THIS WEEK

The danger of believing lies

The bigger the lie, the taller the headlines. The last week of March. 1979 began with the hard-to-beat chutzpah of heavy banners proclaiming that the March 26 signing of a war treaty between Egypt and Israel was "PEACE." Even the New York Times took note of the "Orwellian" character of Jimmy Carter's effusive promises to "wage" peace off the Middle East treaty.

As the week progressed, it became evident that whatever was being waged, was being waged against the American population. Headlines shouted that due to an OPEC decision on oil prices, the United States would declare "war" on the Arab oil producers, while swallowing energy consumption cuts of 30 to 40 percent. Two days later, the press announced that radioactive clouds were gathering over a number of Eastern U.S. nuclear power stations, and nuclear energy was portrayed not as a solution to energy shortages, but a dire threat to humanity.

The coincidence of the nuclear plant "accidents" with certain movie scripts is fully coherent with the scarcely veiled aims of the Camp David scenario. Those who refuse to "believe in conspiracies" may find themselves buying lies - at extreme peril to their survival.

Camp David is part of a conspiracy to enforce economic austertiy regimes on the developing sector through regional military alliances. The model is the policy of Nazi Finance Minister Hjalmar Schacht. The Schachtian policy for the advanced sector is immediate, drastic energy austerity to be imposed through a combined oil shortage hoax and "nuclear proliferation"

The center of the conspiracy is, as in the case of Schacht's backers,

the City of London. As twice before in this century, London's geopoliticians aim to prevent the threat to their power posed by a potential alliance of industrial republics, by "conquering the Eurasian heartland" - encircling the Soviet Union. That policy led to two world wars.

But the would-be encirclers maintain that this time World War III will not result. According to layers associated with veteran "Soviet handler" Averell Harriman, the Moscow leaders are "too mature" to respond to provocation. The same Harriman networks, and their ostensibly opposite numbers among the William F. Buckley "conservative" crowd, are spreading the line that this publication and our contributing editor Lyndon LaRouche, whose presidential campaign is taking the truth about the war danger to the American population, are "agents of the KGB."

To dispel such dangerous lies, our MILITARY STRATEGY report this week reproduces the text of a Soviet general's article showing that current Western strategic posture is forcing Moscow rapidly to the brink of war. We believe that the press' responsibility is above all to print the facts.

Helmut Schmidt's West German government was told by the International Monetary Fund, Britain and the United States that any public attack on the IMF would be considered an infringement of "Western military security," say informed European sources. Indications are that the Federal Republic is backing down under this blackmail, and the core of the war-avoidance policy for which the new European Monetary System was shaped is now threatened. Key is a postponement in setting up the European Monetary Fund to finance high-technology exports for Third World development.

As a result, the London-centered forces behind the IMF have succeeded in reviving the "Common Fund" raw materials rationing agency proposal, which would loot the advanced sector's surplus through high raw materials prices, and channel the money into debt repayment. (See ECONOMICS)

The Week in Brief

Despite the postponement of French President Giscard d'Estaing's visit to Moscow, originally slated for this week, the Soviets and French are broadcasting their countries' continued close cooperation. Both sides report the cancellation was due to Soviet President Brezhnev's lung problems.

Soviet government paper Izvestya published an interview with Giscard stressing the consolidation of detente, disarmament and the cooling off of world hot spots as areas of strategic cooperation between the two nations. Giscard's included emphasis on economic deals was reinforced by the recent signing of several France-USSR agreements in the areas of advanced electronics and space technology.

The French press reports that the Soviet leaders want Giscard's visit to underscore the danger rep-

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resented by Peking's war drive, an indication that Moscow hopes France will lead the European Community to take a much stronger stand against China.

Meeting in Geneva on March 26, the 13 ministers of the Organization of Petroleum Exporting Countries (OPEC) took a decision on oil prices that produced relief in business and financial circles. Contrary to crisis mongering in the press, the decision to impose a 9 percent price hike on crude oil for the second quarter is technically not a second price rise for 1979. Rather, OPEC decided to apply the last two remaining small quarterly increases decided at the December 1978 OPEC meeting to the second quarter.

But the fact that the cartel voted up an additional **premium** (surcharge) on its oil of up to \$4 a barrel, to be imposed on a country by country basis, is a clear signal that **pricing moderation may not last long.**

The Saudis, who are the leading moderate influence, look especially to France and West Germany to take an aggressive policy stance on two key issues. Saudi Arabia expects the Europeans to challenge the Camp David pact which is set up as an openly hostile alliance against OPEC. And they want Europe to adopt an energy policy based on cooperation with the producers to solve both short-term price and production questions, and long-term energy problems. That includes the delicate issue of imposing discipline on oil companies that profiteer with OPEC oil.

According to reliable Indian sources, Pakistan has been handed a nuclear device by Great Britain. The sources predict that the Ziaul Haqled military junta in Pakistan will explode the device to divert attention from the hanging of former Prime Minister Bhutto (MIDDLE EAST Report).

The Indians identify this as part of an Anglo-Chinese expansion in

South Asia that may well include a Pakistani attack against Afghanistan or in Kashmir, along the Indian border. The Chinese have made large arms sales to Bangladesh and Nepal, all bordering India, as well as funneling arms into Pakistan via the recently completed Sino-Pakistan highway.

Have the Soviets chosen Afghanistan as the focus of a possible demonstrative action against the "encirclement" strategy of the Washington-London-Peking axis? A number of signals from Moscow suggest that.

The signals are clear enough that the U.S. State Department began fabricating the story that Soviet actions to defend the Taraki government, with which it is tied by treaty, constitute "expansionism" that must be answered.

A Radio Moscow commentary monitored March 29 singles out Iran, Pakistan, China and "the American and British secret services" who "have their hand in training mutineers and terrorists, and coordinating their actions" to attempt to overthrow the Afghan government.

Pravda implied in a commentary that the Chinese and Western-coordinated attacks are hooked into Camp David via Egypt. According to Pravda, "Egyptian representatives in Pakistan are regularly meeting with the leaders of the Muslim Brotherhood, supplying them with large sums of money."

No matter who wins the Mary 3 national elections, British internal politics are expected to undergo a major strategic reorientation. The Bank of England is betting on the return of a Tory government, and sees war as the best motor for the faltering British economy.

Margaret Thatcher, the Conservative Party leader, tabled the March 28 confidence motion that ended the Callaghan Labour government. She pledged in a speech

five days before the vote to strengthen **Britain's world role**, especially in the **defense area**. Prospective Tor Foreign Secretary Francis Pyn elaborated in a recent press briefing, even the 3 percent increase in defense spending pledged to NATO "may not be enough."

Less known is the fact that the Labor government committed itself to an identical war push. Presenting the 1979-80 defense budget the day before being defeated, Labor Defense Secretary Mulley proposed a \$17 billion defense program with over 40 percent going directly to arms production and re-equipment of the armed forces.

Consider this, Dr. Kissinger: The \$430 million arms package rushed to the Middle East last week by the Carter government to "stop communist aggression" may end up in the hands of a unified Yemen linked to Soviet-allied Syria and Iraq. Such is the implication of the announcement March 29 from Baghdad that North and South Yemen have agreed to form a unitary state under President Saleh, currently the head of state of North Yemen.

As we go to press, there are reports from the Arlington, Va. hotel where the Teamsters and the trucking industry are negotiating the terms of a new national master freight contract that an agreement is imminent. This follows reports that inflation czar Alfred Kahn was forced to do an abrupt aboutface in midweek and relax his stranglehold on the negotiations. Kahn was reported to "ease" the Carter Administration's wage-price guidelines to allow a more realistic settlement.

At the time that Kahn's shift was taking place, U. S. Labor Party Chairman Lyndon LaRouche met with several Teamster leaders at the negotiations.