaing, and Prime Minister Takeo Fukuda, toward an anti-EMF policy. The U.S. State Department's ganging-up with British Ambassador Ivor Richards at the UNO is one of the tip-offs, part of the crucial evidence of what has occurred.

Unless some leading persons currently playing the fool arouse themselves to put an end to this nonsense, we are all going to die. Without the EMF, the world goes into an unprecedented arms race, under the conditions that the Western economies are combining arms-spending with a general erosion in the civilian economy. James R. Schlesinger's continued efforts to wreck all significant research and development shows that the military faction in the U.S. will not get the R and D they assume would flow from an accelerated arms buildup. The trend lines drawn signify an acceleration of the marginal Soviet strategic in-depth war-fighting advantage.

If we choose the IMF at this juncture, we choose national suicide during the medium term. My view of the force behind the IMF proposal is that this constitutes the worst treason in our nation's history.