

National News

Klenetsky placed on New York City ballot

New York State Supreme Court Judge Charles Tierney on Aug. 24 threw out a spurious challenge to the nominating petitions of Democratic mayoral candidate Mel Klenetsky, assuring that Klenetsky will appear on the ballot in the Sept. 10 Democratic primary election. The challenge to Klenetsky's petitions was brought by Socialist International-backed candidate Frank Barbaro, whose attorneys announced they will not appeal Judge Tierney's decision.

The New York challenge to Klenetsky has been viewed as a national test case for efforts by the Trilateral Commission/Socialist International wing of the Democratic Party to oust the National Democratic Policy Committee (NDPC) and other traditionalist Democratic groups and individuals from the party. The NDPC has backed Klenetsky's candidacy.

The Barbaro forces argued that LaRouche and Klenetsky "adhere to principles wholly unsympathetic and incompatible with those of the Democratic Party."

In her report to Judge Tierney, court referee Florence Belsky stated that although Barbaro "sought to introduce allegations of the disparity between LaRouche policies and beliefs and those of the Democratic Party, this material was completely disregarded."

Haig comments on emergency board plans

Official public discussion of the Reagan administration's emergency mobilization plans was launched Aug. 28 when, at Secretary of State Alexander Haig's formal press conference, *EIR* Washington correspondent Stanley Ezrol asked the following question: "The administration is now formulating plans for emergency resource mobilization, which in later stages will include setting up an

independent body for the implementation of the Defense Production Act. What role does the DOS play in those plans?"

Haig: "Well, in the first place, there's a lot left to be done and a lot of considerations yet to be concluded. I think you know that I have had a longstanding record in expressing concern about the decline in our mobilization and industrial base. It's had a profound impact on our nation's ability or lack of ability to implement our nation's foreign policy effectively. I've had discussions in the past with Cap Weinberger and with the President on the urgent need to address this question on a national level so that appropriate and remedial steps can be taken. I don't have to dot all the i's and cross all the t's on that, but sometimes it takes the U.S. four years to respond to an urgent security request from a trustworthy ally. The impact of that is devastating.

"There have been a number of interim measures taken which we have supported especially in our security assistance program for next year, where we've asked for \$100 million dollar pool to be established which would provide certain equipments which can be drawn down on in case of an emergency, instead of diverting from our own production. We're intimately and heavily engaged in this process. **Ezrol:** "Might it be necessary to put those plans into operation rather quickly because of the failure of the Reagan economic policies?" **Haig:** "I don't accept your premise in any way." **Ezrol:** "When will you?" **Haig:** "I'm an optimist. You should be one, too."

Winterberg explicates 'H-bomb secrets'

A book released Aug. 25 by the Fusion Energy Foundation, *The Physical Principles of Thermonuclear Explosive Devices* by Dr. Friedwardt Winterberg, rips away the secrecy surrounding the H-bomb and, for the first time anywhere, explains for both scientists and laymen how advanced weapons work.

Winterberg, who has never had ac-

cess to "top secret" material, is a fusion scientist at the University of Nevada Desert Research Institute. For 30 years, he has pioneered in the field of inertial confinement fusion, developing firsts in fusion, beam technologies, and propulsion. In 1979, he received the Hermann Oberth gold medal of the International Space Flight Foundation for his work on thermonuclear propulsion.

In the introduction to his 145-page paperback book, Winterberg asks, "Why . . . some may ask, would I write such a book?" His answer: "The prospect of controlled thermonuclear energy promises an abundant and clean source of energy that could last for millions of years. However, because of the close scientific connection between inertial confinement fusion . . . and thermonuclear weapons, the government has put this research under the wraps of secrecy. . . . Since it is a delusion to believe that a secret exists, this self-imposed secrecy has the effect that research performed in the government laboratories cannot be checked by the general scientific community. Resulting failures could retard progress toward controlled fusion for many years."

NASA head calls space cuts justified

Before an audience of the American Chemical Society in New York City, Aug. 23, NASA Deputy Administrator Hans Mark offered his endorsement of the campaign of "fiscal conservative" budget cuts that has decimated NASA over the past 10 years and threaten to obliterate it under the Stockman budget regimen. "It's true that the NERVA engine worked and was the necessary technology for manned missions to the planets, but it was years ahead of its time in terms of any possible mission utilization, so the decision to cut it was justified," said Mark.

The NERVA nuclear fission rocket engine Mark referred to had been almost fully developed in 1971 when it was test-fired and demonstrated capabilities double that of any possible chemical rocket. The program was shut down by then

OMB Director Caspar Weinberger.

Mark, who was Carter's undersecretary of the Air Force, added that as far as he is concerned, the key mission for NASA is to develop the national security potential in the low-orbital capabilities of the Space Shuttle.

Grassroots activists target interest rates

Homebuilders, realtors, auto dealers, and labor unionists around the country have taken the lead in mobilizing against the Federal Reserve's credit policies. One example is the effort to launch a national "SOS Day" (for "Save Our Society") on Sept. 8, with at least a million telegrams, letters, and calls pouring into Washington as Congress reconvenes, urging that rates be lowered.

The plan, endorsed by the National Board of Realtors through its president, Robert Wood, was initiated by three realtors in Paducah, Kentucky, including the president of the local board of realtors, Wally Buchanan, who has received responses from all over the country. The Aug. 31 issue of the realtors' national magazine was scheduled to carry the call on its front page.

In Pittsburgh, a town meeting organized by steelworkers officials drew 150 to discuss the economic situation. In Maryland, the state homebuilders' association is drafting testimony for 15 spokesmen at hearings on the effects of high interest rates.

National news media including *Newsweek* magazine, and leading regional newspapers such as the *San Francisco Examiner*, have finally been obliged to address the question. The *Examiner's* Aug. 25 editorial stated, "This week the President should think less about Colonel Qaddafi and other assorted villains abroad and think more about the villainous high interest rates that threaten to destroy his economic program. . . . Rather than suppressing inflation, they are fueling it. . . . Most notably, they threaten to blow to bits the White House estimate of a reduced federal deficit for next year." The editorial urges "at least

a slight moderation of those rates this summer."

Congressmen prepare for interest-rate debates

As the Sept. 8 reopening of Congress approached, hearings and committee discussions were scheduled on the Federal Reserve's interest-rate policy. Rep. Henry Gonzalez's H.R. 196, "providing for the impeachment of Paul A. Volcker," has been referred to the House Judiciary Committee. The House Banking Committee will hold hearings this month on high rates' effects on the housing sector, and on the burst of merger financing, spearheaded by Democrats.

In Maryland, within a climate created by a vociferous anti-Volcker campaign conducted by the National Democratic Policy Committee, liberal Sen. Paul Sarbanes has begun to take the offensive against high rates to counter his GOP challenger, Marjorie Holt, who publicly defends them.

Republican representatives also facing re-election have privately begun to worry about the repercussions of the President's refusal to challenge Volcker. Sen. Larry Pressler (R-S.D.) has both urged the chairman of the Republican Party to back lower interest rates, "Large corporations have ways to escape high credit costs," said the chairman of the Senate subcommittee on Business, Trade and Tourism, "and can sometimes even profit from high interest charges." Pressler charged that the administration encourages a differential in interest-rate structure, where "nonproductive" loans are going toward corporate takeovers, while effectively blocking credit access to small firms and agriculture.

Pressler is planning legislation that would "make the Fed more responsive" by halving board members' terms, installing ex officio members of Congress on the board, requiring the Fed to report on loans made by size of business, and placing one farmer and one small business representative on the board. He maintains that removal of Fed Chairman Paul Volcker would be too "extreme."

Briefly

● **DOS SOURCES** confirm that although the Reagan administration claims to have merely made a decision to build the neutron bomb and does not plan to discuss deploying it in Europe, Washington is in fact waiting for "an opportunity" to raise the question of its deployment in Europe. And, at an Aug. 24 briefing, a State Department official revealed that the U.S. government requires assistance from the Soviet Union to force deployment of the neutron bomb on reluctant European nations. "The Russians might do something to bring on a crisis and preempt the N-bomb debate in Europe," the official said.

● **ERNEST LEFEVER**, an advisor to Alexander Haig, believes that the U.S. has to go for a "middle-sized" confrontation that will show U.S. willingness to use military force. At a luncheon on Aug. 25, Lefever told several reporters and policy-makers that the shooting down of the Libyan plane two weeks ago was a good beginning, but the U.S. must force a larger incident to stop what he calls "European neutralism."

● **STANFORD RESEARCH Institute**, the de facto West Coast branch of the Tavistock Institute, fears its efforts to promote Aquarian Age postindustrialism have been too successful. SRI has just completed a study of U.S. and U.S.S.R. science and engineering programs and their implications for national security. According to one author, who stressed how the U.S. has gone downhill, "The Soviets have a very high skilled labor force now," and "they can have an economic development program which emphasizes qualitative progress, new technologies, not merely producing more of existing things. We recommend an immediate study to see what we can do about this."