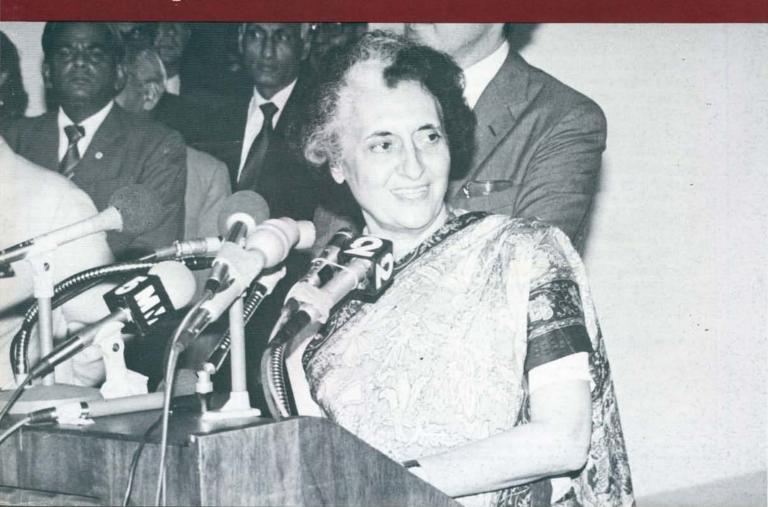


LaRouche in court rips apart NBC's and ADL's lies The overlooked Soviet war buildup in east Asia Pope rallies forces to defend Western civilization

Indira Gandhi's murder puts world closer to war



What do the leaders of Ibero-America know that David Rockefeller doesn't? EIR's Debt Watch tells you!

The *Ibero-American Debt Watch Service* is your status report on the "debt bomb," the political battle around it, the causes of the crisis, and the solutions which could restore healthy flows of trude and investment between the industrialized countries and their Ibero-American partners.

Why is the *Debt Watch* better situated to provide you with this intelligence than any other service for investors and political leaders? The answer can be found in a ground-breaking study titled *Operation Juárez*, issued in August 1982 by *EIR's* founder, Lyndon H. LaRouche, Jr. That document has been passed from hand to hand in the ministries of every government in Ibero-America. It outlined, step by step, the measures that could solve the debt crisis, up to and including the formation of a debtors' cartel if necessary to avert the destruction of the economies—and therefore the nations—of Ibero-America.

In every meeting of debtors and creditors since the release of LaRouche's study, and in every summit meeting of continental leaders, LaRouche's *Operation Juárez* has been the leading item on the agenda.

Debt Watch provides detailed updated reports on this fight. In the latest issue, for example, you will find proof that the debt crisis is not the result of "mismanagement" south of the border, as the IMF's economists claim. In fact it is the IMF's own conditionalities which are cutting off

investment opportunities in the developing sector, and nearly 90% of the \$350 billion lbero-American foreign debt is the direct result of 1) Federal Reserve chairman Paul Volcker's rising interest rates, 2) declining terms of trade, and 3) orchestrated capital flight.



Former Venezuelan Finance Minister Arturo Sosa, with a biography of LaRouche, at an OAS conference on the debt in Caracas, September 1983.

The *Debt Watch* costs \$2,500 for one year, which includes a free copy of *Operation Juárez*. A single issue of *Debt Watch* or *Operation Juárez* costs \$250. For more information, call Dennis Small, (212) 247-8820, or write:

Executive Intelligence Review 304 West 58th St. New York, N.Y. 10019 Founder and Contributing Editor: Lyndon H. LaRouche, Jr. Editor-in-chief: Criton Zoakos Editor: Nora Hamerman Managing Editor: Vin Berg Features Editor: Susan Welsh Assistant Managing Editor: Mary McCourt Production Director: Philip Ulanowsky Contributing Editors: Uwe Parpart-Henke, Nancy Spannaus, Webster Tarpley, Christopher White Special Services: William Engdahl Advertising Director: Geoffrey Cohen

Director of Press Services: Christina Huth

INTELLIGENCE DIRECTORS:

Africa: Douglas DeGroot Agriculture: Marcia Merry Asia: Linda de Hoyos

Counterintelligence: Jeffrey Steinberg

Economics: David Goldman

European Economics: Laurent Murawiec

Energy: William Engdahl Europe: Vivian Freyre Zoakos

Ibero-America: Robyn Quijano, Dennis Small

Law: Edward Spannaus Middle East: Thierry Lalevée

Science and Technology: Marsha Freeman

Soviet Union and Eastern Europe:

Rachel Douglas

United States: Kathleen Klenetsky

INTERNATIONAL BUREAUS:

Bangkok: Pakdee and Sophie Tanapura

Bogotá: Javier Almario

Bonn: George Gregory, Rainer Apel

Caracas: Carlos Méndez Chicago: Paul Greenberg Copenhagen: Leni Thomsen Houston: Harley Schlanger Lima: Julio Echeverría

Los Angeles: Theodore Andromidas Mexico City: Josefina Menéndez

Milan: Marco Fanini Monterrey: M. Luisa de Castro

New Delhi: Susan Maitra Paris: Katherine Kanter

Rome: Leonardo Servadio, Stefania Sacchi

Stockholm: Clifford Gaddy United Nations: Douglas DeGroot Washington, D.C.: Susan Kokinda,

Stanley Ezrol

Wiesbaden: Philip Golub, Mary Lalevée, Barbara Spahn

Executive Intelligence Review (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July and first week of January by New Solidarity International Press Service 304 W. 58th Street, New York, N.Y. 10019 (212) 247-8820.

In Europe: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308 Dotzheimerstrasse 166, D-6200 Wiesbaden, Tel: (06121) 44-90-31. Executive Directors: Anno Hellenbroich,

In Mexico: EIR, Francisco Días Covarrubias 54 A-3 Colonia San Rafael, Mexico DF. Tel: 592-0424.

Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 208-7821.

Copyright © 1984 New Solidarity International Press Service. All rights reserved. Reproduction in whole or in part without Am ingits research. Reproduction in whom to im pair without permission strictly prohibited. Second-class postage paid at New York, New York and at additional mailing offices. 3 months—\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10 Academic library rate: \$245 per year



From the Managing Editor

Lyndon H. LaRouche, Jr. reported in a mass-circulated leaflet on Nov. 2 that on Oct. 31, the morning Indira Gandhi's death was announced, "NBC attorney Thomas Kavaler repeatedly made sarcastic and gloating remarks on the assassination of India's Prime Minister Indira Gandhi in the presence of the jury, during the first round of my continuing lawsuit against NBC, ADL, and their accomplices. One of Kavaler's gloating references to Mrs. Gandhi's assassination occurred while I was in the witness stand. . . . At that point, the defendants' corner giggled in its amusement at Kavaler's immoral outburst."

LaRouche continues to make three points: First, there was no rebuke from Judge Cacheris to attorney Kavaler-reflecting the gross bias he showed throughout the case. Second, "in effect, the jury voted in sympathy with the assassination of Prime Minister Gandhi. Third, one of the defendants in LaRouche's libel suit, the Anti-Defamation League of B'nai B'rith, is on public record as a political supporter of Mrs. Gandhi's self-proclaimed assassins.

This week's *National* lead reports the Nazi-like charade of justice in the first round of LaRouche's libel case against NBC and the ADL. We have provided ample quotations from the trial record; readers can judge that what occurred threatens the future of democracy and justice in America, unless it is overturned. This, and the information supplied in this week's cover documentary on the Gandhi tragedy. put together under the direction of EIR's Asia editor Linda de Hoyos, show how rapidly the potential for a Third World War is increasing. As LaRouche says in his mass-circulated statement, "We are not very far from the point at which the potential for war might reach near the probability of 100 percent."

The best hope we have to turn back that horrifying prospect is breaking through the control of the news by corrupt press and courts. LaRouche's 16 broadcasts in 1984, culminating with the Nov. 5 election eve combination of half-hour network television broadcasts on beam-weapons defense and "Operation Juárez," the LaRouche economic program, have paved the way for overthrowing these enemies of our nation and the human race.

You, our readers, can join that fight by supporting and spreading this publication to the utmost.

Vin Berg

PIRContents

Departments

39 Book Review

France's existentialist 'radicals': Vichy collaborators on the Left Bank.

46 Report from Bonn

The defense budget debacle.

47 Report from Italy

The Bulgarian plot to kill the Pope.

48 Kissinger Watch

'If you think Henry Kissinger is Jewish. . . . '

49 Northern Flank

Palme ordered to refute KGB exposé.

64 Editorial

Media dictatorship?

Economics

4 IMF acts to break the last Ibero-American resistance

Colombian President Betancur says the IMF demands are "impossible to fulfill," while the whole continent is being pushed to the wall.

7 Economic warfare set to partition Lebanon

8 The dismantling of European farming

Denmark's productive family farms are being shut down, on the model of what has already been done to the United States.

10 What are those food relief groups up to?

11 Banking

Regan in new conflict of interest?

12 Energy Insider

Geneva meeting avoids major issues.

13 Domestic Credit

The beginning of the downturn.

14 Business Briefs

Special Report



Mrs. Gandhi during a visit to the United States in 1982.

- 16 Indira Gandhi's murder puts the world closer to war
- 18 The British assassinate Mrs. Gandhi; more ominous than Sarajevo murder

A tribute to Mrs. Gandhi and a strategic assessment of her assassination, by Lyndon LaRouche.

21 Mrs. Gandhi: patriot, statesman, and friend of the United States

The late prime minister, as seen through her own speeches and interviews.

- 23 The controllers behind the assassins of Indian Prime Minister Gandhi
- 25 Soviets lie that 'It's the CIA'

What the Soviet press is saying.

International

- 26 The overlooked Soviet war buildup in the Far East
- 30 New scandals hit the Marcos government
- 31 Lord Carrington: Use beam weapons as a bargaining chip in arms talks

His press conference in Los Angeles, and an analysis of what he and his former business partner Henry Kissinger really mean by an "independent" Europe.

- 34 Ibero-America sets up multinational anti-drug army
- 36 The secret behind Jacques Soustelle: Benedictine priests and 'black' princes
- 40 Security emergency in India's Tripura
- 42 Pope John Paul II takes the offensive to save values of Western civilization

Documentation: Speeches by the Pope against the mafia and Malthusianism.

National

52 LaRouche rips rigged verdict in round one of NBC trial

> **Documentation:** NBC producer Pat Lynch describes the network's use of phantom "sources."

- 57 Anti-'Star Wars' scientists on tour
- 58 France's *Le Figaro* hits palace guard surrounding Reagan
- 59 United States plans a return to the Moon

A conference of the National Aeronautics and Space Administration (NASA) in Washington, D.C.

- 61 Elephants and Donkeys Whither the Democratic Party?
- **62 National News**

Exercise Economics

IMF acts to break the last Ibero-American resistance

by Nancy Spannaus

"Impossible to fulfill" and "colonialist" were the words used by Colombia's President Belisario Betancur about the demands of the International Monetary Fund on Oct. 30, when he met with the head of the European Economic Community, Gaston Thorn. The Betancur government, which has been stalling on the International Monetary Fund's demand to put the country through an economic wringer that will mean chaos and the end of the republic, has run out of time and is being forced by its international creditors and their internal allies to come to terms.

On Oct. 31, Costa Rica's Planning Minister Jumán Manuel Villasuso stated that Costa Rica cannot pay its debt at current terms—the terms negotiated by the Monge government with the IMF—since that would be "a mechanism of self-destruction" for the country's economy. He said that it "would in the medium term impose such an excessive burden that it would prevent the growth of the national economy."

The same usurers who have more than doubled the debt burden on the Ibero-American economy through high interest rates, worsening terms of trade, and currency warfare over the past five years are moving systematically to break the last resistance of the Ibero-American governments to a new colonial takeover. Unless Henry Kissinger and the private circles he represents are removed from all influence in the U.S. administration, the U.S. general election on Nov. 6 will be the signal for the IMF to go in for the kill—delivering the republics of Mexico and Central and South America over to chaos and then to Soviet-allied dictatorships.

If the current policy of the IMF and international banks continues, there will be nothing to stop the outbreak of civil war or revolution in Argentina, Brazil, and Mexico within the next year or two.

An omen of what lies ahead is the case of the Dominican Republic. The week of Nov. 5, a representative of the International Monetary Fund was scheduled to arrive in the Dominican Republic to renew talks on refinancing the nation's foreign debt of \$2.7 billion.

Last April, 54 Dominicans were killed and 200 injured in three days of riots protesting government decreed increases in the cost of living imposed by the IMF. In May, President Jorge Blanco broke off talks with the IMF because of demands for austerity measures as a condition for part of a \$459.5 million loan package. But in August, Jorge Blanco announced he had reached a "bridge agreement" with the IMF which effectively doubled the price of oil imports, at the cost of a deadly, and potentially explosive, lowering of living standards in the island nation.

Blanco said on Nov. 2 that he is seeking the "needed extensions that are also offered to other countries, especially in the case of Mexico." The U.S. media did their best to convey the idea that the Ibero-American debt problem had "turned the corner" when a debt rescheduling agreement was made with Mexico in early September. The Mexican "reward" for stringent austerity was followed by announcements of impending agreements with the continent's largest debtor, Brazil, and with Argentina.

In fact, the IMF is just using the carrot of impending "approval" to pull all these countries into the tightening noose of austerity conditionalities. The headlined agreement between the IMF and Argentina has still not been reached, and the IMF is currently postponing the idea of a settlement with Brazil until after the presidential elections scheduled for January 1985.

Meanwhile the IMF and the bankers are doing their best

to destroy the republics of Ibero-America altogether.

Traffic between Buenos Aires and Washington, D.C., is heavy this fall, with constant negotiating sessions on whether Argentina will get the "seal of approval" from the IMF. Argentina has made at least two interest payments, including one of \$58 million on Oct. 23, in hopes of reopening international credit lines. But the agreement seems as far away as ever.

The IMF agreed to a \$1.4 billion standby credit to Argentina "in principle" several weeks ago, but has delayed final approval. IMF spokesmen in Buenos Aires on Oct. 16 were quoted as saying that an "accord is still a long way off."

Argentina: A Pinochet on the agenda?

The IMF intransigence is occurring despite the efforts of the Alfonsín government to accelerate austerity efforts. Alfonsín is proceeding to carry out IMF demands such as the shutting down of the nuclear industry and dismantling sections of the armed forces. But he is totally unable to comply with inflation demands, for example, or to directly take on the labor movement. Argentina's inflation rate is currently running at 687.5% a year.

The uncontrolled economic collapse is creating both demoralization and seething unrest. Paramilitary squads from both the right and the left are re-emerging, in a development which portends an upheaval not unlike that of the transition from Chilean President Allende to General Pinochet.

Forces allied to Henry Kissinger are determined not to leave the destruction of Argentina to chance, of course. Kissinger used his recent visit to Buenos Aires to issue the most vile threats to the Argentine government, and has reportedly even convinced President Reagan that "Argentina must be destroyed" in punishment for its action in favor of the debtors' cartel. Close friends of Kissinger in the military have since emerged to threaten the government.

Brazil under coup threat

Brazil, with its \$90 billion in debt, plans to enter negotiations with the IMF on Nov. 5. But the international bankers have no intention of coming to an agreement under the current political conditions in that country.

It is already being widely trumpeted that the official choice for the successor to President Figueiredo, Paulo Maluf, cannot possibly win the upcoming presidential elections. Although his opponent, Tancredo Neves, is no anti-IMF fighter, the country is looking to him as an alternative to the IMF regime, and there is no guarantee that he could control the process unleashed by his election.

In a desperate effort to win election, even Maluf has made some noises about the unbearable burden being imposed by the IMF. Very likely, Kissinger and his friends will activate their circles in the military to pull off a coup.

The IMF is dismantling Brazil piece by piece, turning it into a bargain basement to be picked up by foreign investors

prepared to pay cash. Although Brazil is a major producer of food—from oranges to beef to soybeans—it is currently being forced to literally *starve* its own population in order to get the foreign exchange these foodstuffs will bring—in conformity with IMF conditionalities.

The IMF is also doing its best to ensure that Brazil's future ability to feed itself and the continent is destroyed. On Oct. 11, the Carajás agricultural project, the Amazon development area which was set to contain eight new industrial complexes and the necessary infrastructure for massive increases in agricultural productivity, was killed. The IMF had denied the use of internal Brazilian funds for the project.

The colonial nature of IMF policy, recently denounced by the head of a major industrial association in the country, is shown by what the IMF is allowing to proceed. With only foreign funds to spend, Brazil will leave standing only two parts of the Carajás project, which initially projected the development of an area as large as Italy into a populated, industrialized area—the mountain of iron ore, and the railroad and port that will allow that ore to be exported.

Starvation and coups

Throughout the rest of the continent, IMF conditions are driving the population to the edge of starvation.

Betancur denounces 'colonialist policy'

Excerpts from an article in the Colombian daily El Espectador, Oct. 31, titled, "Credit entities impose policies which are impossible to fulfill."

Betancur received EEC president Gaston Thorn... and warned that "when we iron out our differences and find common denominators to develop ourselves to be able to pay, hostile signals appear on the horizon from certain middle levels which still practice colonialist philosophies."

"Latin America has a vocation for democracy and liberty, but it needs for the free world to give it a hand and give it understanding, to emerge from this crossroads with renewed vitality."

The Colombian President recalled that . . . some multilateral credit organizations demand to impose on Latin America policies which are impossible to adopt.

He explained that "they want to maintain and perpetuate us as producers of raw materials whose prices are fixed across the board by the central countries, which also fix across the board the prices of the capital goods which we have to buy from them."

EIR November 13, 1984 Economics 5

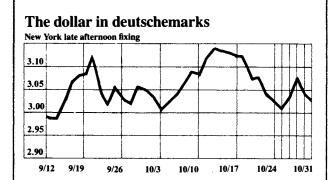
- On Oct. 10, Mexico raised the price of staples—beans, rice, eggs, and cooking oil—by 50%!
- IMF-imposed rises in the price of beef, rice, and beans in the Dominican Republic have forced most of the population to give up the national dish of rice, meat, and beans. The price of beans has gone up nearly 1,000% over the last year, while beef is out of the reach of most people. The population is increasingly shifting to pasta, which is cheaper, but much lower in protein.
- Starvation conditions are already predominant in Bolivia, the one nation of the continent which has declared a unilateral debt moratorium on the premise that it will not pay its debt when it can't feed its people. Bolivia has been under a credit cutoff since May 30, when it declared the moratorium on its \$4.3 billion in debt. No agreement can be expected in the near future. Rumors are circulating that the creditor banks are preparing to block and seize Bolivian accounts—pending agreement from the Reagan administration.

On Oct. 31, milk producers in Venezuela announced that there has been a 40% drop in milk sales since the price was increased a month or two ago. Malaria in the southern and eastern regions is now resulting in deaths. There were 200 cases last year in the state of Bolivar, and 2,279 this year—and more deaths. Eradication programs for the malaria-carrying mosquito were eliminated in 1981, for budget reasons.

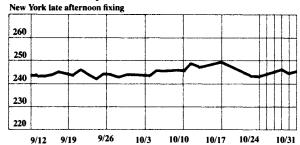
The screws are also being tightened on Peru, already under siege from the Nazi-Communist Shining Path (Sendero Luminoso) gang. Peru has been unable to meet IMF conditions, and hasn't paid interest since July. Up until Oct. 30, the government was carrying out mini-devaluations; on that day, it reduced the currency value by 2.6%. On Nov. 2, gas prices were raised in Peru, and the desperate Belaunde government is now talking about asking the banks to be allowed to pay Peru's debt of \$13 billion in commodities. This is precisely the colonialist demand to seize control over developing countries' raw materials to which Colombian President Betancur alluded in his Oct. 30 statements to Thorn.

In Colombia, where informal IMF conditionalities are in place, President Betancur is under extreme pressure to adopt an emergency economic program including the IMF's conditionalities. In a memo deliberately "leaked" to the press and then backed publicly by all of the country's dope mafialinked "business" circles-Finance Minister Roberto Junguito stated that the country is "facing its gravest crisis of the last 50 years. There is a crisis in the state's finances, in the foreign sectors, and in the financial sector, which make it urgent that solutions be found. The principal conclusion is that it is urgent for the country to adopt measures that imply sufficiently broad adjustments in the fiscal and monetary orderings to avoid a total erosion of its international reserves by the beginning of 1985, a monetary flood and uncontrolled inflation." The International Institute of Economics, a private pro-IMF think-tank, has diagnosed Colombia's problems as stemming from the fact that the drug market is "in recession along with the real economy."

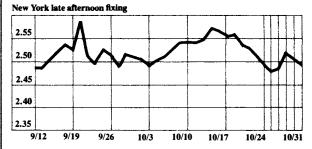
Currency Rates



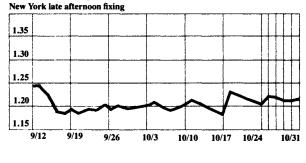
The dollar in yen



The dollar in Swiss francs



The British pound in dollars



Economic warfare set to partition Lebanon

by Thierry Lalevée

What eight years of war did not achieve, the last few months of relative peace are close to accomplishing. Lebanon's government is close to bankruptcy, and the economy is at a standstill. A political decision has been made to use financial and economic warfare to partition the country.

The same local and international financial groups which, during the last eight years, financed "right" and "left," "Christian" and "Muslim" militias, are today combining to deprive the central government of the economic means to unify the nation and re-establish peace. No one will be surprised to find that Damascus, which now has at its disposal millions of dollars coming from the illegal production and sale of hashish and opium in the Bekaa valley, is one such force. However, the local militias, which have received enormous financial benefits from the government's loss of power, have joined the conspiracy.

At the root of the present crisis is the rapid fall of the Lebanese pound to 9 to the dollar. Even during Lebanon's darkest hours, it had been maintained at a rate of 3 to 4. Now, the psychological threshold of 10 may soon be reached, a situation which will not only bankrupt the central bank, but also those traders investing in the potential reconstruction of the country who need more and more imports. The prime winners will be the drug-lobby and the black-marketeers who have no desire to see their powers taken over by the government.

It is suspected that many within the government are on the inside of the conspiracy, beginning with Camille Chamoun who plays an unfortunate leading role in the finances of the country today. Chamoun, who played a key role in engineering the outbreak of civil war in 1975, works with a consortium of international banks, reaching into Europe and the East bloc through the Byblos Bank, as well as into the Caribbean around Banco del Caribe, whose main activity is the laundering of drug-money. As many Lebanese political leaders know, it is the same Chamoun who has conspired for years with Israel's Ariel Sharon for a partition of the country.

With such insiders, the Syrians have been able to mount an international operation against the Lebanese pound. According to the French daily *Le Matin* of Oct. 27, a group of three well-known (but unnamed) Lebanese money exchangers have taken it upon themselves to buy large amounts of unexchangeable Syrian pounds, to convert them into Lebanese pounds which are then dumped in Switzerland, converted into dollars, and shipped back to Damascus via Beirut where they are used to speculate against the Lebanese pound.

Indicating the level of the conspiracy was the Oct. 4 announcement by the government that its attempt to mobilize international support for its currency was simply foiled through systematic failure of the telex and telecommunications systems. Lebanese communications officials told general prosecutor Camille Geagea who investigated the crisis that it was a "power failure." However, on Oct. 26, the Lebanese government announced that all internal and external communications were in the hands of the Shi'ite militias of the Al Amal group, who turned communications on and off at will, as a means of pressuring the government into more political compromises.

Backing such financial warfare has been the takeover by the local militias and feudal lords of most of Lebanon's foreign trade. For example, Beirut airport is in the hands of several Muslim militias who share among themselves the customs taxes on imports and exports.

Similarly, as the government met in emergency session on Oct. 20 to review the situation, it became clear that most trade was going through illegal ports built by the same militias over recent months, competing between each other to offer the lowest customs duties on imports. Tripoli's harbor is in the hands of the Syrians and Shi'ite militias. Camille Chamoun, a minister, owns his own illegal port between Beirut and Junieh at Dbaye. The Falangist party controls the largest part of Beirut harbor, while to the south, new ports have been built by the Druze as their own outlet to the sea to make a "Druze entity" self-sufficient.

Overall, Amin Gemeyal's central government controls less than 15% of the country's foreign trade!

With private militias and foreign powers like Syria controlling the nation's trade and currency, the government is now unable to raise the taxes necessary to maintain the vital functions of the state, much less prepare a comprehensive plan for reconstruction of the country. The danger is very real that, having spent all its reserves defending the value of the pound, Beirut will be unable to even pay its army, which, however small, is vital to demonstrate a national existence above private armies.

If this happens, Lebanon will not only be partitioned; it will become one of the most important havens for drugtraffickers worldwide. While the economists moan about the collapse of Lebanese exports being "a major factor contributing to the fall of the pound," they seem to overlook that not all exports are falling. On Oct. 29, French customs officers in Marseilles seized no less than 10 tons of hashish from Lebanon.

EIR November 13, 1984 Economics 7

The dismantling of European farming

George Elder, who polled 31% in his April 1984 Democratic primary bid for Congress in Pennsylvania, gives a firsthand report on the situation in Denmark.

The purpose of this report is to document the deliberate destruction of European agriculture by examining its most productive sector, the Danish, under a microscope. Just as in the United States, food production within the European Economic Community (EEC) is being cut back under the pretext that there is a worldwide food glut. Not only does the disastrous famine in Ethiopia, which is just a well-publicized case of the ongoing genocide by famine in Africa, give this the lie, but there are actually food shortages within the EEC itself. For example, milk shortages have already been reported in Germany by the press, with many dairies in Germany declaring that their milk deliveries have been reduced by 40%.

Not only do the new binding quotas on food production increase the possibility of an absolute worldwide food shortage in the not too distant future, but, as in the United States, this forced reduction of production threatens to bankrupt European farming. The situation in Denmark is paradigmatic.

According to leaders of the Danish farm community, there are only about 50,000 full-time farmers left in Denmark, who produce 80% of the food. Overall, 80% of the pork and two-thirds of the other foodstuffs produced are exported. Of the 50,000 full-time farmers, at least 5,000, but more realistically 10,000, are on the verge of bankruptcy, with more to follow. Farmers have been forced to begin investing in labor-intensive agriculture because they cannot afford new equipment. Farmers are forced to keep their money in farm operations or lose their equipment deduction by tax laws that allow only about \$9,000 per year for household expenses; additionally, farmers end up paying 70% or more of their income in taxes. Real estate taxes are as high as those in the United States.

Denmark is a country of family farmers—97% of their 73,000-80,000 total farm units are resident owned. They make up only 3% of the Danish population, which itself makes up only 2% of the population of the EEC. The following figures will demonstrate that these farmers are indeed the world's most productive agricultural producers: The Danish farmers produce 6% of the grain, 5% of the milk, from 3-4% of the beef and veal, and 9% of the pork grown within the EEC. These figures are taken from the 1982 report of the Agricultural Council of Denmark, where it is also claimed that each Danish farmer produces food for 135 people. This

is double the estimate for U.S. farmers. A financial collapse in agriculture would wreck the Danish economy as a whole. This country has increased agricultural production by 45% during the last 10 years. In addition, 45% of the total GNP is related to food; therefore this segment constitutes a much larger percentage of the real production of this country.

The current situation

Per hectare yields in grain this year are the best in the century, with the yield up by 30%. This has meant that grain prices are dropping by 36% compared to prices last year, and the trend is for further drops. While wheat prices are falling, fertilizer prices have risen by 25% from last season. In addition, an odd thing happened at the end of last year near Christmas. The price of fertilizer went up approximately 100%, stayed there for some time, then fell as sharply as it had risen. Farmers were told this happened because the U.S. dollar was so strong that the U.S. companies bought up all their fertilizer and had it shipped to the United States.

The high yield in wheat is due not only to good weather but to the introduction of winter grains into production. As everywhere, the credit situation is poor for these farmers, and a significant section of them are threatened with bankruptcy. While these farms may be taken out of production, thus reducing the supply of grain next year, the EEC is now considering mandating a quota for reduction of grain production next year, based upon this year's high yields. A further complication is that the present weather—heavy rains throughout the Jutland area—has pushed back the fall planting from one month to seven weeks, thus even more seriously threatening next year's grain production.

The low grain prices have created an ideal situation for pig farmers, since pork prices have been high this year; however, the expectation is of falling prices which should threaten them over the next two years. But even with low feed prices, the dairy industry is on the edge of collapse. Individual penalties are imposed on farmers under the quota system when a country goes over the quota limit. Early in this process, Denmark reacted quickly, and has been under the quota ever since. However, in the last two months, and especially the last month, production has been rising. If this trend continues, farmers face severe fines. One young farmer I met



Author George Elder, speaking at a conference of the European Labor Party in Wiesbaden, West Germany, during his recently concluded European tour.

must pay a \$40,000 fine for milk he produced. This farmer has doubled the herd production in three years from 2,560 kilos to 6,200 kilos. He has also increased the herd size from 65 to 140 head while hiring only one additional man. He, like many other farmers, used long-term planning. He remodeled his barn, made a large addition, and rebuilt his herd, anticipating a continued market for milk. If he has to pay the penalty, he will go bankrupt. After the quota program started, if he had cut production, he would have gone bankrupt then.

The scheduled reduction in milk quotas, as accurately as I can ascertain, amounts to 7% for Denmark, 2% for Italy and France, and 6% for England. The case in England is illustrative of the Malthusian implications of this EEC policy of forced reductions in food production. In England, large farms are forced to reduce production by an additional 5% over the mandated 6%. As a whole in Denmark, as a result of this policy, butter production has been reduced by 30%

The problem for the Danish farmer, as everywhere, hinges on credit. The credit institutions are an interesting study in themselves. I have been told, and some preliminary study seems to confirm, that when the serfs got land in Denmark, the smart oligarchs turned to controlling credit.

During the last five years, the agriculture sector went through a major credit crisis. At that time, it was believed that there were too many farms. Many farmers went bankrupt, and there were so many farms to be absorbed and so many young men who wanted to farm that the credit necessary to finance this did not exist. At that time, a special capital formation organization was formed by the government. This institution, as well as the others offering credit to the farmers, is in trouble. Farmers are again being told that there are too many farmers and that at least 50% must leave farming in the next 10 years. They are also being told that the old way of financing farming will not furnish enough money, and therefore new ways of financing farms must be found.

An end to the family farmer?

The way Denmark handles what is called "debt sanitation," which would be called debt reorganization in the United States, is a potential bomb. All interpretation of the law is left to local judges. Therefore, practice varies everywhere.

The "sanitation" program was begun to help save farmers from bankruptcy by allowing them time to reorganize their financial affairs. The debt reorganization takes the form of reduced payments on loans or no payments at all for a period of two years. A review is made after two years, and further action is taken.

The entire concept has been defeated by high interest rates and low prices. Therefore, rather than helping the farmer, the system gives the farmer a short reprieve before a final death sentence.

However, production does continue. One unique situation has helped save agriculture. In Denmark, a husband and wife do not go bankrupt together. Therefore a farmer can go bankrupt himself and go back into farming in his wife's name. A large number of farmers have taken this route. Discussion in the press by farm leaders and politicians confirms that the current financing arrangements for farmers are in flux. In fact, the two types being put forward will facilitate the shift in land ownership and control from the hands of the owner-operator. Farmers fear that attempts to remove the land from the control of the farmers will be successful. In the words of one farmer: "This time things are different; there is not political will to solve the problem."

With the reduction of grain prices, dairy production, and with 20% of the farmers on the verge of bankruptcy; with financial institutions already losing as much as 50% on an increasing number of bankruptcies, a total collapse is therefore imminent unless immediate, major changes are made. When it is noted that the average loan to asset ratio is 60% for farmers, this forecast takes on even more substance. The bankruptcies are decreasing land values, the major source of farm financing. As the trend continues, credit institutions will need more collateral, which the farmers obviously don't have. Agriculture is extremely capital intensive, and therefore a lack of credit means total colapse since farmers are unable to get the money out of their operations, even when passing the land on to the next generation.

The agriculture minister stated in a press conference in mid-October that there is overproduction in food and that therefore farmers should turn to alternate forms of production. He suggested farmers produce new food products like worms, eels, and snails.

What are those food relief groups up to?

by Linda Everett

With all the uproar about sending food to starving Africa, TV viewers have been saturated with advertisements from the leading food-relief organizations. Surely, these organizations did not just "discover" the starvation crisis. Just who are they, where did they come from, and what are they really up to?

There are six major food relief groups operating world-wide: Catholic Relief Services, Church World Services, Oxfam, Save the Children, UNICEF, and CARE (Cooperative for American Relief Everywhere). Although several of these organizations, in particular CARE and Catholic Relief, are veterans of World War II, the mentality of many of their volunteers is summed up in this quote from a volunteer:

"Hunger is the in-thing of the '80s. . . . Those who were into the environment in the '70s, are now into hunger in the '80s."

In other words, the dominant outlook of the leadership of these organizations—some of which may have begun with a true humanitarian spirit—is currently *Malthusian*. As environmentalists out to save the trees and "endangered species," they have now turned their attention to trying to drum into people's heads the lie that more people mean more starvation. Overseas Development Council

We begin by looking at the overlap between the boards of the leading "food-relief" organizations, and the leading environmentalist institutions. Particularly noteworthy is the linkage between major relief organizations and one of the major environmentalist think-tanks, the Overseas Development Council.

The ODC, founded in 1969 by James Grant, functions as the U.S. arm of the Socialist International's Brandt Commission. The ODC program is notorious for opposing the transfer of modern, productive technology to developing-sector economies, in favor of labor-intensive slavery. Even more outrageous is the fact that the leading members of the ODC are the chief organizers of the current international food shortage, and the disastrous policy of reducing U.S. agricultural production—the very policies which are at the root of the hideous starvation sweeping Africa, and Ibero-America.

Leading members of the board of the ODC are:

- 1) Orville Freeman, former secretary of agriculture, advisor to the Hubert Humphrey Institute, leading advocate of eliminating the productive family farmers of America and reducing "overproduction" by reducing crop acreage. The Hubert Humphrey Institute is a tool of the major international grain cartel, Cargill, Inc., in its campaign to reduce world food production.
- 2) Lester Brown, president of the Worldwatch Institute, a leading think-tank promoting the idea that the developing sector has already outgrown its "carrying capacity," and advocating the triage approach for those countries which "can't make it" because their population has supposedly outstripped their resources.
- 3) **Thornton Bradshaw**, vice-president of the ODC, is a trustee of the anti-population and anti-technology Aspen Institute and Conservation Foundation.
- 4) Robert McNamara, president of the ODC, is a notorious Malthusian who has used all his public positions, from secretary of defense to head of the World Bank, in order to implement his "belief" that "overpopulation" is the cause of misery, famine, and war.

Does ODC run the relief agencies?

It is therefore more than worrying that we find the ODC represented on the boards, or the executive, of most major food-relief agencies.

- Church World Service is a major "relief" agency, commanding an annual income of over \$41 million, and receiving 36% of its money from the U.S. government. The executive director of CWS is Paul F. McCleary, who just happens to be a member of the board of directors of the ODC.
- CARE is perhaps the largest of the international relief agencies, receiving an annual income of \$283 million, 47% of which comes from the U.S. government. The executive director of CARE is Dr. Philip Johnston, who is also a member of the ODC. Wallace Campbell, president of CARE, USA, is also on the ODC.
- UNICEF is well-known as the major agency of the United Nations which is mandated to minister to starving children. Seventy-five percent of UNICEF's funding, of course, comes from governments and intergovernmental organizations. Yet it is not governments who run UNICEF, but James P. Grant, the president of the Overseas Development Council from 1969-80.
- Africare is a relatively new relief agency, with an international board and a relatively small budget of approximately \$3.7 million. About 70% of this funding, nonetheless, comes from the U.S. government.

Despite participation of leading Africans, however, the day to day operations of Africare are run by C. Payne Lukas, who is also a member of the board of directors of the ODC.

The architects of those ads you see on television are not trying to stop starvation—they are trying to convince you that those children should never have been born.

10 Economics EIR November 13, 1984

Banking by Kathy Burdman

Regan in new conflict of interest?

Does the former Merrill Lynch chairman stand to gain by the cartelization of the U.S. banks?

The British-style cartelization of the U.S. banking system began Nov. 1, when the U.S. Treasury's comptroller of the currency, C. Todd Conover, told Citibank, Chase Manhattan, and 11 other large banks they could set up 30 branches in more than nine states, taking over little banks.

One of my readers charged this week that Treasury Secretary Donald Regan is covering up the bad loans of the major international banks so that they can carry out the scheme. A U.S. Senator is investigating.

Citibank will open branches in Ohio, Pennsylvania, Florida, and seven other states. Chase will open in Minnesota and Pennsylvania, Irving Trust is moving into Minnesota, New Hampshire, and Vermont, and the Mellons are moving into Ohio and Colorado. Conover said Nov. 1 that he will approve almost all of the 332 applications pending for interstate banks immediately.

Conover acted as the front man for Fed chairman Paul Volcker and his boss, Regan, who have to okay the move. Regan urged Conover to move without congressional approval. And while Volcker said on Nov. 1 that he is "reluctant" to do that, he endorsed four new banks immediately.

The Volcker regulators' action produced screams from the House and Senate banking committees and many states, who charge the new regulations were speeded up to prevent Congress and the states from writing laws against them.

"The comptroller's actions are totally unwarranted and clearly contrary to the intent of Congress," even the Senator from Mellon Bank, John Heinz (R-Pa.), complained Nov. 1. They "not only undermined the federal laws that prevent geographic expansion of banks, but also negate the states' power to determine which banks can best service its citizens." As EIR predicted last week, the Nov. 1 events show that Conover and Volcker will have the entire system cartelized by the time Congress reconvenes next year.

Conover had announced Oct. 15 that regulators will permit nationwide banking, which will largely develop as big New York banks take over thousands of failing domestic U.S. banks. Farm belt, oil-related, and other domestic banks on Conover's list of 797 "problem banks" will be easy prey.

Regan has a lot to gain by this cartelization scheme. First, his former company Merrill, Lynch can set up its own national bank operations under the new loopholes. More importantly, as one of my readers charged in a recent letter to Regan himself, he has been covering up the bad earnings of the largest banks, which will now try to cover those losses by stealing the business of regional bankers.

"The 10-12 largest banks in the U.S. are publishing false statements, false earnings, and paying dividends out of earnings not received," my reader wrote. "They are fooling the public, the depositors, and bank stockholders.

"You did not wake up the comptroller of the currency and have the President instruct him to have all bank examiners in the country thoroughly examine all of the big banks. If the

banks are found technically bankrupt, they should cut their dividends. If irregularities are found, call the FBI and do not hesitate to cross-examine management.

"Of course you did nothing, and I know why. You would not because it would hurt you financially through your holdings in Merrill, Lynch. You would not act to deprive Merrill, Lynch of a great deal of [bank stock] business. You made decisions favorable to yourself and against the 235 million citizens who look to you for protection. You should be charged with neglect of duty and relieved of your position. . . .'

My reader has had his charges substantiated by a U.S. Senator from his state. "I have reviewed the letters that you have been writing to me and to the President," the senator wrote back. "They make a great deal of sense. I am sorry to see that the President does not appear to be reading your messages, and that neither Paul Volcker nor [FDIC chairman] William Isaac seem to be heeding your concern. Even so, I think you should keep it up, because when the house of cards eventually caves in, you will be able to say that you have been proven right."

Regan and Volcker's license to New York megabanks to eat up smaller banks providing credit to industry and agriculture helps explain why the regulators are cracking down on the small banks, while letting the New York banks' rotten Ibero-American loans go scot-free. They have forced domestic-oriented U.S. banks like Continental Illinois and dozens of smaller banks to take major losses. Conover told the American Bankers Association convention Oct. 24 that his fearless examiners are "getting even tougher" on domestic "energy, agriculture, and real-estate loans."

Energy Insider by William Engdahl

Geneva meeting avoids major issues

The recent oil meeting could manage only temporary solutions, and the threat of further price cuts remains real.

OPEC's three-day emergency pricing session prevented, as expected, a generalized price war, but did nothing to prevent a major collapse of prices early in 1985. This had nothing to do with the OPEC meeting as such; the players who now control the oil market were simply not at the table.

Prices for light crude (as opposed to heavy) have been weakest because Britain, Norway, and the Soviet Union have increased their shipments during the past several weeks. Unlike Nigeria, these are not cash-short developing nations which have no choice but to maintain revenues. The trio is coordinating a market strategy which implies a major reduction in prices. As recently reported by *EIR*, such a reduction would propel the overvalued U.S. dollar over the edge.

A Dow-Jones survey released on Nov. 2 confirmed that Britain and Norway had both increased liftings during September, the period of maximum softening of light crude prices. Britain's share of the North Sea increased output by 3%, Norway's, 6.2%. The survey adds: "Preliminary indications are that Norway's output will continue to rise in October."

It is useful to recall that the immediate crisis was triggered on Oct. 16, when Norway, a producer of North Sea light crude, surprised the world by taking what seemed a unilateral action to make its lighter grades of crude more saleable in the present sluggish world oil market. Ten years ago, and even five years ago, light crude was the premier quality most in demand by world refineries since it was the abun-

dant Saudi Light which defined world price reference. Since the destabilization of Iran in 1979, there has been a marked structural shift in Western refining capacities toward more efficient processing of the heavier grade crudes from areas such as Mexico. The market for the light crudes, specifically those of the North Sea, Nigeria, and, to an extent, Soviet Urals light, have thus become marginally weaker.

According to reports circulating in Sweden, the Socialist International government in Stockholm forced Norway into the price decrease. Reportedly, the immediate trigger forcing Norway's unexpected unilateral price cut the week of Oct. 15 was the threat to buy elsewhere by two Swedish oil companies, both closely tied to the pro-Moscow Socialist government of Olof Palme. According to the Swedish business daily Dagens Industri of Oct. 30, Swedish Petroleum Corporation, a government-owned oil company, and OK, a Socialist-party cooperative oil company, threatened Norway's Statoil to cancel its purchasing contracts if Statoil didn't drop its price to that attainable on the competitive spot markets (where Moscow has become a major market force in recent years). Sweden buys some 10% of Norway's

Whether this trigger or, as some have suggested, the major oil multinationals such as Mobil were behind Norway's move, the underlying reality is a depressed world economy awash in energy which cannot be sold. This depression is reflected in the 4.1% drop in volume (5.4% in price) of pe-

troleum imported by the United States in September.

OPEC itself is becoming increasingly factionalized as the result of bickering over who shall cut production.

OPEC's formal agreement for a temporary reduction of some 1.5 million barrels per day (mbpd) by its 13 members has apparently been joined by Mexico's agreement to cut its output as well, though it is not a formal member of the cartel. OPEC's plan is to cut output from 17.5 mbpd down to 16 mbpd during the next weeks, reasoning that winter demand and low company stocks will put upward pressure again on prices. One analyst predicted that if the anticipated demand for the winter reaches 21 mbpd, there could actually be major short-term supply shortages. This is the risky Saudi gamble of Sheik Yamani.

Indicative of intra-OPEC pressure is the fact that Saudi Arabia itself is being charged by other OPEC members with provoking the present pricecollapse crisis. Several months ago, Saudi Arabia cleverly hid a de facto price cut in its crude by increasing the percentage content of the mix of Arabian Heavy in its export contracts from 20% up to 35%, effectively making its Arabian Light 50¢ per barrel cheaper. The Saudis have also come under attack for its circumventing of the official OPEC quotas by various barter deals, such as one spectacular billion dollar barter for Boeing jet planes. Technically, barter does not fall in the letter of OPEC's member production ceiling agreement. But many members feel such major barter violates at least the "spirit" of the OPEC agreement. The present shaky Geneva accord, the brunt of which will be borne by the Saudis as the so-called "swing producer," can hold for weeks, but not months.

Domestic Credit by Richard Freeman

The beginning of the downturn

All the sources of so-called "recovery" are exhausted, and even official economic indicators are reflecting the bad news.

In our mid-year review of the U.S. economy, EIR demonstrated that the entire previous year's apparent growth in the physical U.S. economy derived from two, and only two, sources. The first was statistical fraud, which doubled the reported size of the actual growth of physical output. The second was the trade deficit, as mediated into the economy through an enormous expansion of consumer credit.

EIR forecast a falloff of economic activity during the second half, leading to a steep decline in 1985 comparable to the more than 6% reduction in output registered during 1982. Pending our end-of-year survey of manufacturers' and other business associations' output data, it is difficult to read much into the cooked data offered by the Federal Reserve and the Commerce Department; however, the pattern registered thus far indicates strongly that the economy has been headed downward since the mid-year mark, precisely as EIR forecast.

In short, the statistical agencies of the Federal government, as well as most private-sector forecasting agencies, are starting to break the news gently that the economy is headed into a post-election tailspin.

There is no need to impute any direct relationship between the reported data and the actual economy. The decision to report such data, rather, shows that the agencies in question are preparing for the worst.

The one source of continued apparent economic growth is the trade

deficit, reported at \$12.65 billion during September, against \$9.86 billion in August and \$14.06 billion in July. Over this three-month period, in other words, the deficit's annual rate was over \$150 billion. With the fall in both volume and price of imported oil, the oil portion of the deficit fell to only \$1.1 billion—about one-twelfth of the total. Not only is the deficit rising, but the manufactured-goods and capital-goods components account for all of the rise.

That is to say, the United States is continuing to draw a huge subsidy from other economies. The collapse of the dollar during 1985, which may have already begun over the last two weeks, will shut off our ability to buy such volumes of foreign goods, and push the economy into a tailspin.

September's reported 0.6% drop in industrial production, as reported by the Federal Reserve Board, could mean anything, since the four gnomes who invent this data in a back room on Constitution Avenue in Washington use criteria they describe as "judgmental."

Nonetheless, the 4.3% fall in September durable goods orders puts the total reported volume of orders back down to the level registered at the beginning of 1984 in dollar terms; reckoning that inflation is several percentage points higher than reported, the actual volume of such orders is considerably lower.

Also, shipments of durable goods reportedly fell by 2.5% in September,

leading to the first decline in manufacturers' backlog of orders for durable goods since February 1983.

Factory orders also fell a reported 1.8% in August, after falling by 0.8% in July.

The reports of a decline in output and orders are mirrored in the reports of the labor market situation. New unemployment claims rose to 392,000 in the weekended Oct. 13, from 386,000 in the previous week, and 375,000 one week earlier.

The Conference Board's help-wanted index, the business organization reported Oct. 3, suffered its largest drop in the course of the "recovery," from 138 to 128.

The financial crisis which engulfed Financial Corporation of America in August, shaking the entire savings-and-loan industry, has already blown a big hole in the most important conduit of consumer credit, namely mortgage lending.

The savings and loans took in only \$1 billion in new deposits during September, down from over \$2.8 billion in August, and \$4.5 billion in July.

Consequently, the thrifts lent only \$11.3 billion in new mortgages during September, against \$15.3 billion in August and \$15.6 billion in July, the lowest loan volume since February of 1984. Permanent lending was down by almost one-quarter from the previous month, to \$8.6 billion, and construction loans fell by 19% to \$3.3 billion.

The collapse of lending and deposits during the August-September period was entirely the result of the end of the money-market bubble which had sustained the savings institutions. The big savings and loan's bid for hot money at extraordinary interest rates, and the nearly defunct Financial Corporation of America paid the price, in the form of a run on its deposits.

BusinessBriefs

Ibero-America

'Debtors are financing American prosperity'

At the end of the meeting of the Latin American Economic System (SELA) in Caracas in late October, more than 40 resolutions were passed calling for the United States to change its economic policies, particularly regarding debt and interest rates.

SELA president Juan Manuel Villasuso charged: "Washington's policy of fiscal deficits and high interest rates has forced major capital transfers from Latin American debtor nations and has effectively meant the region is financing U.S. prosperity." On the debt he said, "This was not dealt with in detail because it was felt the debt issue has now moved to the political forum created by the Cartagena group rather than SELA, which is technically oriented."

Alvaro Becerras, Peru's industry minister, told the press: "Until we have resolved the foreign debt problem, we won't have development in Latin America, and the repayment burden will have a serious impact on social and political stability." He also made a proposal that SELA study the possibility of the creation of an "Andean peso," to allow the countries of the region to abandon their dependence on the dollar. Becerras stated that they "can start with a basket of currencies of the Andean countries, which would have as a reference, not the dollar, but values of exports of that region."

The Debt Bomb

Venezuela retaliates against World Bank

Venezuela has retaliated against the austerity conditionalities of the World Bank by pulling out the \$232 million it had held on deposit there since 1974. The World Bank had refused to help the country complete the Guri Dam.

President Jaime Lusinchi ordered the withdrawal on Nov. 2, saying: "We have to sneer at the World Bank. Venezuela com-

plied with all our commitments to international agencies, the World Bank among them, and what the bank is now doing, at a time when Venezuela has financial problems, is unjust."

The potential for revolt by hard-pressed Ibero-American debtor countries was noted in the City of London's *Financial Times* in its editorial of Oct. 30. It warns: "It is still too early to pronounce the debt crisis over. . . . Trade surpluses and IMF agreements cannot guarantee a country's readiness to service debt for years, and even decades, ahead. . . .

"Bankers and monetary authorities would be rash to ignore continuing discussions in Latin America about the need to confine debt service payments to what each nation 'can afford.'

"After three years of sacrifice, Latin American nations are becoming impatient for the rewards—in terms of higher consumption, jobs, price stability and, not least, a sense of national self-determination. Any setbacks which the debtors might suffer in the years ahead are unlikely to be met with further sacrifices and policy retrenchments. If the world economic recovery begins to falter in the next two years, the margin for error in the existing rescheduling arrangements could turn out to be desperately narrow."

The Grain Trade

USDA subsidizes swindler's fines

The U.S. Department of Agriculture (USDA) has awarded a \$33 million subsidy to a fugitive from American justice, the Swissbased grain-dealer Marc Rich, a business associate of Henry Kissinger.

The giant Swiss commodities company Marc Rich & Co., A.G. (Richco) had just pleaded guilty to 38 counts of "false statements" and agreed to make restitution to the U.S. Treasury for back taxes of \$200 million, which Richco and its New York affiliate had evaded. But meanwhile, the U.S. Agriculture Department arranged to help Marc Rich settle with the Treasury by

awarding CCC Export Credit Guarantee Contracts (GSM-102) worth \$33 million to Richco—or about 15% of Rich's tax settlement—to finance Richco grain sales to Ecuador.

Rich has behind him a string of corrupt deals involving convicted swindler Robert Vesco (another fugitive from U.S. courts); Billy Carter; Armand Hammer; and, of course, Henry Kissinger. Federal indictments handed down against Rich since 1981 include tax evasion, fraud, racketeering, and other violations of the RICO act established to go after organized crime.

Under Rich's guilty plea, the U.S. government is to receive \$200 million for back taxes, but other charges still stand, and Marc Rich and his associate, Pincus Green, remain in Switzerland as fugitives from justice.

The USDA decision to award money to a notorious fugitive goes through the USDA Foreign Agriculture Service right to the man at the top, Undersecretary Daniel Amstutz, a man in the middle of international grain cartels. Amstutz is a 25-year executive of Cargill Corporation, and was on the staff originating the Cargill Swiss commodities office, Tradax, in 1954.

The USDA Foreign Agriculture Service granted Richco a contract for August delivery of hard-red winter wheat to Guayaquil, cost and freight. Then in September, the USDA granted a contract for November and December wheat delivery.

Petroleum

Mexico condemns Soviet undermining of OPEC

Jorge Eduardo Navarrette, Mexico's deputy foreign minister for economic affairs told the Havana meeting of the Soviet economic bloc (the Council for Mutual Economic Assistance, or Comecon) on Oct. 29 that the Soviet Union's oil export polices "have been guided by very short-term considerations." Navarrette demanded that the Soviets and other major oil exporters "act responsibly" to defend the present price structure.

His speech was published in Mexico City by the Mexican foreign ministry, in the midst

of a dispute between nationalist sectors of the government which support cooperation with OPEC in reducing production levels and factions owned by Mexico's creditors, such as Pemex head Beteta who want to export oil at any price.

It is rare for Mexico to publicly criticize other oil exporters, and even rarer for Mexico to condemn the Soviets in international forums, particularly in Havana. Navarrette said that "the socialist community's export goals and pricing policies . . . in the recent past have not contributed to defending and preserving the stability of the international oil market, but have been guided by very short-term considerations that give priority simply to maintaining or increasing their share of the market."

Mexico announced that it will reduce its oil exports by 100,000 barrels per day for the month of November, in concert with OPEC. Price levels will remain unchanged.

International Trade

Moscow uses energy blackmail on Europe

In an unprecedented move with enormous implications, Moscow announced in late October an embargo on deliveries of oil and coal to Britain. The move, which was announced by the head of the Soviet Coalworkers Union as a "protest against the repression of English miners by the Thatcher government," follows sensational revelations of secret meetings between British National Union of Miners leaders and representatives of Libya's Qaddafi. Officials of the miners' union have confirmed these reports.

While the impact of a Soviet oil and coal embargo on Britain will be negligible, the move is the first known use of such blatantly political "energy blackmail" against a Western government and sets a dangerous precedent.

The message of the embargo is certain to be read most clearly among West German industrial and political circles. Last year, Russian natural gas supplied more than 20% of West Germany's industrial needs. This October, initial deliveries from the controversial Urengoi Siberian gas pipeline project began to go to Ruhrgas in North Rhine-Westphalia. By 1990, if current plans proceed according to schedule, German industry will get 30% of its gas from Siberia. Will Moscow threaten to halt this energy next to force policy changes in Germany, or for that matter, Italy and France, as it has now done in Britain?

'The Recovery'

European media discuss U.S. bank troubles

The London Financial Times of Oct. 31 carried a detailed analysis of the increased loan losses of the top 15 U.S. banks for the third quarter. Following the Times' warning the previous week of the bankruptcy potential of large agriculture-tied U.S. banks, the new piece gives a bank-by-bank rundown of major U.S. bank loan losses.

"Despite the U.S. economic recovery," the London daily states, "the major U.S. banks continue to be troubled by poor credits and bad loans. . . . " The article gives a detailed performance rundown of the big 15 U.S. banks, reporting the following information:

In the category of "non-performing loans," Bank of America leads the pack in the 3rd quarter with \$3.47 billion, followed closely by Citicorp at \$2.50 billion, Chase Manhattan at \$2.10 billion and Manufacturers Hanover at \$1.80 billion. Fully 13 of the 15 banks "also had higher third-quarter charge-offs than in the same period last year, and reflecting the unusual nature of this economic recovery, non-performing loans grew over the same period last year. . . [emphasis added]."

The same theme of the vulnerability of the U.S. banking system is echoed in the West German popular weekly Stern, in an article titled "The Fear is Spreading." The problems of Continental Illinois, FCA, and First Chicago lead bank experts to ask, "Which bank is next?"

Briefly

- THE PRESIDENT of the Peruvian government's budget commission, Daniel Linares Bazan, has stated that the government is investigating alternatives for solving the problem of the foreign debt, including a debt moratorium. "We are studying a series of alternatives; one of them could be the debt moratorium." he said. He warned, however, that this could be by a "bilateral accord with the International Monetary Fund or by treaty with several countries that can do it jointly."
- MARGARET THATCHER, in an interview with the West German daily Die Welt, declared that "the wealth of a nation depends on how much a single person is able to produce, so that the wealth of a nation reflects the average production of a single person, and the more machinery and technology you have, the greater your wealth." Is Maggie breaking with Adam Smith?
- ALLEN WALLIS, State Department undersecretary, has just been appointed George Shultz's main adviser on the "restructuring" of Israel's economy. He started his career as a Nazi race scientist. He established his reputation as an economist with a paper at the 1932 meeting of the Third International Congress of Eugenics in New York City. The topic of the paper: "The Statistical Distribution of the Nordic Racial Stock." Also featured at the congress was Dr. Ernst Rudin, co-founder of the German Society for Racial Hygiene and the author of Hitler's law "For the Protection of German Blood and German Honor," which defined Jews as non-citizens and prohibited sexual intercourse between Jews and Aryans.
- LYNDON LAROUCHE'S campaign organization, Independent Democrats for LaRouche, received a terse note from its New Jersey bank that the contract between the bank and the IDL was "terminated." In a move unusual even in New Jersey banking circles, the total IDL funds deposited in the bank vanished along with the contract.

EIRSpecialReport

Indira Gandhi's murder puts the world closer to war

by Linda de Hoyos

The murder of Indian Prime Minister Mrs. Indira Gandhi on the morning of Oct. 31 may well be the death blow to world peace. It has thrown India into an orgy of violence, which if not stopped, will destroy the country and the entire subcontinent. It has increased the possibility of war between India and Pakistan and the consequent blow-up of that war into a superpower showdown.

The greatest loss to the world, however, is not the immediate strategic results of her vile murder, but the loss of her current and future contributions to humanity. Of all the leaders of nations today, Mrs. Indira Gandhi most exemplified the maxim of the great poet Friedrich Schiller that each individual must be at once a patriot of one's country and a citizen of the world. She was at once the soul of India and put forward that soul as a powerful force for good in the world.

Indira Gandhi's assassination culminates a long process of steadily escalating operations against her government, operations the sources of which, she repeatedly stated, were foreign powers. Those powers have been identified as British intelligence, often running through channels operating out of the United States, the Swiss-based Nazi International, and the Soviet Union. *EIR* has proven these forces responsible for every separatist movement in India.

The Sikh separatist movement has posed the most dire threat to the integrity of India. The major spokesman for this synthetic creation is the London-based Jagjit Chauhan Singh. On June 7, the day after the Indian Army moved in on the Sikh Golden Temple, which had been turned into a fortress for insurrection in Punjab, Chauhan went on the airwaves of the British Broadcasting Corporation to call upon Sikhs in India to murder Mrs. Gandhi and her son, Rajiv. The Indian government protested to Britain that the BBC was permitting open incitements of violence over its airwaves, which were heard by millions in India. The British government took no corrective action.

On Aug. 25, 1984, the British signaled their full policy support for Chauhan Singh with the most vicious personal attack launched against Mrs. Gandhi up to that point. The attack was fielded through the London *Economist*, which depicted Mrs. Gandhi in a grotesque caricature as the goddess of Kali, the goddess of death.



Mrs. Gandhi visiting in Srinagar, the capital of the Indian state of Jammu and Kashmir.

PIB

The *Economist* lead editorial began its diatribe: "A ruler who regards opponents as demons is liable to start behaving in a demoniac way. . . . Like the warrior goddess Kali, she set out to smite all centers of opposition power. . . . The manipulation of India has gone far enough."

The London *Economist* signified that the stage of destabilizations against the Gandhi government had gone beyond the point of pressures to the call for her elimination as the country's leader.

The policy was seconded by the Soviet Union one month later in an interview appearing in the *Times of India* with R. Ulyanovskii, deputy chief of the Central Committee's International Department, who expressed the Soviet Union's "concern for the strengthening of tendencies for placing all power in the hands of one person." Given that Moscow a year before had issued its endorsement of Mrs. Gandhi through Ulyanovskii, this statement could only be seen as a warning-threat against Mrs. Gandhi personally.

One week after Ulyanovskii's pronouncement, Indian security forces went on full alert on the basis of reports of an imminent assassination plot against the prime minister.

The fact that Mrs. Indira Gandhi is now dead at the hands of assassins has nothing to do with the complaints voiced by London, Moscow, or Washington, that she had reversed the democratic tradition set by her father in order to achieve a Gandhi dynasty. Since when have the British and Soviets become champions of democracy?

The issue was the strategic crisis and Indira Gandhi's determined work on behalf of global stability. First was the fact that Mrs. Gandhi represented the primary obstacle to the

total destabilization of the subcontinent itself. More importantly, as the chairman and most respected leader of the Non-Aligned Movement, Mrs. Gandhi was actively—despite the domestic crises she faced—using her influence to cool out international crises. Before she was gunned down on Wednesday morning, Oct. 31, Mrs. Gandhi was in the process of pulling together a combination of forces—including Iraq and Egypt—to try to achieve a coalition for stability in the Middle East-Indian Ocean basin. This initiative reportedly had the backing of the Reagan administration.

This is but one example of the kinds of foreign policy interventions Mrs. Gandhi was in the midst of.

In the world strategic arena, it was Prime Minister Indira Gandhi's unique capability to speak in the arena of world politics for the hopes and demands of millions of human beings who have suffered under imperialist, colonialist forms of rule. Mrs. Gandhi, who personally took charge of the Science and Technology Ministry, personified India's own great achievements in the 37 years of its independence in science, technology, nuclear power, and agriculture, and brought those achievements to bear as a champion of the underdeveloped world upon the enemies of civilization. Her murder is a warning from those oligarchical forces that they will no longer tolerate such challenges to their power. It is now up to republican patriots everywhere—especially those in the United States—to decide: Will Indira Gandhi's murder result in their cringing in fear at the powers that struck her down, or will it cause them to act decisively and swiftly against her murderers and for the new world order she fought so hard for?

EIR November 13, 1984 Special Report 17

The British assassinate Mrs. Gandhi; more ominous than Sarajevo murder

by Lyndon H. LaRouche, Jr.

Lyndon LaRouche issued this statement on Oct. 31.

This morning, at 9:18 a.m., New Delhi time, assassins of a London-based terrorist cult murdered one of the greatest world leaders of our generation, India's Prime Minister Indira Gandhi. My wife and I, who loved her dearly, can not find words adequate to express our personal grief.

If India is destabilized as a result of this assassination, the effects could become quickly as dangerous as the murder of the Austrian Archduke Francis Ferdinand, on June 28, 1914, the incident which triggered World War I.

The bare facts of the assassination are as follows.

Credit for the assassination was claimed by a terrorist cult headed by a London-based associate of the Nazi International, Chauhan Singh. In an interview conducted in London today, the terrorist leader gloated over Mrs. Gandhi's murder, and promised more assassinations, including Mrs. Gandhi's son, Rajiv. Similar statements were televised by the California-based branch of the same terrorist cult.

The cult headed by Chauhan Singh, the so-called Khalistan Liberation Front, is an international terrorist organization created by British intelligence. The cult was manufactured as a "fundamentalist version" of the Sikh religion. The main conduit through which British intelligence deployed British-trained "Khalistan" separatists into India was a special, non-stop jet-flight of British airways, from Birmingham in England to Amritsar in India.

Chauhan Singh himself was a formerly semi-obscure Sikh separatist who virtually disappeared from sight, inside England, during the 1970s, occasionally surfacing at the Soviet KGB training-center in Tashkent, from which Soviet KGB operations into various parts of Asia and the Caribbean are run.

After this combination of British and Soviet sponsorship, Chauhan Singh emerged as a self-styled anti-Soviet right-winger, maintaining close associations during a recent period with the headquarters and front-organizations of the Lausanne, Switzerland-based Nazi International. The Nazi International's Algerian terrorist, Ahmed Ben Bella, was among Chauhan's associates during recent years.

Inside the United States itself, Chauhan Singh's sponsors

around Washington, D.C. have been chiefly circles of the Heritage Foundation, through which Singh was at one point foisted on a misinformed Sen. Jesse Helms. Through circles under investigation separately as suspected Soviet agents, Chauhan Singh's tentacles reached into the heart of the Afghan Rebels lobby, as well as into Khalistan terrorist circles based in California. The Indian government had complained that weapons apparently destined to be shipped to Afghan rebels through Pakistan were diverted into Khalistan terrorist circles inside India, instead.

The Nazi-Communist connection

Investigators for the Executive Intelligence Review had warned leading circles in India as early as spring 1983 of documented evidence proving that both the Soviet KGB and the Nazi International were deeply involved in Khalistan terrorist activities targeting India. Documentation included corroboration of Chauhan Singh's own admissions that he was in contact with the Nazi International in Europe. Documentation also included proof of massive collaboration between the Soviet KGB and those leading elements of the Nazi International with which Singh was in collaboration.

Soviet agents in India, unfortunately, deployed massively in the effort to discredit *EIR*'s documentation of the plot. The Soviet agents lied that Chauhan Singh was merely a British and American agent, who had nothing to do with the Nazi International.

However, it was the same Soviet agent who directed the operation against *EIR*, Rostilav Ulyanovskii, who first signaled the coming assassination of Mrs. Gandhi, in a statement issued in an interview in the *Times* of India on Sept. 30, 1984. Ulyanovskii, who had been awarded the Nehru Peace Prize by the government of India in 1983, stated that the Soviet Union was concerned about an alleged "strengthening of tendencies for power in one person"—Mrs. Gandhi.

There could be no doubt of the significance of Ulyanovskii's statement. Soviet official propaganda is based on a well-known glossary of code-phrases. For example, when Moscow's press orders someone's assassination openly, Moscow does not print the words, "Kill her." Moscow says something like, "Her usefulness has expired." The Soviet agents in the field throughout the world know exactly what



Lyndon and Helga LaRouche, during a July 1983 visit to India. They are shown here with Dr. H. K. Jain, director of the Indian Agricultural Research Institute near New Delhi.

this means. Ulyanovskii's statement ordered Soviet agents throughout the world to do nothing to interfere with getting rid of Mrs. Gandhi.

For the past three weeks, there has been an international intelligence alert warning of a live assassination-plot against Mrs. Gandhi, a warning based on information received by informants to leading intelligence services. There was no doubt of what Pravda of Oct. 30, 1984 signaled. Moscow said that the responsibility for the assassination would lie with the United States. The assassination was actually conducted by a British intelligence front-organization, Chauhan Singh's. Very soon, Moscow will "reveal," that the "proof" that the United States was responsible, is that the Heritage Foundation, a British intelligence front-organization, is up to its ears in support for Chauhan Singh, and that the circles of Daniel Patrick Moynihan and Henry A. Kissinger are up to their ears in anti-Gandhi plots.

A day before the assassination, Moscow published the announcement that Mrs. Gandhi's assassination was imminent, and she died within approximately 48 hours of the time that announcement went to press. Moscow reported that the United States would be responsible for Mrs. Gandhi's almost immediate assassination. This is the way in which Moscow officially announces an order for immediate assassination.

In short, certain factions in British intelligence killed Mrs. Gandhi, as a favor to Moscow, and Moscow will now blame the Reagan administration for the assassination. Which factions of British intelligence? Ask Britain's Lord Bethel, a close contact and ostensible political backer for Chauhan Singh.

Chauhan Singh, an avowed head of an international terrorist organization, sits under protection of the British Crown, bragging of his part in a wave of terrorist assassinations in interviews! So much for British "sincerity" on the subject of international terrorism.

Mrs. Gandhi and President Reagan

Mrs. Gandhi was informed that an attempted assassination of her was imminent. She referred to this in an interview with UPI three days before her assassination.

"If I were to die serving my country, I would be very proud. . . . I feel I have to fight evil, I have to fight what is wrong but you cannot be bothered about what is happening to you in consequence—you have to go on with your job."

I have received that message, and I shall now begin to act upon her instruction. I will tell what I know of her attitude toward President Ronald Reagan.

My wife, Helga, and I had been in occasional contact

EIR November 13, 1984

with Mrs. Gandhi since our correspondence of 1977. There were a few exchanges of letters, and, less infrequently, confidential messages transmitted through trusted intermediaries. We were friends in the time her life and that of her family were threatened, when she was out of government; we were friends when she was reelected to government. Helga and I met with her in her office during both of our visits to India, in 1982 and in 1983. On both these occasions, I encouraged her to concentrate on developing her personal contact with President Reagan.

When I brought this up with her the first time, she nodded. She had met the President briefly during the Cancun summit and had liked him; but, she complained, those bureaucratic watch-dogs had broken up their discussion barely as it started. She said she wished an opportunity to discuss matters privately with him at greater length; I promised I would do my best to impart her view to relevant circles in Washington.

Quite naturally, we returned to the same subject during our 1983 meeting. To grasp the impact of our discussion, one must know what had happened in India just days before our meeting. U.S. Ambassador to India Barnes had committed an aggravated diplomatic affront to India on the eve of Secretary of State George Shultz's arrival.

Ambassador Barnes had called a special press conference, at which he dictated to Indian press representatives a declaration stating that India was being foolish in its handling of the Khalistan separatist movement. Barnes argued that the Khalistan terrorists were comparable to the Puerto Rican separatists in the United States. When India's press discreetly omitted that part of the interview from the published accounts, the U.S. Embassy issued the offensive remarks in an official release. This action by the ambassador caused the first popular demonstration against the U.S. Embassy in India on record.

I had my own evaluation of this atrocious incident. I had met Ambassador Barnes a year earlier, when he attended a reception held for me in New Dehli. He was a senior career diplomat, and no fool. He was no nasty clown, like an earlier ambassador to India, Daniel Patrick Moynihan. Ambassador Barnes would never have committed such a breach of diplomacy unless he had been ordered to do so from the State Department in Washington. He did so on the eve of Secretary Shultz's arrival in India. Only a paranoid liberal could imagine that the ambassador had not been ordered to perpetrate the diplomatic incident, as a way of setting the tone for Secretary Shultz's meeting with Mrs. Gandhi.

Mrs. Gandhi was too great a statesman to react emotionally to such an orchestrated insult by Secretary Shultz's State Department. Although the press of India was still raging with indignation at the State Department's crass, pro-terrorist meddling in India's internal affairs, Mrs. Gandhi and I wasted no breath on the wicked schoolboy pranks of our State Department. We concentrated on serious matters.

Mrs. Gandhi was a true friend of the United States, as her father, Prime Minister Jawaharlal Nehru, had been before her. This was her policy, despite the numerous abuses India has suffered from our State Department since the time Daniel Moynihan was U.S. ambassador. She liked President Reagan personally, and she wished to develop understanding and cooperation with his administration, insults or no insults.

Small-minded idiots alleged she was pro-Soviet. Mrs. Gandhi understood clearly that although India is a superpower within the Indian Ocean region, India, like most of the world, is caught between two superpowers, and that the Soviet Union is the closer of the two geographically. Much as she liked a President such as Ronald Reagan, India must maintain a correct and cooperative relationship with the Soviet Union. Moreover, India is the largest of the Non-Aligned nations organization; Jawaharlal Nehru was one of the founders of that organization. India's correct policy, in the eyes of every Indian patriot, is to steer a course of national interest with maximum distance from the superpower alliances as such. If our State Department had understood the realities of that region of the world, it would have understood that Mrs. Gandhi sought friendship and cooperation with the United States from the standpoint of India's strict adherence to its position as a leading nation of the Non-Aligned group.

That was my understanding of India's vital self-interests. That is what I understood as the view of every leading Indian patriot, including Mrs. Gandhi. I understood it to be my duty, as an informed public figure of the United States, to attempt to inform relevant circles close to President Reagan of this point of view.

Mrs. Gandhi made it very clear to me, that she understood that despite my special great affection for India and its development, I am primarily a patriot of the United States. I think she would have despised and distrusted me if I were anything different than that.

I have met numerous influential figures, many of whom I have liked personally, but Mrs. Gandhi was in a class of her own. I say this not merely out of my great sorrow; this was my stated estimation of her, in private and in print, while she was alive. Whatever shortcomings she might have had, among all nations, she was the world's greatest statesman in the period since the death of that President Charles de Gaulle who had admired her with astonishment at the time when she, still a young woman, had spoken at a dinner at which both of them were present. I have never met another political figure with the quickness and breadth of detailed grasp of each of a variety of topics presented to her.

One of my great satisfactions was to know that the copies of *Fusion* magazine supplied to her were read regularly in her home, not only by her, but as source-material for her cultivation of the education of her grandchildren. She was a consummate statesman, who also found time to be efficiently a devoted mother and grandmother. Both Helga and I found that beautiful, small-statured woman to be infinitely toughminded and also an entirely lovable personality.

She exuded brilliance of intellect, toughness, and a lovingness toward people at the same time. It was that toughness and lovingness which the poor of India correctly saw and loved in her. To them, she was India personified.

Mrs. Gandhi: patriot, statesman, and friend of the United States

We present Mrs. Gandhi here, through excerpts from herown speeches and interviews of recent years.

In an interview with EIR published on Oct. 6, 1981, Mrs. Gandhi was asked about the causes of the danger of war today. She replied:

There is no one source. It is a general attitude of most people to pursue what they consider to be their immediate national interests, even if they are not in the long-term interests of the world, and therefore themselves.

For instance, if the developed countries squeeze the developing countries as we are being [squeezed], where do they sell their goods? They can't have it both ways. We are the natural markets, but if our people don't have the purchasing power, then obviously the West will be hit also. As they are—[through] unemployment and so on. The U.S. seems to have solved this problem by giving dominance to the armaments industry.

Mrs. Gandhi arrived in the United States for a summit meeting with President Reagan on July 29, 1982. Here is her statement at the welcoming ceremony at the White House:

Mr. President and Mrs. Reagan, to me every journey is an adventure. And I can say that this one is an adventure in search of understanding and friendship.

It is difficult to imagine two nations more different than ours. As history goes, your country is a young one. Over the years, it has held unparalleled attraction for the adventurous and daring for the talented as well as for the persecuted. It has stood for opportunity and freedom. The endeavors of the early pioneers, the struggle for human values, the coming together of different races have enabled it to retain its élan and dynamism of youth. With leadership and high ideals, it has grown into a great power. Today, its role in world affairs is unmatched. Every word and action of the President is watched and weighed and has global repercussions.

India is an ancient country. And history weighs heavily on us. The character of its people is formed by the palimpsest of its varied experiences. The circumstances of its present development are shadowed by its years of colonialism and exploitation. Yet, our ancient philosophy has withstood all onslaughts, absorbing newcomers, adapting ideas and cultures. We have developed endurance and resilience.

In India, our preoccupation is with building and development. Our problem is not to influence others, but to consolidate our political and economic independence. We believe in freedom with a passion that only those who have been denied it can understand. We believe in equality, because many in our country were so long deprived of it. We believe in the worth of the human being, for that is the foundation of our democracy and work for development. That is the framework of our national programs.

We have no global interests. But we are deeply interested in the world and its affairs. Yet, we cannot get involved in power groupings. That would be neither to our advantage, nor would it foster world peace. . . .

No two countries can have the same angle of vision, but each can try to appreciate the points of view of the others. Our effort should be to find a common area, howsoever small, on which to build and to enhance cooperation. I take this opportunity to say how much we in India value the help we have received from the United States in our stupendous tasks.

While in the United States, she also delivered a speech to the American Association for the Advancement of Science, on July 30, 1982:

. . . Scientific endeavour, as success in any other walk of life, instills confidence in a society and leads it to a higher sense of achievement and fulfillment. Apart from the raising of traditional skills and techniques, using available materials in agriculture and rural crafts, our efforts in science cover a wide spectrum, encompassing work in some frontier areas of atomic energy, space science, oceanography, electronics, and fundamental research in mathematics, particle physics, molecular biology, and so on.

Why should India, which is still wrestling with the more obvious basic needs, concern itself with such advanced areas? Scientists are aware that new knowledge is often the best way of dealing with old problems. We see our space effort as

EIR November 13, 1984 Special Report 21

relevant for national integration, education, communications, and the fuller understanding of the vagaries of the monsoon which rules our economic life. Mapping from the sky also gives information about natural resources. Oceanography augments food and mineral supplies. Modern genetics opens out vast possibilities. Homegrown expertise has helped our oil exploration. Had we been wholly dependent on foreign experts, we would not be producing 16 million tons of petroleum a year. . . .

For India, science is essential for development and no less for the intellectual self-reliance and creativity of our people. . . .

Mrs. Gandhi delivered the opening speech to the Non-Aligned summit in New Delhi, on March 8, 1983:

Humankind is balancing on the brink of the collapse of the world economic system and annihilation in a nuclear war. . . .

We of the developing world have no margin of safety. We shall be the first and worst sufferers in any economic breakdown. . . .

The Non-Aligned Movement has stood firmly for a thoroughgoing restructuring of international economic relations. We are against exploitation. We are for each nation's right to its resources and policies. We want an equal voice in the operation of international institutions. We reiterate our commitment to the establishment of a new international economic order based on justice and equality. . . .

The eyes of the world are upon us. People in India and in all our countries have high expectations from our deliberations. Let us decide here:

To demand more purposeful ways to carry forward the democratization of the international system and to usher in a new international economic order;

To call for an international conference on money and finance for development which will devise methods to mobilize finance for investments in the critical areas of food, energy, and industrial development; and,

To reassert our commitment to collective self-reliance. . . .

In a speech on July 23, 1983, Mrs. Gandhi inaugurated a new unit of the Madras Atomic Power Project at Kalpakkam. This brought India into the ranks of countries that are self-sufficient in nuclear power production. The plant was domestically built and is the first nuclear reactor in India that is not under foreign safeguards and restrictions. The heavy water required for the startup of the reactor was also produced in India.

. . . Our science, particularly nuclear science, is dedicated to development, the achievement of freedom from want, and the provision of essentials and an honorable life for the masses. We are to make the deserts bloom and not make the world

a desert. This applies to our nuclear science, indeed to all the sciences. . . .

When we first embarked on our nuclear program, most industrialized nations were very critical of us. Their disapproval, even hostility, continues. Cooperation is withheld, and solemn agreements are lightly set aside. . . .

In a parliamentary debate on the crisis in the Punjab in August 1984, Mrs. Gandhi responded to remarks from opposition politicians to the effect that India is a country composed of many nations:

I strongly deplore the remarks. India is one nation; it was one nation; and it will remain one nation. . . . The word *nationality* may have many meanings, but I am afraid it is a dangerous word to use. The word I use is *community*, never *nation*. . . .

[Mrs: Gandhi noted that in some communist countries the word *nationalities* is used, but not in India.] There is no question of there being different nationalities. We are all one nation; we are all Indian citizens, and, as I understand it, the word *nationality* means different citizenship.

In an interview with UPI in mid-October 1984, Mrs. Gandhi discussed the threats to her life, and her life-long commitment to use the tools of scientific optimism to transform India and the world:

No, I'm not afraid, as you can see, I usually ride in an open car. . . . I am frequently attacked. Once a man poked a gun at me; another time in Delhi someone threw a knife at me. And then, of course, there are always the stones, the bricks, the bottles—especially at election time. . . .

[Mrs. Gandhi described how when she spoke to a crowd in Orissa in 1967, one of those stones broke her nose and split her lip, but she refused to leave the podium, and simply pulled her sari up around her face to hide the blood.]

We are taught that life is a mixture of good and bad, of sunlight and shadow, happiness and sorrow. . . . I feel I have to fight evil, I have to fight what is wrong, but you cannot be bothered about what is happening to you in consequence—you have to go on with your job. When you are small, you may cry at a very small hurt that when you are older would mean nothing, but there are still the bigger hurts. . . .

[Asked about her dream for India, Mrs. Gandhi's voice dropped to a whisper.] I want it to be a better place. When I say a better place, I mean not only materially, not only a better standard of living. There's been so much advance in knowledge. We've got the scientific knowledge; we've got the capability, we can do so much.

Now we must concentrate that knowledge on being better people, on making the world a much better place in every possible way. And if the rest of the world can't do it or won't, at least India should try her best.

22 Special Report EIR November 13, 1984

The controllers behind the assassins of Indian Prime Minister Gandhi

by Mark Burdman

On Oct. 31, the day Indian Prime Minister Indira Gandhi was assassinated, London's Dr. Jagjit Singh Chauhan, self-professed head of the National Council of Khalistan and "Life President" of the World Council of Sikhs, told a caller that he and his associates were celebrating the murder and were hoping that there would be assassinations of other Indian officials over the period immediately ahead. He said that the assassination had been carried out by the Khalistan Army within India.

Chauhan and his network of Sikh-extremist assassins are not "lone" operatives. Jagjit Singh Chauhan is hard-wired into the nastiest terrorist-and-assassination networks of the Soviet KGB, the Swiss grain cartels, the Nazi International, and British intelligence.

Until 1966, Chauhan was a relatively obscure government official in India's Punjab state, serving at that time as finance minister. Suddenly, he resigned from the government, adopting an uncompromising attitude that the Sikhs must be granted an independent nation of "Khalistan," autonomous from the nation of India. By 1971, Chauhan had set up the "National Council of Khalistan" and was siding with Pakistan in that year's war with India, hoping to gain Pakistani support for his separatist plans.

By his own testimony, Chauhan in that period began to be cultivated by the Soviet intelligence services. He reports that from the early to mid-1970s, he made repeated visits to Tashkent, U.S.S.R. Tashkent is the center of Soviet intelligence operations into the Middle East and Indian Subcontinent, and is the place where 12,000 Iranian mullahs have been trained for religious-fundamentalist destabilizations of the region.

To this day, Chauhan maintains various channels into the secret services of the U.S.S.R. One of these is through his brother, resident in London, who is a leader of an Indian Communist Party cell in Great Britain and who operates as a channel for Sikh-separatist demands to Moscow. A second, related channel is through members of both factions of the Punjab state Communist Party, who have often advocated making deals with the Sikhs in the Punjab in a political alliance against the central New Delhi government. A third

channel, overlapping into Nazi International networks, is through Libya's Colonel Qaddafi, who has made more than one overture to provide Chauhan's Khalistan with money and political support during the 1982-84 period.

Chauhan and British intelligence

Living in exile in Reading, England, Jagjit Singh Chauhan is also a cultivated asset of leading factions of the British intelligence services and of the Anglo-Zionist political leadership; these connections overlap the AFL-CIO, the Heritage Foundation, General Danny Graham, the Anti-Defamation League in the United States, and elements of the Israeli Mossad.

Alongside the Heritage Foundation support for Chauhan is the more important connection to the Committee for a Free Afghanistan. The most active backer of Chauhan's cause among Heritage Foundation and Afghan Committee circles is a shadowy figure named Jon Speller. Speller and his father have a long history of association with U.S. intelligence in Soviet and Eastern European matters. Speller is very closely associated with Karen McKay's Afghan Committee, the Committee identified by Soviet agents and assets in India as the "proof" of the CIA backing for Chauhan Singh's terrorists. Speller, according to a report by an eyewitness in the Senator's office, was the person responsible for misrepresenting Chauhan Singh to Senator Jesse Helms.

Soviet proof of the connection between the Afghan Committee and Chauhan Singh's terrorists will include documentation that a large amount of weapons traced to shipment to Afghan rebels was diverted, to be delivered to Chauhan's forces inside India. Among the most prominent of the figures in British diplomacy closely associated with this terrorist cause is Lord Nicholas Bethel, a man identified by Jon Speller as one of his most important connections inside British intelligence.

The Nazi International connection

A particularly interesting Anglo-Soviet "hook" on Chauhan is that of one Richard Hauser, whom Chauhan described in a Nov. 2, 1984 phone discussion as a "very close guide."

EIR November 13, 1984 Special Report 23

An Australian Jew by birth, Hauser is one of the directors of the West Germany-based "Society for Endangered Peoples," one of the controlling institutions internationally for ethnicseparatist terrorist movements that in former times were under the control of the Nazi Abwehr and other intelligence divisions.

The Hauser/Society for Endangered Peoples control over the Khalistan terrorist movement is one component of a broader separatist-terrorist "international" based out of the Swiss old Nazi circles associated with Lausanne banker François Genoud and the Swiss grain cartels.

In 1982-83, investigators discovered that Chauhan was being given extensive publicity in the Swiss press and other forms of support by Swiss "journalist" Madelline Chevallaz, sister of then-Swiss Defense Minister Georges Chevallaz. Chevallaz is an agent for private Swiss financier and grain cartel interests involved in destabilizing potentially rich food-producing regions in the developing sector; in 1981, she organized a secret conference of Ethiopian tribal-separatist groups in Geneva, Switzerland.

One of Chevallaz's employers and Chauhan's chief supporters is the de Maurex banking family of Lausanne, which has made its fortune in Ethiopian coffee plantations. The de Maurex financial empire is an adjunct of the Swiss André grain company interests, one of the world's five leading grain companies with extensive trade and intelligence connections into the Soviet Union. Through the de Maurex interests and other means, the André family, which otherwise funds Christian-fundamentalist religious cults, has been discovered putting money into the coffers of Chauhan's Khalistan movement.

Chauhan has made numerous attempts to integrate his movement with other separatist movements in the Indian Subcontinent and the Middle East. One of these is the Islamic Council of Europe, headed by former Algerian President Ahmed Ben Bella, a protégé of Genoud. The ICE's British-based affiliates, including the Indian Muslim Federation and the International Islamic Center, have been organizing separatist movements among Muslims of India's southern regions.

Both organizations have received financial support from the Saudi Arabia-based World Muslim League, headed by former Syrian fascist leader Maarouf Dawalibi. At a press conference in New York's LaGuardia airport in 1981, Chauhan defended his strategy of supporting Sikh separatism from outside India by referencing the example of Iran's Ayatollah Khomeini, who "could achieve more by sitting in Paris" than by organizing from inside Iran. From Great Britain, Chauhan meets with and coordinates destabilization policies with leaders of other Indian separatist movements.

Chauhan's Khalistan movement also is integrated into other organizations supporting "minority rights" and "minority resistance" movements in the developing sector, including an entity called CIRPO, led by France's Pierre de Villemarest.

Chauhan has been actively cultivated by both the "right" and "left" in Europe. In 1982, he attended a meeting in Vienna of the Socialist International, and has built support among the networks of Indian Socialist leader George Fernandes. During that same year, he attended a meeting of the International Department of the Hanns Seidel Stiftung in Munich, a top "right-wing" think tank linked to the Pan-European Union of Otto von Hapsburg, the claimant to the Hapsburg monarchy, and of Count Richard Coudenhove-Kalergi.

Chauhan's U.S. tour

Prior to that European tour, Chauhan had traveled to the United States and had built support in several Congressional offices, including those of Senators Alan Cranston, Mark Hatfield, and Jesse Helms. In addition to the U.S.-based connections referenced above, Chauhan also made a circuit of leading American universities for lecture spots. These included Georgetown, Harvard, and Stanford. At Georgetown's Center for Strategic and International Studies, Chauhan later reported, he discussed with South Asia experts the establishment of a special task force to investigate the Sikh-Punjab situation.

One resident CSIS scholar responsible for the Subcontinent and the Middle East, Robert Neumann, maintains regular private back-channels with Yevgenii Primakov, head of the U.S.S.R.'s Oriental Institute, with whom he discusses how "crisis-management" arrangements might be maintained with Moscow for this region.

One of the chief points of contact for the Khalistan movement in the United States is the campus of the University of California at Berkeley. Berkeley's Graduate Theological Seminary employs the leading profiler on "Sikhism" in the United States, Martin Juergenmeier, who has been coordinating a major study on "Sikhism." Juergenmeier's group at Berkeley worked with a group of India profilers at Harvard Divinity School's Center for the Study of World Religions on a foundation-funded project on India.

Berkeley is also one of the hubs of activity for political support for the Khalistan movement by that minority of California's Sikh population which supports the dismemberment of India. Chauhan receives extensive financial backing from elements of the emigré Sikh populations in California and in cities north of the American border in Canada, including Vancouver. In California, the office of Senator Cranston has become a special-advocacy office for Sikh-extremist interests; Cranston met with a representative of the Sikh extremist faction in June of this year.

Over the past year, the creation of the World Sikh Organization has provided an expanded institutional framework for advocacy of the Khalistan cause. The World Sikh Organization has itself gained support from British intelligence's Amnesty International and the offices of Representatives Stephen Solarz and Gus Yatron.

24 Special Report EIR November 13, 1984

From the Soviet press

Soviets lie that 'It's the CIA'

June 2, 1983—TASS from New Delhi charges U.S. support for "extremists operating in the Indian state of Punjab." TASS cites the India Press Agency on "the publication in London of the facsimile of letters of recommendation, which had been sent by American Senator Jesse Helms, who is known for his reactionary views, to J.S. Chauhan, the self-proclaimed 'president' of the non-existent 'Independent Sikh State of Khalistan.'" TASS notes that Chauhan recently toured the United States, where he was "entertained at their homes by influential businessmen and politicians."

July 3, 1983—*Pravda* article, "Who Is Subverting the Unity of India," by New Delhi correspondent V. Shirokov. Reports growing concern in India about Sikh separatism in Punjab, charging that separatist leader Dhillon Singh has ties to the CIA.

March 18, 1984—TASS from New Delhi reports on "new facts" about a U.S. role in "the underhand scheming whose purpose is to wrestle [Punjab] from the rest of India and set up a puppet 'State of Khalistan". . . ." Cites Press Asia International, that the U.S. embassy in New Delhi had sponsored a conference "which discussed ways for scaling up subversive operations in Punjab" and decided "to set up several new centers in the U.S. and Pakistan for training terrorists who are to be later sent to India."

Aug. 30, 1984—Pravda article by V. Alekseyev, "Who is Threatening India's Unity." Charges that "a peace-loving, economically and militarily strong India with dynamic leadership is not a part of the U.S. global strategy in Asia and in the world as a whole." Quotes Mrs. Gandhi on "outside forces" pressuring India.

The pressure includes, according to *Pravda*, the U.S.-led arming of Pakistan, which is the "main cause of the current tension in Indo-Pakistani relations."

"And what about the so-called 'Kirkpatrick Plan,' . . . which has been drawn up by the CIA. This secret document, as the Indian weekly *Link* wrote, envisages nothing more or less than India's dismemberment into a number of tiny states." The article concludes, "The separatist actions and outbreaks of religious and communal violence are part of the overall

conspiracy by forces hostile to India, aimed at destabilizing the situation in the country and weakening its positions in the international arena, including the Non-Aligned Movement. India's enemies are attempting to strike a blow against that which is of paramount importance for the republic's very existence—its national unity."

Sept. 7, 1984—Radio Moscow in Hindi says that Western espionage has stepped up in the Chaibasa area, Bihar state. There the CIA is operating under cover of missionary organizations, according to the Indian weekly *Link*. The broadcast recalls examples of missionaries setting up U.S. and British operations in Assam in the 1940s, under cover of combatting potential Japanese intervention, but later actually for expanding the Naga and Mizao separatist movements in the 1960s.

The Chaibasa operations, according to Radio Moscow, are linked to "Project Brahmaputra," through which U.S. embassy assistance is delivered to Chauhan and to the Jammu and Kashmir separatists, and to the "Kirkpatrick Plan" to "Balkanize India." This is what U.S. leaders want, as well as "to weaken Mrs. Indira Gandhi's position in the forthcoming parliamentary elections."

Sept. 20, 1984—TASS from New Delhi reports on a statement by R. L. Bhatia, Member of Parliament and General Secretary of India's National Peace and Friendship Committee, against "a fabrication made up by U.S. spy services and palmed off on Pakistan, alleging that, according to space reconnaissance data, India is preparing a bomb strike against Pakistan."

Radio Moscow broadcasts in Hindi and English, in subsequent days, pick up on this.

Sept. 15, 1984—Krasnaya Zvezda, the Soviet military daily, accuses the United States of stirring up a scare about a Soviet and Afghan invasion of Pakistan, in order to derail "even slight progress and the upward trend which has begun to show in Pakistani-Afghan talks."

Sept. 30, 1984—Rostislav Ulyanovskii, Deputy Chief of the International Department of the Soviet Central Committee under Boris Ponomarev, writing in the *Times of India* Sunday magazine, attacks Indira Gandhi for "inexcusable" compromises at the expense of the people of India, and for strengthening the tendency to concentrate power in the hands of one person. Ulyanovskii asks whether the Congress party will submit to this, or will instead continue its democratic traditions.

Oct. 2, 1984—Krasnaya Zvezda, in a feature by A. Golts, warns Pakistan about its military collaboration with the United States. "It does no harm, of course, to remind the Pakistani generals and their transatlantic patrons that this policy may lead to ruinous consequences, above all for Pakistan itself."

EIR November 13, 1984 Special Report 25

International

The overlooked Soviet war buildup in the Far East

by Konstantin George

The year 1984 has witnessed an unprecedented Soviet and North Korean military buildup in the Northeast Asian theater, facing Japan and South Korea, the two most important U.S. allies in Asia. The buildup is to be viewed in light of the massive and ongoing destabilization of the Marcos regime in the Philippines, threatening to close down the U.S. Pacific Fleet logistics and naval base at Subic Bay and the equally important Clark Air Force Base.

More alarming than the size of the buildup in ground, air, and naval forces, is the change in the qualitative composition of the Soviet forces in the Far East Military District. Beginning in 1983, and especially since January 1984, the Russians have established the capability to launch a surprise-attack against Japan proper, at any time of Moscow's choosing. This shift to an effective posture was certified by the stationing of three air assault brigades—special elite heliborne commando troops with the mission to seize and neutralize key enemy military installations before or during the first minutes of fighting—in the Vladivostok region, in addition to the 6th Guards Airborne Division assigned to the Far East Military District.

In the same time frame, Soviet marine infantry strength at Vladivostok has been increased, while in the Kurile Islands and Sakhalin Island, territory at some points only a few score miles distant from the northernmost of the four home islands of Japan, Hokkaido, the following tell-tale, offensive-posture military moves were recorded by U.S. and Japanese intelligence:

• During 1984, Soviet marine infantry numbering 8,000 have been stationed in the Kuriles, divided evenly among three islands of the chain, Etorofu, Shikotan, and Kunashir,

and on southern Sakhalin Island, all only a stone's throw away from Hokkaido—in the case of Kunashir, hardly more than swimming distance. Prior to moving in the marines, the strength of Soviet army ground troops in the Kuriles had been doubled from 5,000 to full division strength of 10,000.

- Immediately after the KAL-007 shootdown in September 1983, twenty MiG-23 fighters were stationed on Etorofu in the Kuriles for the first time. In the spring of 1984, the number of MiG-23s was doubled to 40. In the spring and summer of this year, MiG-31s, the most advanced MiG fighter in the Soviet inventory, were stationed on Southern Sakhalin. Not coincidentally, the Soviets began delivering MiG-23s to the North Korean Air Force this year.
- On Sept. 23, 1984, Japan was given its second big shock by the Soviets after the KAL atrocity. A formation of 20 Soviet TU-22M "Backfire" long-range bombers, which generally fly exercises with nuclear weapons, approached to within 170 miles west of Hokkaido, causing 16 Japanese airforce fighters to scramble in haste. In the 1980s, the Soviets have built up "Backfire" bomber strength to over 80 in the Far East, while also completing three air bases with five runways on the Kurile islands of Etorofu and Kunashir for TU-16 "Badger" and TU-95 "Bear" long-range bombers.

These Soviet bomber bases in the Kuriles are "across the bay" (in the case of Kunashir) from Japanese territory, mere minutes' flying time from targets in Japan.

The biggest shock the Soviets have delivered to Japan occurred on Aug. 15 of this year, when all Soviet forces under the Far East Military Command headquartered in Chita, Siberia (including the Far East, Trans-Baikal, and Siberian Military Districts and the Pacific Fleet) were placed on a war alert for a full 30 minutes, with Soviet troops and sailors

26 International EIR November 13, 1984

told they were "going to war with the United States." Japanese units were immediately put into a state of high alert in response.

The news of the Soviet war alert was leaked through the Japanese newspaper Yomiuri Shimbun on Oct. 1. And that same day, South Korean President Chun issued a warning on the grave peril of war on the Korean Peninsula due to North Korea's menacing buildup of offensive power, particularly in the Kaesong region just above the 38th Parallel in the Western end of the Peninsula—directly opposite the 1950 invasion corridor to Seoul, the South Korean capital.

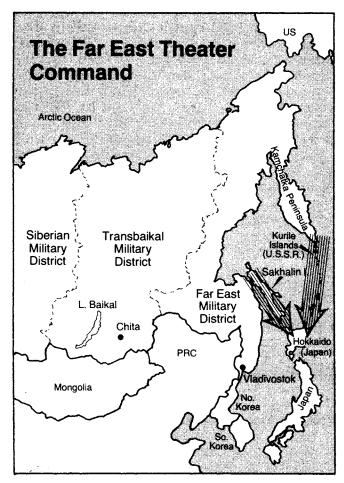
Chun, speaking on Korean Armed Forces Day, declared: "The Cold War between the superpowers has made the military confrontation around us more acute, threatening war in this region at any time. . . . Lately, moreover, there have been unusual movements in the North, as they have deployed in the forward areas along the truce line and intensified training of their 100,000 commando troops." One week earlier on Sept. 23, the Japanese newspaper Sankei Shimbun reported that North Korea has deployed three new armored corps near the DMZ around the town of Kaesong—the biggest armored buildup opposite the Seoul invasion corridor since the Korean War.

Reorganization for war

The Soviet preparations for warfare in both Europe and Asia have included a massive command restructuring during Marshal Nikolai Ogarkov's tenure as chief of the Soviet general staff, with Ogarkov himself recently promoted to head what is called the Western Theater of War, making him commander of all wartime operations undertaken against the United States and NATO.

In the same time frame, late summer 1984, Ogarkov's wartime counterpart for the Eastern Theater of War, responsible for leading all wartime operations mounted against any combination of the Soviet Union's adversaries in the Asian-Pacific Theater, including the United States, Japan, South Korea, China, Thailand, and the Philippines, was also named: the first deputy defense minister, Marshal Sergei L. Sokolov. It is certain in retrospect that Sokolov was fulfilling the duties of his wartime command position before the chilling wartime alert declared by the Soviet Far Eastern Command on Aug. 15.

The naming of Sokolov as Asia-Pacific wartime commander occurred in the context of wide-ranging changes in the Far East Command structure during the course of the summer of 1984. In late June, Gen. Vladimir Govorov, commander of the Soviet High Command Far East (HQ in Chita), who achieved infamy for his role in ordering the shooting down of the KAL-007 airliner killing 269 civilians, was promoted to deputy defense minister. Clearly, in the context of Sokolov's wartime post, Govorov now works de facto directly under Sokolov in the command structure of the Eastern Theater of War. Govorov's successor as commander of the Soviet High Command Far East was Gen. Ivan Tretyak,



Soviet military strength in the Kurile Islands, concentrated between the Kamchatka Peninsula and Japan's northern island of Hokkaido, was doubled during 1983, from 5,000 to 10,000 ground troops; 20 MiG-23 fighters were produced. Then, during 1984, eight thousand marine infantry were moved onto three islands in the chain, and the number of MiG-23s was doubled to 40. At three airbases with five runways on the islands, TU-16 Badger and TU-95 Bear long-range bombers are also stationed, just minutes from Japanese targets.

the commander of the Far East Military District in Vladivostok until the summer of 1984.

Along with Sokolov and Govorov, there is another toplevel Far East veteran in Moscow, Marshal Petrov, commander of Soviet land forces. Before this appointment, he was commander of the Far East High Command.

Parallel war preparations

There is a striking, indeed, eerie methodical symmetry to the phases of both Soviet war preparations and the command restructuring in both the European and the Asian theaters.

The first phase in both cases is marked by a singular and far-reaching command restructuring which occurred in December 1980, immediately following Reagan's presidential election victory.

General Zaitsev was named commander of the five Soviet

active armies (20 divisions) stationed in East Germany, known as the Group of Soviet Forces in Germany (GSFG), where he directed a five-year program of modernizing and heavily strengthening the offensive power of the GSFG (especially in armor, missiles, and aircraft/helicopters), and brought in a new stable of "blitzkrieg" generals as army and major-unit commanders (see *EIR* July 17, Aug. 7, and Oct. 30). In the same month, December 1980, Gen. Vladimir Govorov, until then commander of the Moscow Military District, was named commander of the Far East High Command at Chita, and Gen. Ivan Tretyak was named commander of the Far East Military District, whose areas of responsibility include the Vladivostok region, the Kuriles, and Sakhalin Island. The previous commander of the Far East High Command at Chita,

Who is Marshal Sergei Sokolov?

Marshal Sergei L. Sokolov, now reported to be Commander of the Eastern Theater of War, and so, the counterpart to Soviet Marshal Nikolai Ogarkov, Commander of the Western Theater of War, is a tank officer with eight years of actual combat experience. Appropriately enough, his combat experience began in the Far East, in 1938, where as a young tank officer (Bttln.Ex.O), he participated in the Soviet armored counterattacks which smashed the Japanese in heavy border fighting in which tens of thousands were killed. He next appeared as a tank officer in the 1939 Soviet invasion of Finland, and served most of the war as a tank officer on the Karelian Front, 1941-1944.

The Commander of the Karelian Front was Marshal K. A. Meretskov, whose son, until September 1984, was commander of the North Caucasus Military District, being named deputy to Warsaw Pact Commander Kulikov in the function of Soviet liaison to the East German armed forces. In 1945, Meretskov commanded the First Manchurian Front and co-led the August 1945 blitzkrieg which overran Manchuria within weeks. Most tank officers and units were transferred with their commander from the Karelian Front—after the separate peace with Finland in late 1944—to the Manchurian Theater. It is very probable that Sokolov ended his wartime service in the Far East.

Sokolov, a career tank officer, is, as one would expect, totally offensive oriented in his thinking. The longevity of his tenure as first deputy defense minister is also very significant. He received the post in April 1967 when Marshal Andrei Grechko became defense minister, and has kept this post throughout the tenure of Ustinov, Grechko's successor.

General Petrov, was summoned to Moscow to become head of the land forces—the post he still holds.

Thus, while Zaitsev prepared the GSFG for all forms of warfare, from a limited "surgical strike" into part of West Germany to an all-out offensive across Europe, Govorov and Tretyak accomplished parallel tasks concerning military operations against Japan and South Korea. The parallels reach down to the not insignificant detail that, in a clear statement of offensive intentions, in 1983 and 1984 for the first time in both East Germany and the Far East, the Soviets stationed a minimum of three air assault brigades in each location.

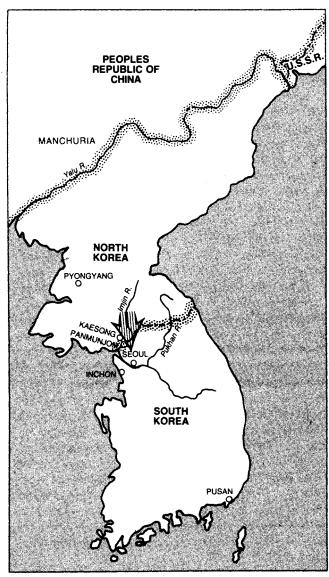
The "symmetry" extends further to the case of Germany and Korea, the two nations which share the tragic postwar "distinction" of being divided. Both now face the threat of a Soviet invasion, or, in the case of Korea, an invasion by the largest Soviet surrogate military power in the world, North Korea. Since the extensive tour of the Soviet Union and Eastern Europe undertaken this past spring by North Korean leader Kim Il Sung, and his extensive consultations with the Kremlin, the Soviets have repeatedly and publicly been stressing their commitment to the "reunification of Korea," and their full support for North Korea's efforts to achieve it.

The fact is that on the soil of East Germany and North Korea, facing West Germany and South Korea, respectively, the following two events occurred in early 1984: The Soviet Armed Forces stationed in East Germany underwent their biggest strengthening and restructuring since the end of World War II, and, across the world in that other divided country, the North Korean Armed Forces undertook their biggest buildup of offensive power and restructuring since the end of the Korean War.

Intimidation of Japan

The parallels in the Soviet political intimidation campaign against both West Germany and Japan are as striking as the military "hardware" parallels in terms of troop buildups, weaponry, and command changes. Since the spring of 1984, in an echo of the vitriolics employed on an almost daily basis against West Germany since December 1983, the Soviet Union has mounted and intensified a propaganda campaign against an alleged rebirth of "revanchism" in Japan. As in the case of West Germany, the Soviet litany of charges portray the Japanese leadership, and, above all, the armed forces, as infested with schemes and desires to plot the recovery of territory lost in 1945. The Japanese are allegedly plotting to seize the Kuriles and the southern half of Sakhalin, which were taken by the Soviets in 1945. How non-nuclear West Germany and Japan could ever militarily attack the Soviet Union is never explained to the Russian worker, peas-

That the attacks are nonsensical is self-evident. They are, however, significant, as in the case of Germany, because they create the climate and pretext for launching of either a "surgical-strike," limited-incursion seizure of territory, or all-out invasion of Japan. The area of West Germany most



The North Koreans have moved their 100,000 commando troops up to forward positions along the Demilitarized Zone, and stationed three new armored corps around the town of Kaesong, opposite the 1950 Seoul invasion route (arrow).

weakly defended and most often cited as a prime candidate for such a Soviet surgical strike is Schleswig-Holstein, the northernmost state of West Germany. The prime candidate in Japan for a Soviet surgical strike is the island of Hokkaido, the Japanese "Schleswig-Holstein," and, as with Schleswig-Holstein, the northernmost part of the country.

'Asiamissiles'

The latest escalation in the Soviet intimidation campaign against Japan and Korea is signified by the introduction of a new term to the Moscow propaganda lexicon, "Asiamissiles." This term was seen in the latest issue of the Soviet publication *New Times* in its "Observer" column, attacking

an alleged U.S. IRBM and ICBM deployment on the Indian Ocean island of Diego Garcia, labeling these "Asiamissiles" which have now joined the "Euromissiles" in "threatening the Soviet Union." The Soviet media has also been replete with articles charging the United States with "plans" to station Pershing and cruise missiles in South Korea and Japan. Of late, the Soviet media has been declaring that the "United States, Japan, and South Korea . . . form a NATO-like alliance in the Far East" (Radio Moscow).

The "Euromissiles" outcry by the Soviets was the pretext to equip all their armies in Eastern Europe and the western Soviet Union with the SS-21, SS-23, and SS-22 precision short- and medium-range nuclear missiles. The forward stationing of these missiles in Eastern Europe immediately after the Soviet announcement that such stationing would occur proved that all the required missile and launcher production, unit-equipping, and crew training had occurred well before the announcement. The same pattern will repeat itself in the Far East, when, at an appropriate point in the denunciation of the "Asiamissiles," Moscow will announce the "necessity" to station the new missiles, SS-21, SS-23, and SS-22, in the Far East (or in the case of Diego Garcia, forward-based in Afghanistan), and within weeks the Soviet armies in the Far East will be so equipped.

The 'decoupling' process

Such intimidation only works because of the "decoupling" process now ongoing between Asia and the United States, as between Europe and the United States. Most diplomatic attention has been focused on the efforts of Henry Kissinger's circles to get the United States to desert Europe—and Kissinger's circle has been pushing military adventures in the Caribbean region to provide a pretext for such a desertion of the European allies. And, for at least a year, Henry Kissinger, Zbigniew Brzezinski, and their State Department crowd has also been talking about turning away from "decadent" Western Europe and setting its sights on Asia—adding an "Asia turn" as pretext for handing Europe to the Russians.

The Asia turn is a hoax. Just as Soviet agent-of-influence Kissinger's "China Card" policy of the early 1970s functioned as a cover for the earlier phases of the strategic withdrawal of the United States from Asia, so the "Asia turn" proposal now, while covering for withdrawal from Europe, also covers for U.S. withdrawal from Asia. To believe that under the "New Yalta" plan, the United States will be permitted to retain its influence in the Pacific is the height of absurdity, and firmly refuted by Marshal Sokolovskii's massive buildup in the region. It is not Washington that has been reasserting its influence in the Pacific region, but Moscow.

This is the key danger in current efforts to destabilize the Philippines. If the United States is thrown out of the Philippines, the basis will be created for the major Eastern Establishment media in the United States to launch a "Let's leave Asia to the Asians" campaign for isolationism, paving the way for Soviet hegemony without a shot fired.

The Philippines

New scandals hit the Marcos government

by Vin Berg

Three days after President Reagan's refusal, during his second televised debate with Walter Mondale, to withdraw U.S. support for the government of the Philippines, a new wave of scandals rocked the political and military associates of President Ferdinand Marcos, threatening to fissure the government's base of support in the army and business community. Three army generals and 26 officers, including the chief of staff, General Ver, were forced to at least temporarily step down when the Oct. 24 report of an investigative commission implicated them in the murder of opposition leader Benigno Aquino one year ago. In addition, Eduardo Cojuango, a powerful industrial magnate close to Marcos, was named as a co-conspirator. Other of the so-called "cronies" of the President have had their roles in public corporations attacked.

How dangerously close to chaos this could bring the country is indicated by reports carried in the *Metro Manila Times* of a 20,000-man vigilante army operating in Mindanao, which could disrupt the normal chain of command of the military and national police forces, from which its ranks are said to be drawn.

A day before the Aquino report was issued, Corazon Agrava, the head of the commission, jumped the gun by presenting her own minority report on the Aquino murder, which also blamed a "military conspiracy," but instead of General Ver, named General Custodion of the Aviation Security Command. While 68 generals, including the four heads of the armed forces, declared their "unswerving loyalty" to General Ver, Marcos immediately named a special civilian tribunal to prosecute the case because the military is involved.

During the second presidential debate, Reagan pointedly declared that, while there are many things relating to democratic rights in the Philippines that do not please his administration, the sole alternative to the "current government" is chaos and a probable takeover by a rapidly growing communist-controlled guerrilla movement, the NPA—a point with which even fragmented Filipino opposition leaders privately concur. Were the country plunged into chaos, the United States would be driven out of its strategically vital Clark Air Base and the Subic Bay navy logistics center, effectively abondoning the Pacific to Soviet domination.

Desertion of Asia by the United States is precisely the

policy of Henry Kissinger's circles, including those inside the U.S. Executive Branch. The new political destabilization, which occurs as the policies of the International Monetary Fund are plunging the country into economic chaos, has the public support of the U.S. State Department. In what is universally read as an endorsement for the prosecution of General Ver, for example, State Department spokesman John Hughes told the press on Oct. 23: "What I am suggesting is that, when the majority report is available, we expect that just as effective and comprehensive action will be taken in the courts against anybody named in the majority report, should those names be different from those named in the minority report. What we support in the Philippines is the rule of law and justice, and we would expect that President Marcos would pursue the rule of law and justice in this case. And we certainly hope that that will be pursued vigorously."

In the days since the debate, pressures aimed at forcing Reagan to distance himself from Marcos have mounted. Geraldine Ferraro issued a statement condemning the Marcos government, as Mondale did in the debate. An Oct. 24 New York Times editorial on the Philippines took the side of the State Department against the President, writing: "Since the elimination of his chief democratic rival [Aquino], Mr. Marcos has been energetically arguing that the only alternative to his repressive rule is Communism—a false argument unthinkingly echoed by President Reagan in Sunday's debate. . . . The main opposition to Mr. Marcos is not Communist but a resolutely democratic coalition. It aims to return the country to its republican, American-inspired traditions. . . . Perhaps the best reply to Mr. Reagan is that of Ramon Maitra, an opposition leader. 'The alternative to Marcos is democratic government,' he said. 'But if there's one thing that may lead to Communism here, it is Marcos staying in power."

But behind the Filipino destabilization is not "Americantradition" republicans, but the same U.S.-based terrorist and dirty-operations network linked to the State Department and famously involved in toppling the Shah of Iran, led by former Attorney General Ramsey Clark and the Council on Foreign Relations' Richard Falk, of Princeton. At a demonstration against Marcos and President Reagan staged by three U.S.-based Filipino opposition groups, an AP reporter was overheard asking a coalition leader, "Where's Ramsey Clark?" He couldn't make it, but sends his support, was the reply.

If there is "one thing" that will lead to communism and U.S. withdrawal from Asia, it is not Marcos but the International Monetary Fund. The fund, in the name of financial restructuring, is destroying the Philippines economy by forcing of an end to food subsidies, currency devaluation, and dismantling of public-sector corporations (i.e., the "cronies"). Marcos's Oct. 16 signature of a letter of intent to comply with IMF demands—under pressure from the U.S.!—led to two days of strikes and demonstrations throughout the country.

30 International EIR November 13, 1984

Lord Carrington: Use beam weapons as a bargaining chip in arms talks

by Scott Thompson

Lord Peter Carrington, the NATO secretary general and former business partner in Kissinger Associates, called at a press conference in Los Angeles on Oct. 26 for President Reagan's Strategic Defense Initiative to be relegated to the status of a bargaining chip in the arms talks with the Soviet Union that he and Henry Kissinger are demanding. Under the Carrington plan, the U.S. program to develop a beam-weapon defense capability would be sacrificed on the altar of a "New Yalta" division of the world into Western and Soviet oligarchical spheres of influence—an arrangement which, given the current military realities in Europe, would mean Soviet domination of the continent.

At the same time that the duplicitous Lord denied vehemently charges from EIR that Kissinger had called for "decoupling" the United States from Europe in his infamous March 5 article in Time magazine, Carrington applauded efforts now under way to revive the Western European Union, as an agency to turn NATO into a supranational political body to rule a One-World federalist empire.

Lord Carrington lied that President Reagan's proposal for a Strategic Defense Initiative using "exotic technologies" is nowhere near implementation. Said the NATO chief and former defense minister: "I think that's so very, very much in the future. I mean, nobody knows whether this is possible to do. What the United States is doing at present is a research program, which is going to last, well, some time." Contrary to Carrington's disclaimers, it was the widely respected British journal *The Aeroplane and Astronautics* which first reported back in 1961 that ballistic-missile defense through advanced beam technologies was not only feasible, but under intensive research in the Soviet Union.

Carrington and Kissinger, rejecting President Reagan's bid to negotiate with Moscow a new doctrine of "Mutually Assured Survival" (MAS), want to use the beam-weapons issue to bring the Soviets into the "New Yalta" arms talks. "I think the one area in which the Soviet Union is really quite worried is the Anti-Ballistic Missile and 'Star Wars' side. . . .," he said. "Now that would seem to me the opening . . . with which they can get off their hook. I mean, you start

talking about these sort of things, and then you go on from there."

Lord Carrington defended the doctrine of Mutually Assured Destruction (MAD), first publicly proclaimed by Henry Kissinger in his book *Nuclear Weapons and Foreign Policy*, published by the New York Council on Foreign Relations (CFR) in 1957. "If you don't know whether somebody is going to be . . . mad enough . . . to use nuclear weapons in retaliation for aggression," said Carrington, "it's a very good reason not to have an aggression." The MAD doctrine was overthrown by President Reagan's strategic defense concept—and Carrington and Kissinger have been out to derail it ever since MAS became official U.S. policy in March 1983.

Western European Union

Carrington described how NATO would be transformed from a military organization for the defense of Western Europe, into a political instrument for control by the One-World federalists, as proposed after World War II by the evil Earl Bertrand Russell. Carrington stressed that as NATO secretary general, he would follow NATO's oligarchical "Founding Fathers" in "emphasizing the political aspects of NATO," not just its usefulness as a military confederation.

This means the destruction of the nation-states of Europe, the chief embodiment of republican principles of natural law. Kissinger, who would hesitate to speak so openly today about his supranational designs, laid out the plan most explicitly in his *TheTroubledPartnership*, published in 1965 by the CFR. Calling for both the United States and Great Britain to disengage their strategic nuclear forces from support of their European allies, Kissinger said:

"The obstacle arises because there is no scheme which can reconcile these objectives perfectly so long as the Atlantic Alliance remains composed of sovereign states. . . . The long-term hope for German unity therefore resides in the unity of Europe. As nations lose their former significance, the fear of any one state will diminish. A united Western Europe moreover will be a powerful magnet for the countries

EIR November 13, 1984 International 31

of Eastern Europe. If an all-embracing European structure ever comes to pass, the existing dividing lines may seem less crucial. . . . The most effective structure for Atlantic cooperation is a partnership between the United States and a united, supranational Europe."

Recent efforts to resurrect the Western European Union, which pre-dated the founding of NATO, are part of a renewed attempt in this direction. Lord Carrington confirmed this in his press conference, while continuing to deny profusely that he has any intention of "decoupling" Europe from the United States.

"Well, this is part of the Kissinger question, in many ways," he said. "If we could identify ourselves and have a more European identity, without decoupling. . . . The Western European Union is an organization which is part of the Brussels Treaty. . . . It really fell into disuse. . . . If you could have it as a forum in which the security of Europe were discussed . . . you could have greater identity for European defense. . . . If the result is only to create a Club within a Club, to create suspicions within the United States, or to make the United States feel that the United States is no longer needed within NATO, that would be infinitely worse than any conceivable gain that could be gotten out of it."

Lord Carrington insisted repeatedly throughout the press conference that Kissinger had not called for "decoupling" in his *Time* magazine piece. When first asked about his former business partner's scheme to pull U.S. troops out of NATO, Lord Carrington said: "Yes, my business partner, well, Henry was really trying to do something a bit different from what you're saying. I think he was just trying to get a debate going about a European identity through defense."

With this response and his profusions of undying loyalty to the United States, Carrington is playing the old British game of empire manipulation, described aptly by Sir George Catlin in his book, Kissinger's Atlantic Charter. Since World War II, Catlin shows, Great Britain thought that it could simultaneously resurrect the conditions that prevailed after the 1815 Congress of Vienna, in which (as Kissinger reports in A World Restored) Britain dominated Europe through the agency of the Habsburg empire and Prince Metternich, while at the same time rebuilding an "English-speaking Commonwealth" or Anglo-American Empire. Within that latter "special relationship," Kissinger declared (in The Troubled Partnership), Great Britain "has tried hard to give the impression that American policy is strongly influenced, if not guided, by London."

Sir George was one of the "Founding Fathers" of NATO whom Carrington invokes, along with the Fabian Society's Walter Lippmann; heir to the Austro-Hungarian throne Otto von Habsburg; and the arch-enemy of France's Charles de Gaulle, Jean Monnet, who envisioned using the Western European Union and NATO as vehicles to create a suprana-

The WEU: vehicle for a European deal with Moscow

The work of the Western European Union (WEU) opened in Rome on Oct. 26 with French Foreign Minister Claude Cheysson conspicuously absent. Although he had been among the main instigators of the meeting, he preferred to show up late so that he could take part in celebrations sponsored by the Soviet embassy in Paris. Thus Cheysson set the tone for the Rome conference, making explicit the direction of this meeting—to cut Western Europe out of its alliance with the United States and deliver it prone to Soviet military and political hegemony.

The Western European Union was formed under the Brussels Treaty before NATO came into being. Today, the circles around Henry Kissinger and NATO Secretary-General Lord Carrington are trying to pump new life into it, as a forum for Europeans to talk about their security "independently" of the United States—asly cover for decoupling from the Atlantic alliance. This is what Carrington means by boosting the "political" role of NATO and the WEU.

Foreign Minister Hans-Dietrich Genscher of West Germany, during the final press conference of the Rome meeting, was asked by EIR's correspondent whether President Reagan's proposal for Europe to collaborate with the United States in developing space-based antiballistic-missile beam weapons had been taken into consideration. Genscher responded in a fury, brandishing the microphone and screaming, "There has never been any American proposal for the common use of space. . . ." Coming from Genscher, the lie was especially brazen. During the recent meeting of the NATO Nuclear Planning Group in Stresa, Italy, with Genscher present, U.S. Defense Secretary Caspar Weinberger had formulated a proposal for cooperation between the United States and Europe precisely for the development of space defense.

A dream world

The atmosphere that reigned among the participants, the foreign and defense ministers of Italy, France, Great Britain,

tional Europe, as opposed to de Gaulle's plan for a confederated "United States of Europe."

In Kissinger's Atlantic Charter, published in 1974, Catlin shows that when Sir Winston Churchill allied with this group and with Bertrand Russell's "World Federalist" movement after World War II, he pursued a policy of duplicity similar to Lord Carrington's present one. Churchill's postwar policy underwent a number of shifts, from his appeal for an Anglo-American alliance in Fulton, Missouri, to his overtures to the European Parliament. "The ambiguity between the Fulton position, which stressed the alignment, historically and in two wars, of Britain and North America, and Churchill's new Zurich 'Concert of Europe' position, continued—although an ambiguity it was thought undesirable to emphasize in those days."

As for Kissinger, in a May 10, 1982 speech before London's Royal Institute for International Affairs (Chatham House), he admitted that he had served as a lifetime agent for the British oligarchical plan, adding: "In my White House incarnation . . . I kept the British Foreign Office better informed and more closely engaged than I did the American State Department." This is the real substance of Kissinger's and Carrington's "decoupling" plans, which seek to submerge the alliance between the United States and Europe under a British mandate, while overseeing the demise of European "sovereign nations."

Misinterpreted?

Lord Carrington now claims that Kissinger was grossly misinterpreted in the *Time* magazine piece, published just days before Kissinger's appointment to the President's Foreign Intelligence Advisory Board. In that article, Kissinger demanded the withdrawal of half of the U.S. troops from Western Europe, among other decoupling measures. Carrington is right that Kissinger does not simply want to "pull U.S. troops out of Europe"; he wants to destroy Europe altogether, according to the outlines of the "New Yalta" scheme.

If Kissinger's earlier statements in The Troubled Partnership leave any doubt, or his repeated statements in Nuclear Weapons and Foreign Policy on behalf of "limited nuclear warfare" in Europe and "a more flexible commitment" by the United States, his plan for an "Austrian solution" for Germany should clear this up. According to Kissinger, one goal of a more politicized NATO of the sort now recommended by Lord Carrington must be the neutralization and reunification of Germany. This is the heart of the "New Yalta" plan, and is identical to the proposals of West German Social Democrats like Egon Bahr who are seeking an accommodation with Moscow. Under current international strategic-military conditions, Germany will be reunified under Moscow's terms-or not at all.

Here is what Kissinger proposed: "A commission com-

West Germany, Belgium, Holland, and Luxembourg, was artificial and somnolent, as if the growing Soviet threat did not exist, as if reality were constituted only by computer printouts and the eggheads of supranational organizations like the Trilateral Commission and the Council on Foreign Relations. Italian Defense Minister Giovanni Spadolini, chatting with journalists, made it clear that the WEU is needed as a crucial element in the strategy of constructing a united Europe based on the idea of perennial détente.

The question is: Since in the case of real danger between East and West, Europe must turn to NATO-i.e., to the alliance with the United States-then what is the purpose of the WEU? Curiously, only the British delegation raised this obvious objection at the Rome conference, pointing out that all the functions that the WEU is supposed to take care of are already supplied by NATO.

Spadolini himself, who came up with the idea of reviving the WEU during a meeting with his French colleague Charles Hernu some months ago, explained that its aim is to promote European unification on a supranational model. With the procedure for at least two annual meetings of the WEU Council set up at the Rome get-together, there is now a plan for integrating the armed forces and military production of European countries and for greater independence from the United States. The project closely echoes the project of Kissinger and the Trilateral Commission to detach Europe from the United States, in order to create various strategically "independent" areas-but, be it understood, under the control of Trilateral diplomacy.

The European foreign ministers' club, dominated by Genscher, Cheysson, and their Italian cohort Andreotti, is only too ready to sell out Western interests in the search for an accord with Moscow. Almost all of them felt the need to stress that the WEU is being revived not against the Atlantic alliance, but within the alliance. Even a New York Times journalist noticed that something was wrong, and asked Genscher if he did not think it possible to allow at least one U.S. observer in the WEU meeting. Genscher replied that to inform their U.S. ally, normal diplomatic channels would be used!

Outside, the "peace" movement staged an anti-WEU demo, but fewer than a thousand people showed up—a sign that the Italian Communist Party did not support it. Nor did it need to. In the present strategic situation, the WEU's policy is tantamount to voluntarily bowing down before Holy Mother Russia.

posed of European neutrals, Sweden, Switzerland, Austria, and perhaps Finland, would monitor the free elections and demilitarization provisions. Those provisions demand that: 'The Federal Republic would renounce access to the ownership of nuclear weapons.'" In exchange, Moscow would force Poland to return German "territories east of the Oder-Niese line, which had been German for centuries," to East Germany. Fifteen years later, after this "free election," according to Kissinger's plan outlined in *The Troubled Partnership*, final consideration would be given to reunification for a neutral, nuclear-free German state.

Asked whether he would support such a reunification plan as part of his greater emphasis upon a "political NATO," Lord Carrington said: "I don't think there is any country in Europe which wouldn't welcome that, but I think you have to be very realistic about the chances of it happening. The fact is that the present leaders of the Soviet Union, and Dr. [Armand] Hammer I think can bear me out on this, still have a very lively recollection of what happened in 1942. I do not think within my lifetime that they will be prepared to see the reunification of Germany. I think that that would be one of the cardinal objectives of Soviet policy."

Although Lord Carrington appears thus to have dropped this "Austrian solution" for turning a reunified Germany into a neutral, nuclear-free zone from his own scheme, he remains committed to making NATO the vehicle for negotiating a "New Yalta" settlement. "The Founding Fathers of NATO," he said, "always thought that the other object of NATO was to create a stable relationship between East and West." Later, he said, "there are other things than arms talks, which we could all take part in. I made a speech two or three years ago that wasn't terribly popular along these lines. What I was saying was, and I still believe it to be true, is that we have far too little contact with the Soviet Union." As for Eastern Europe, Lord Carrington says that the bloc is crumbling from internal dissension, but the Soviets must be the final arbiter: "All of us would very much like to see those Eastern countries coming back in the West; after all, they used to be there: Romania, Bulgaria, Poland, Latvia . . . and there are ways and means of gradually bringing them closer to us by economic contacts and cultural visits. . . . But there again, you've got to be wholly realistic. . . . You can see that there is control over these countries." Lord Carrington's proposal that a more political NATO might act as a "magnet" for Eastern European countries is merely a foot-in-the-door for resurrecting the NATO "Founding Fathers" vision of a "supranational Europe."

Last fall, EIR warned that Lord Carrington's appointment as NATO secretary-general would mean an intensified crisis for NATO. His efforts to emphasize "the political aspect of NATO," while calling for expanded Soviet-NATO "dialogue" employing the Strategic Defense Initiative as a mere bargaining chip, are the seeds for a potentially global "New Yalta" disaster.

Ibero-America sets up multinational anti-drug army

by Valerie Rush

On Nov. 6, the governments of Ibero-America began meetings to forge a unified military command for war against the narco-terrorist network which threatens to engulf the continent. The justice ministers of Colombia, Venezuela, Ecuador, Peru, Brazil, Argentina, Bolivia, Chile, Paraguay, Uruguay, and others are meeting in Bogotá to put together a multinational "anti-drug army" to conduct a continent-wide offensive against the parasitical multi-billion-dollar drug trade.

For several nations, this regional anti-drug command will come not a moment too soon. In particular, the Siles Zuazo government of Bolivia is just managing to keep its nose above water in its battle with the drug mafia, awaiting the backup of precisely such a regional defense mechanism.

A step toward Ibero-American integration

A key proposal being considered at the meeting will be constituting this multinational force with army troops from all the participating countries, which would then be given the freedom to cross national borders in hot pursuit of drug traffickers seeking refuge in the continent's vast jungle regions. The meeting, according to reports published in the Colombian press, is also attempting to put together a common legal code covering crimes related to the production, consumption, and traffic in illegal narcotics, a code premised on the notion first elaborated at the Aug. 10 Ibero-American Summit in Quito, which declared drug tafficking a "crime against humanity."

Toward this end, Colombian President Belisario Betancur met on Oct. 23 with his full cabinet to consider new and dramatic anti-crime legislation designed to serve as a model for anti-drug enforcement regionwide. Among some of the proposals of Colombia's new Anti-Narcotics Law are:

 strict state control over imports of all chemicals, such as acetone, chloroform, ether, sulfuric and hydrochloric acid, ammonia, and so forth, used in the processing of illegal narcotics, as well as of syringes and hypodermic needles; fines up to 10 million pesos and prison up to 12 years for violations.

- strict fines and/or license cancellation for owners of land used for the construction of unauthorized ("clandestine")
- prohibiting the "personal dose" of narcotics possessors, with fines of up to 10,000 pesos and prison sentences up to one year for first offenders; multiple offenders will face up to two years imprisonment and fines of up to 100,000 pesos. The user arrested in a state of intoxication will be confined to an official rehabilitation center until he recovers.
- the media will be obliged to provide free and frequent publicity to the government's anti-drug campaigns.

These measures represent the first implementation stage of the "universal and frontal war against drugs" called for by Venezuelan President Jaime Lusinchi and Colombian Foreign Minister Ramírez Ocampo, among others, at the September meeting of the U.N. General Assembly. They also represent the first concrete actions taken in common by the Ibero-American nations in fulfillment of their long-overdue integration process, despite the difficulties the continent has faced in forging a debtors club.

Bolivia: a brother in need

Establishing the precedent of a mutual self-defense against narco-terrorism has special significance for a country like Bolivia, in the throes of top-to-bottom destabilization by the drug traffickers and their allies.

President Siles Zuazo has been hit with slanders from abroad, kidnapping and coup attempts at home, a weak economy undermined by the entrenched drug trade, an IMF-coordinated credit cutoff, and a drug-linked political opposition largely in control of the Congress. He is thus very aware that the survival of Bolivia as a nation rests with a thorough crushing of the mafia and its political and financial backers. To this end, he has launched a military counteroffensive of surprising effectiveness against the cocaine empire of Bolivian "godfather" Robert Suárez.

During the weekend of Oct. 27, President Siles ordered a series of lightning raids by Bolivia's elite anti-drug police units and backed by military aircraft into Suárez's jungle hideouts in the northeastern province of Beni. Although details on the raids—still ongoing—have not yet been revealed, it is known extra-officially that at least four of Suárez's private ranches have been seized and numerous illegal processing laboratories dismantled along with the runways that furnish them with chemicals.

Perhaps the best, if unofficial, indication of the success of the government's crackdown is indicated by high-level intelligence reports that Suárez is considering relocating his damaged refining facilities across the border to Peru, where he expects to secure the protection of the assassins of the Shining Path gang ("Sendero Luminoso"). This would not be Shining Path's first collaboration with Bolivian drug networks, however. Italy's most notorious Nazi terrorist, Stefano della Chiae, prominent in the Ibero-American drug world through his close association with the Bolivia-based Nazi butcher Klaus Barbie, was reported in a September edition of the Italian magazine *Panorama* to be a major sponsor of Peru's Shining Path as well.

The 'Lara Bonilla' treatment

Although President Siles appears to have scored a number of successes in his battle with Suárez, the wily drug king has not given up his efforts to blackmail the Bolivian government into submission. Using the "Lara Bonilla" method of his Colombian colleagues, Suárez hopes that he can rub enough of his stink on members of the Siles Zuazo government to bring down the President himself.

In the Colombian case, Justice Minister Rodrigo Lara Bonilla had scarcely taken office in August of 1983 to launch the war on drugs he had been appointed to lead when known mafiosi figures surfaced to demand his resignation on the grounds he had accepted bribe money from the mafia. The bribery charge, never proven and ultimately thrown out by the courts, nonetheless served to provoke a chorus of demands for Lara's ousting by mafia protectors in the López Michelsen circles, including the leading Bogotá daily *El Tiempo*. Lara Bonilla went on to conduct an unprecedented nine-month mop-up of the Colombian mafia, despite numerous scandals launched against him. When they couldn't destroy him politically, the mafia killed him.

In Bolivia, Suárez has greater hopes of success than his Colombian colleagues. During the month of September, Suárez succeeded in orchestrating a secret meeting between himself and Rafael Otazo, then the head of Bolivia's national anti-drug council. Suárez conveyed his outrageous offer to pay off Bolivia's foreign debt in return for "legitimacy" through the corrupted Otazo, an offer immediately rejected by an indignant Siles Zuazo, who then fired Otazo for his unauthorized meeting with Suárez.

The mafia's "bought-and-paid-for" majority in the Bolivian congress, associated with the parties of former Presidents Hugo Banzer and Paz Estenssoro, nonetheless moved on signal to first demand and then to ram through congress a formal censure against the President for conducting illegal negotiations with drug traffickers. With congress moving to knock the props out from under him, Siles responded with a desperate appeal to the Bolivian people for national unity by going on a several-day hunger strike. The gesture prompted the intervention of the Church, which offered to mediate fresh dialogue between Siles and the congress.

More than dialogue with his enemies, however, Siles requires the muscle of a multinational military machine behind him which can put an end to Suárez's blackmail, finally and completely.

EIR November 13, 1984 International 35

The secret behind Jacques Soustelle: Benedictine priests and 'black' princes

by Katherine Kanter

At the end of October, it was announced in the Italian press that the Sicilian prince and relative of the English Queen, Alessandro Vanni Calvello di San Vincenzo, one of the largest landowners in Italy, had gone into hiding after a warrant was sworn out for his arrest for narcotics trafficking, along with a number of leading members of the mafia. This is one of several exemplary incidents giving a glimpse into the control by Europe's oldest aristocratic families of the blackest networks of illegal drugs and terrorism, which have led us to the secret of Jacques Soustelle.

Some months ago, the French collaborators of *EIR* were sued for libel in the Civil Courts by Jacques Soustelle, former minister of information of President Charles de Gaulle and one-time governor-general of Algeria. The minister objected to his having been described in an article in *Nouvelle Solidarité* by our collaborators as one of the main instigators of the assassination attempts on de Gaulle during the Algerian War (1956-62), but took the most pained exception to the accusation that he was behind the creation of the terrorist organization in Peru known as Shining Path (*Sendero Luminoso*).

For readers who have never heard of Soustelle, we will summarize why the case is of utmost significance for combatting the Party of Treason in the United States today and the subverting of the republican form of government in both Europe and Spanish America. The reader will also gain a better understanding of why the categories of "left" and "right" wing, which the inquisition in the form of Sen. Joe McCarthy drummed into naive Americans, mean absolutely nothing.

Soustelle embodies Europe's Party of Treason, the party of those who connived with Hitler's envoy Otto Abetz; who refused to wipe out the dictator when it was still feasible; who opened France to the Nazi invasion; and who tried from 1944 on at the latest to kill General de Gaulle, the foe of the Nazis and liberator of France.

Soustelle began his political career as a perfervid Marxist, of the Orthodox Soviet variety, under the tutoring of Prof. Paul Rivet, who is generally described in U.S. intelligence reports of the day as an "ardent communist." Professor Rivet (1876-1958), one of the most important occult figures in the 20th century, was the creature of Europe's most entrenched

and reactionary oligarchy, the circles around the Duke of Lorraine, Otto Hapsburg, heir to the defunct Austro-Hungarian empire.

A brief biography of Jacques Soustelle

Jacques Soustelle was born in 1912, in Montpellier, a town in the south of France which was one of the strongholds of the Cathar cult during the Middle Ages and remains so to this day. This point is of the utmost relevance to our case, and we shall return to it.

The minister is said to have come of modest origins, but was earmarked for a brilliant career as a meticulous student with a photographic memory who reminded his study companions of an entomologist studying the sex-life of the praying mantis: Such fanatical attention to unsavory details that others would prefer to overlook was to stand him in good stead in his career as an anthropologist, and also 30 years later, when his networks were accused of involvement in several hit attempts on de Gaulle, where, as everyone knows, attention to detail is everything. Was it this same attention to detail that brought the life of the Italian state sector leader Enrico Mattei to a sudden end in a never-explained plane crash in Sicily in 1962, after Soustelle had publicly objected to charges in the Mattei press that he was trying to kill de Gaulle?

Around 1930, young Soustelle was sent up to Paris to study what was then a fairly new science: sociology, under the nephew of sociology's "founding father" Emile Durkheim, Marcel Mauss. Soustelle received a doctorate in sociology and then studied under Paul Rivet.

In Mexico in 1934, Soustelle attended the Anti-Imperialist Congress organized by the Soviet Communists, of which he spoke in glowing terms in his autobiographical *Mexique*, *Terre Indienne* (1936). A mere six months later, we find him busily engaged in espionage with rabidly pro-Nazi Austro-Hungarian and British elements like Count August von Schmelingen in Chiapas State on the Guatemalan border.

Around 1937, Mr. Soustelle, along with Rivet, Albertini (a writer who narrowly escaped execution as a Nazi collaborator after World War Two), and a radical later implicated in the murder of Trotsky himself, Marceau "Souverain" Piv-

ert, created a movement and a review called *Spartakus*, which was ostensibly Trotskyist.

Almost every close associate of Soustelle, from José Vasconcelos, the Mexican education minister, to Hermann Friedrich Erben, the Nazi naval espionage specialist and "anthropologist," to Diego Rivera, the "communist" painter who boasted of cannibalism, to Georges Bidault, quondam premier of France and, in the 1960s, terrorist leader, to Otto and Paul Strasser, O.S.B., to Albert Giesecke and Luis Valcárcel in Peru, has one precise trait in common: a chameleon-like political career shifting from the extreme "left" to the extreme "right," and vice versa. They all started out as communists and turned Nazi, or as Nazis who turned communist, or as ardent Catholics who turned Theosophist or atheistic Marxist, and then back again.

The key role of Paul Rivet

Soustelle's mentor and collaborator Paul Rivet occupied a pivotal position in these evil circles. Throughout his life, Rivet was in close correspondence with Count Richard Coudenhove-Kalergi, the originator of a number of supranational "pan-European" organizations and a network of secret societies of which the French "Synarchie" (Synarchy) was the expression. Synarchy was the umbrella-name for a small hard-core of clerical fascists, over 90% of them from the old aristocratic families of France, dedicated to the restoration of the Holy Roman Empire. Through this network, Rivet also extensively corresponded with **Otto Hapsburg.**

A tiny handful of old titled families, like the Pallavicinis in Mexico and Italy, run these societies, the more hardcore forms of which may be called The Great White Brotherhood, Empire International, the Thule Society of Sicily, and The Symposium of Vienna. They are extreme Gnostic societies, given over to every form of degraded cult practice and function, in political terms, precisely as the Benedictine-led inquisition stimulated and used the Cathar heresy in the 14th century as a pretext for seizing control of southern Europe. Not by chance the Benedictines, who trained *all* of the French Synarchists at their Pontigny retreat in France, dominate the operations of which Soustelle is a particularly nasty asset: The inquisition has moved to the Americas.

Rivet's close links to Otto Hapsburg did not prevent him from becoming the backstage controller of the disastrous left French Popular Front government of Leon Blum in the late 1930s—the government which, among other crimes, refused to intervene to put a military end to the Civil War in Spain which devoured one million lives. When another Otto, namely Strasser, head of the left-extremist wing of the Nazi Party in Germany, arrived in Paris with some not entirely new ideas about a pan-European federation and a world government under Swiss dictatorship and Swiss currency, Soustelle and Rivet took this murderous Nazi hoodlum under their wing, and published his romantic fiction, *Hitler and I*, in the house controlled by Rivet: the Union Latine, a brainchild of two

Italian noblemen, Count Carlo Sforza and Prince Guido Colonna.

Professor Rivet's next step, from his post as Director of the Anthropological Museum, was to create a radical pro-Soviet network, The Network of the Musée de L'homme, which was exterminated in the death camps almost down to a man upon the Nazi invasion, except, of course, for Rivet, "saved" thanks to the intervention of both Marshal Pétain, the head of the Nazi puppet Vichy state, and the Rockefeller Foundation, which used U.S. State Department channels in 1940 to rescue leading "intellectuals" who had paved the way for Nazism. Both Rivet and Soustelle consistently fled actual combat.

The case of anthropology-sociology

When Jacques Soustelle began his sociology studies around 1930, sociology had already garnered a poor reputation as an unscientific discipline, and there were unsuccessful moves to have the subject taken off the program of the Philosophy Department at the University of Paris. What some of the unfortunate philosophy professors had grasped was that the entire sociology-anthropology movement was nothing but a tool of the one-world faction: highly specific disciplines for profiling the ideologies of advanced (Sociology) and savage (Anthropology) peoples to turn them into putty in the hands of the oligarchical European families who created these "academic subjects" in the first place, to be whipped up into murderous rage (Shining Path, the Manson cult, ETA, etc.). Anyone who doubts this has only to go to the history books and check out the names of the founders of anthropology in the late 19th century: Prince Bibescu of Romania, the Duke of Loubat, the Pitt-Rivers family which virtually owns Oxford, and the Counts von Keyserling of Darmstadt—among

Sociology-anthropology is in essence a modern form of the inquisition, a long-term project pre-dating the execution of the Hapsburg Emperor Maximilian of Mexico, but stepped up to febrile intensity after that event showed that a patriotic republican movement could be mobilized to stop oligarchist attempts at ruling the Western hemisphere. Invasion alone had failed; now, the princes sought tirelessly, by the most advanced means they could contrive, to overturn from within the American republics.

Although the channels have not been fully traced, there can be little doubt that orders arrived from the old continent's nobility to the parvenu rich American families, who were desperately seeking to become bluebloods by marrying into European titles. The American millionaires were told to grab every inch of territory, every strategic mineral and raw material they could bribe, threaten, or kill their way into possession of. Using the political leverage thus acquired, by the 1880s the Rockefellers, Graces, and Guggenheims were financing to the tune of tens of millions of dollars anthropological and cultural institutes for the American inquisition.

EIR November 13, 1984 International 37

When this publication first published the fact that Jacques Soustelle had decided to sue its writers, a number of individuals in France and elsewhere indicated that they did not wish to be involved in any way whatsoever with the defense, in spite of being the possessors, in some cases, of an extraordinary amount of personal knowledge substantiating in every detail the accusations. To be brief, these people feared for their lives, just as do those who know too much about Henry A. Kissinger. Why?

Because we are dealing with the oldest and most powerful financial and cultural network in the world, a fact which has not always escaped U.S. authorities.

In 1944, the U.S. Ambassador to Mexico, George Messersmith, informed the U.S. Department of State, which probably decided at that moment that the ambassador was long overdue for a transfer, that one Prof. Paul Rivet, allegedly representing General de Gaulle in Central America, had spoken in front of 500 persons at a dinner of the Junta de Liberación Española of Indalecio Prieto in Mexico City on Sept. 5 of that year.

Prieto was the last president of the Spanish Loyalist government, and is thought to be the man personally responsible for handing over to the Russian government several hundred million dollars in gold bullion, the entire treasure of the Spanish state, to "prevent it from falling into Franquist hands." The treasure had not been returned at the time of writing.

Prieto was a close personal friend of Paul Rivet, who declared at this dinner that he would intervene with de Gaulle so that upon the Liberation of France, the Spaniards exiled in Mexico could enter France en masse, to prepare the invasion of Spain over the Pyrennees.

Ambassador Messersmith quite correctly remarked in his dispatches to Washington, that Rivet was an agent of certain European powers desirous of harassing the United States and of breaking the Monroe Doctrine, through the emotional manipulation of the concept of a "Latin Common Culture" against pan-American republicanism. He noted that Rivet was simply giving a left-wing, pan-Latin slant to the notion of Hispanidad as it had been developed by those members of the Falange Foreign Espionage Service adhering to the Hitlerite brother-in-law of Francisco Franco, Ramón Serrano-Suner.

Jacques Soustelle and the 'black' princes

Two years later, on Aug. 28, 1946, with World War II officially over, there landed in Mexico Prince Guido Colonna, described as secretary to the man who was actually his sidekick, Count Carlo Sforza. Count Sforza, heir to a family that became powerful in Italy only 500 years ago, qualifies as a member of the "black" nobility that pre-dates the creation of Italy and has never accepted the nation-state, on principle. He declared that he was in Mexico to assist the creation of a Federation of Latin Peoples. On Oct. 18, 1946, Paul Rivet, Jacques Soustelle, and then French Foreign Minister Georges

Bidault, a Soustelle crony who later led the terrorist organization called the OAS, created in Paris a Maison de L'Amerique Latine, and a Federation of Latin Peoples.

Ambassador Messersmith, from his posting at Buenos Aires, fired off a series of irate dispatches to the Department of State, as follows:

"In dispatches from Mexico City and in informal letters to the Department of State, I brought to the attention of the Department an obvious movement which existed on the part of certain individuals in France, Italy and Spain in particular, in the establishment of a Latin American bloc, and that undoubtedly the primary motivation behind this was the desire to counter-act collaboration among the American States with the U.S.A. . . .

"I further brought your attention in these despatches to the activities of Prof. Paul Rivet, a French intellectual whose activities were very largely directed toward such a Latin Bloc. . . .

.".. The establishment of the Latin American House in Paris is in line with similar institutions which have been established there. . . . It is interesting however that the same day [Oct. 18, 1946] should have been seized upon as the opportunity for a certain group to launch this idea of a Federation of Latin Peoples. . . .

"I indicated in these dispatches and letters that I thought the Chief of Missions in the American Republics, and in Spain, Portugal, France and Italy, should be instructed to follow such a movement and to keep the Department fully informed. I would like to reiterate that recommendation. . . .

"I think in this connection that the activities of Paul Rivet in Paris will have to be carefully followed as there seems to be no doubt that he is deeply interested in carrying through such a movement and while I was in Mexico City I had reasons to believe that the attitude of Professor Rivet towards the United States was neither particularly friendly nor understanding. . . . I suggest that a copy of this dispatch be sent to Paris."

It is very possible that Ambassador Messersmith, who appears to have been one of those few, eccentric Department of State officials who actually represented the interests of the United States, did not have at his disposal the historical background to grasp the significance of Prince Colonna and Count Sforza masterminding this Latin bloc, which they planned to use use as an instrument for the re-establishment of empire.

The Colonnas are thought to be the oldest still-extant oligarchical family in the Western world, tracing their ancestry at least as far back as that other brutal imperialist, Julius Caesar. Along with a very few others, they control the Roman Curia, and, through Secretary of State Casaroli, the Vatican's foreign policy. To this subject we will return in the next article of this series, on the relations of Rivet and Soustelle to the French and Mexican fascistic organization known as Synarchy.

38 International EIR November 13, 1984

France's existentialist 'radicals': Vichy collaborators on the Left Bank

by D. Stephen Pepper

The Left Bank

by Herbert Lottman, Houghton Miflin Co., New York, 1982, 319 pp., \$15.95.

"We were never so free as we were under the Occupation," wrote Jean Paul Sartre shortly after the liberation of Paris. In the same spirit André Gide, another hero of the French existentialist left, wrote in his diary in August 1941: "Although it may seem strange to one who comes back to it after a long absence, Paris gives the impression of ease and even of freedom."

The existentialist philosophical outlook of these degenerates is perfectly compatible with fascism, as their collaboration with the Vichy regime attests. For them, "freedom" is the right to do as you please, no matter what the consequences for the human race.

Today's "peace movement" and the Green Party hold up Sartre and company as the brave Resistance fighters who used ideas, words, and art as others used guns and bullets. As The Left Bank usefully demonstrates, nothing could be further from the truth. Not only did the existentialists collaborate cheerfully with the fascists; once the Germans withdrew, they adroitly shifted their allegiance to the Communists.

Today, the fascist Greens in West Germany, the selfproclaimed spiritual heirs to the legacy of Sartre and Gide, are preparing the downfall of the Bonn republic, in an alliance with Soviet imperialism. For those who believe that today's "Red-Green" alliance is unique or unusual, there is a lesson to be learned from the history of the Left Bank crowd.

American free-lance journalist Herbert Lottman tells the story, and if you have not heard of his book, this is not surprising, since almost immediately after it appeared, it dropped out of sight, not to be found in any of the book shops which otherwise prominently display every bit of effluvia that puffs the mythology of left intellectuals' opposition to Hitler.



Existentialist philosopher Jean-Paul Sartre, one of the Left Bank crowd, the forebears of today's Green fascists.

The truth is quite different. Take the case of Sartre and his mistress, Simone de Beauvoir. Beauvoir worked for the Vichy regime during the entire Occupation, producing a cultural program for the Pétain government's Radio Nationale. As Lottman notes drily, "The Sartre-Beauvoir personal code of behavior allowed her to work for this propaganda organization: 'It all depended on what one did there.'"

Even more revealing is the fact that Sartre's literary reputation began during the Occupation. Les Mouches, The Flies, was first produced under the Nazis at the theater once called the Sarah Bernhardt, but whose name had been removed because the actress was Jewish. The Pariser Zeitung, the newspaper of the German occupation forces, called the play "a theatrical event of the first order." Camus's The Stranger and The Myth of Sisyphus and Sartre's Being and Nothingness were all published by Gallimard during the Occupation. When No Exit was staged at a Left Bank theater, it was such a critical success that one observer wrote, "It is the event that opened the golden age of Saint-Germain-des-Près... to the drawing rooms of Paris and of France."

No sooner was the war over than Sartre and Beauvoir became "political." They had taken no part in pre-war antifascist movements and had been passive, to say the least, during the Occupation. But now that they had friends in power, "politics became a family affair and we intended to be involved," Beauvoir explained. The guiding principle of their politics was anti-Americanism. At first, they went through various "positions" to maintain their "independence" from the Communists, but in 1951, Sartre abandoned any such subtleties and the former collaborationist became a full-fledged hero of the Stalinist order. In 1952, he published *The Communists and Peace*, and was the hero of the International Peace Congress organized by the Soviets in Vienna.

Pablo Picasso, another god enshrined in the Left Bank's Pantheon, had a similarly sordid political career. He lived in Paris throughout the Occupation. It was said of him that "he never turned away an art-lover in uniform." Indeed, Lottman notes that "his studio became an obligatory port of call for cultured German officers, as well as French admirers, and it got so crowded at times that he could not work." That he was an institution protected by the fascists is shown by the fact that his vast personal collection of paintings remained undisturbed in the vault of the Banque de France.

In return, Picasso never engaged in political activity, never uttered a political thought. The sole exception, and a bland one at that, is that he signed the petition to free the surrealist poet Max Jacob, who, although a converted Catholic, was born a Jew and was therefore carted off to a concentration camp. When asked to intervene directly with his German friends, Picasso replied sanguinely, "Max is an angel, he'll fly over the wall," and returned to his lunch.

Some weeks after the liberation of Paris, Picasso joined the Communist Party, whereupon the party newspaper L'Humanité produced the following headline, "The Greatest Living Painter of Today, Picasso Has Joined the Party of French Resistance." The closest brush with resistance Picasso ever had was when he was fined for eating in a black-market restaurant.

Picasso, like Sartre, became an icon of the "peace movement." In 1946, he designed the dove of peace that became the world-wide symbol of the communist-organized postwar disarmament movement. Picasso remarked cynically that the dove was known to be a most warlike bird.

Finally, what of André Malraux, that exemplary figure of a left intellectual, who, like Jacques Soustelle, wound up in the Gaullist camp? During the war, he abandoned his Jewish wife to live in luxury on the Riviera in the villa of Dorothy Bussy (the sister of the British appeaser Lytton Strachey, and herself the translator of Gide). There he lived with his anti-Semitic mistress, attended by a butler. When asked to join the Resistance he promised to do so—as soon as the Americans had landed.

Security emergency

by Susan Maitra in New Delhi

During his recent visit to Tripura, Indian Home Minister P. V. Narasimha Rao urged the CPI-M-ruled Tripura government to rise above petty partisan politics and deploy the army to counter the insurgent activities in the tiny state bordering on Bangladesh. New Delhi's subsequent decision to send a high-level team headed by an army major general to Tripura to evolve a plan to stamp out the tribal insurgency is a clear indication of its concern over the developing situation.

Tripura is the stronghold of the Communist Party of India-Marxist (CPI-M), which came to power with a sweeping mandate in 1978. The Left Front headed by the CPI-M won 56 of 60 seats, wiping out the nationally ruling Congress (I) Party in the process. In the next Assembly elections, held in January 1983, the strength of the Left Front was somewhat reduced; the Congress (I), which had no representation in 1978, secured 12 seats and the Tripura Upajati (TUJS), a party consisting of Chakma and Jamatia tribes, won six seats leaving the rest to be won by the Left Front.

But six years of significant electoral majorities have not helped the CPI-M government stabilize the state. Instead, insurgent raids have become endemic, and law and order within the state has continued to deteriorate.

Increasing insurgency

In recent months, many incidents have been reported by Indian papers, centered on the insurgent activities of the Tripuri National Volunteers (TNV), led by one Bijoy Hrangkhal. Ambushes, raids, and murders were perpetrated by the TNV even before the Panchayat (Village Council) elections held in June of this year, but since then, the frequency of the TNV raids has increased.

The TNV came into existence in 1978 when Bijoy Hrangkhal, a Baptist educated in Christian schools, broke away from the TUJS and formed the militant underground arm of the tribals. His purpose: to fight the "domination" of the Bengali settlers. A small princely state during the British Raj days, Tripura is now a victim of violent tribal reaction to the influx of new settlers from outside. Tripura is surrounded on three sides by Bangladesh, and is linked to India only by a tiny border with Assam and Mizoram. The trickle of immigrants from East Bengal in the pre-partition days swelled to a flood after 1947, when hundreds of thousands of Bengali Hindu refugees from then-East Pakistan (Bangladesh) fearing persecution crossed over into Tripura. Before the 1947

in India's Tripura

partition, Tripura's population stood at 0.51 million, of which 78% were tribals; today, the population is close to 1.8 million, of which 25% are tribals.

The tribal campaign

The influx of Bengali refugees eager to make a better living posed a serious challenge to the tribal groups, who suddenly found themselves the minority in their own territory. Under the leadership of the TUJS, the tribals sought recourse in the Sixth Schedule of the Indian Constitution, which contains a special provision for such ethnic minority groups, giving them powers to set up their own district councils and district courts, with full powers to make their own laws. When the CPI-M government led by Nripen Chakraborty came to power in 1978, it made an effort to meet the tribals' autonomy demands. Interestingly, Chakraborty, an "outsider" himself, had been sent from Calcutta in 1950 by the then undivided Communist Party of India to set up its Tripura unit. Chakraborty introduced legislation to set up a Tripura Tribal Area Autonomous District Council (TTADC) in 1979, and it was enacted in 1982. Still there was no let-up in TNV-led insurgency activities.

The TNV does not have a mass base in the state, but it has hooked up with other rebel tribal groups operating along the Tripura-Mizoram border areas. There are also allegations that the TNV is being trained inside Bangladesh, where similar tribal groups are also involved in undermining the authorities in Dhaka.

Many of the TNV members have embraced Christianity—a not too uncommon feature in that part of India—and, with the help of "missionaries," have studied in missionary schools and colleges. They have learned to translate the resentment and backwardness of their benighted tribal brethren into a marketable political currency. They intend to gain political power by propagating the "suffering of the tribal people" at the hands of the Bengali settlers, who have taken away their lands, reduced them to a minority in their own land, and have been dominating them socially, culturally, and politically.

At the other end of the spectrum are some of the Bengalis who have formed a reactionary, fascist bloc called "Amra Bangali" (We Bengalis). Amra Bangali was formed in 1979 by prosperous traders and landowners. Over the years, the organization has held a series of anti-tribal demonstrations,

many of which led to violent clashes with local tribal groups. The Amra Bangali is closely identified with the Ananda Margis—a death-worshiping homosexual cult which has recruited heavily in eastern and northern India, West Germany, Australia, and the United States. Prone to violence and linked up with international assassins, Ananda Margis is watched carefully by intelligence communities worldwide.

While it is evident that the ethnic trouble between the tribals and Bengalis is being fueled by such subversive elements as the "Christian" missionaries and Ananda Margis, the political parties in Tripura are milking the conflict for their own petty gains. Congress (I), which is rife with factional infighting, depends significantly on Bengali votes. Unlike in West Bengal, the Bengalis in Tripura have been the traditional supporters of the Congress, a direct result of CPI-M's championing of the tribal cause. Following the 1980 riots, then-Home Minister Zail Singh had accused Chakraborty of inciting the tribals in the state.

The CPI-M, on the other hand, puts the blame on the military rulers of Bangladesh for training the TNV activists for the purpose of destabilizing Tripura. It is by no means clear why Bangladesh, a tiny nation compared to India and itself plagued with massive economic problems, would become involved in such a misadventure. Nonetheless, the Tripura Left Front, with full support from India's left lobby, has even accused Bangladesh President Ershad of meeting Hrangkhal surreptitiously in the border areas. The accusations have since been refuted by the Bangladeshis.

The left lobby in India has also periodically accused the Chinese of arming the TNV and other rebels in the region as part of a plan to carve out a corridor connecting China with Burma which would run through the Indian states of Arunachal Pradesh, Assam, and Mizoram.

It is evident that the TNV moves freely in and out of the bordering areas of Bangladesh. The rough terrain of the Chittagong Hill Tracts, which sits squat along the Tripura-Bangladesh border, is too difficult to be patrolled by either the Indian or Bangladeshi border forces. The Tripura government has yet to provide any concrete evidence of the Bangladeshi involvement. It is generally conjectured here that the CPI-M, eager to hide its own politicking and subversive role, is merely diverting attention.

Within the Left Front itself, reports of infighting are not uncommon. One of its contituents, the CPI, went its own way during the Panchayat elections in protest against the CPI-M's rigid stand on seat distribution.

New Delhi is aware of the potential dangers in such a sensitive border area, and has been pressing the Tripura Left Front government to recognize the gravity of the situation and allow the Indian regular army to be deployed. The units of the Border Security Force and the Central Reserve Police are too thinly spread to monitor the border effectively. But so far, the CPI-M government, busy manipulating the festering conflict for its own political gains, has not relented to New Delhi's pressure.

EIR November 13, 1984 International 41

Pope John Paul II takes the offensive to save values of Western civilization

by Augustinus

On Oct. 13 in Santo Domingo, when Pope John Paul II denounced "the agents of neo-Malthusianism who want to impose on peoples a new neo-colonialism," his first open address on the problem of the Ibero-American debt, he was only restating what he had said to the local gnomes during his visit to Switzerland: The "financial world" cannot be seen as separate from the principles of morality and Christianity.

When he denounced pseudo-Christian cults, and "the corruption of public life by the merchants of drugs and pornography who are undermining the moral fiber, the resistence, and the hope of the peoples," and when in Calabria he denounced the mafia by name, calling for an end to the *omerta* (the mafia code of silence), then, even the most wishful thinker among the Jesuits had to admit that the Vatican was once again taking an uncompromising position not just on this and that particular issue, but on the fundamentals of Western civilization.

The impression left by John Paul's polemics was reenforced by numerous prominent Catholic theologians, who began to write that defensive beam-weapon systems and the prospect of humanity's "assured survival" based on them is far and away morally superior to the nuclear equilibrium of terror. Such writings amount to a theological and moral endorsement of President Reagan's Strategic Defense Initiative, in the face of thick and furious Soviet and allied Western denunciations of the program, not least from the American Catholic bishops, as well as Western Protestant and Eastern Orthodox pulpits.

By no coincidence, as the Pope spoke, Ibero-American law-enforcment agencies began to move against cults like Tradition, Family, and Property (TFP), the Gnostic cult not only linked to would-be killers of the Pope, but to the international arms-for-drugs trade. This cult is part of a worldwide Gnostic network sposored by such European oligarchical families as the Thurn und Taxis, the Bulgarian secret service, and the Soviet KGB.

Finally, on Oct. 26, the investigation into the May 13, 1981 assassination attempt against the Pope was concluded with issuance of the final bill of indictment by Judge Ilario Martella. Without doubt, he reported, a Bulgarian (and so,

Soviet) plot was involved, and three Bulgarian government employees were indicted (see *Reportfrom Italy*). At that very moment, the body of the Polish Catholic priest, Jerzy Popieluszko, was found in the waters of the Vistula River, victim of a savage murder perpetrated, nobody doubts, by the KGB.

A 'shift of gear'

The Pope's speeches were focused on the whole apparatus of oligarchical and Kremlin-sponsored destabilization and criminality. Many responsible leaders of the Catholic Church are now convinced that if the "beast" is not faced now, it will soon be too late for the civilization born of Judeo-Christian seeds 2,000 years ago. Although the fifth columns inside the Catholic Church are alive and well, even the influential Jesuit father of Milan, Father Angelo Macchi has taken note of "a shift of gears." The Ostpolitik ("opening to the East") linked to the name of Cardinal Agostino Casaroli has been discredited.

A very important event at which this "shift of gears" was manifest was the Third Ecumenical Meeting held on Oct. 5 to 7 in Riva del Garda, Trento, Italy. The key issue under discussion among the 120 Catholic, Protestant, and Eastern Orthodox bishops was the elimination of the principle of the *Filioque* contained in Latin versions of the Nicene Creed. This would eliminate the basic differences in doctrine between the churches of the West and the East—by eliminating the most vital principle of Western civilization's development!

The Orthodox present, including their major specialist on the question, Prof. Dimitru Popescu of the Romanian Orthodox Church, were quite self-assured and confident of what they called "an historic victory." But on just this point, Rome intervened, and put on ice those Catholic spokesmen willing to give away fundamental doctrinal points of Western Christianity.

The meeting had been carefully prepared down to the last detail to maximize pressure on the participants in favor of "ecumenicism." For the first time, such talks were open to the public, and 2,000 people, members of different "Christian communities," were brought in to create a mass-celebration atmosphere conducive to a "unity of the Christians." The

aim of the operation, largely organized by the secretary of the European Catholic Bishops Conference, Ivo Fuerer of St. Gallen, Switzerland, was to impose by demagogy before a "mass movement" what the Gnostic elites of both East and West had privately plotted against Christianity.

The Filioque

Professor Popescu, confirming his sophistic skillfulness, approached the issue of the *Filioque* as if it were in contradiction with the principle of the Holy Trinity. In theological terms: If the Holy Spirit descends (proceeds) from the Father and from the Son ("filioque"), then the Holy Spirit would be completely "divided," with the consequent destruction of the Trinity. If the Spirit, Popescu explained, "must go to the world," it cannot go alone, but must go together with the two other elements of the Trinity. The *Filioque*, in his explanation, would take God out of the world.

Popescu's argument is simply a dusted-off version of those used for centuries and finally settled at the Council of Florence in 1439. At that time, the leaders of the Eastern Orthodox Church signed a document of Union with the Roman Catholic Church agreeing to accept the *Filioque*. Since Christ combines both the human and divine nature in his person, the addition of the *Filioque* to the Nicene Creed was intended to give stress to the unique and indispensable role of man, insofar as he realizes his "divine spark," in continuing the work of Creation. For centuries the *Filioque* has represented the basis for a dynamic society in which the creative human individual intervenes in nature ("the world") to alter it for the sake of human development and the development of the Universe as a whole.

The Russian Orthodox Church was founded in the mid-15th century as a vicious backlash by the backward monks of Kiev against the principle of technological progress embodied in the *Filioque*; and when the barbarian Turkish army overran what was left of Byzantium in 1454, the Eastern Orthodox Church under Turkish domination also renounced the *Filioque*.

It is the action of the Spirit proceeding from the Son that constitutes the basis for the dignity of the *individual* soul, as distinct from the "Russian" or Orthodox "collective soul." Thus, the *Filioque* is the first principle of a society devoted to the highest creative development of each and all of its individual members. And thus, it is rejected in the theological doctrines of collectivist Oriental despotisms.

In short, implicit in this theological point of discussion, despite the apparent complexity, is the historical question of whether man is to descend into a new dark age under Eastern imperial yoke, or is to preserve human potential for a new and greater Renaissance.

The Pope intervenes

In reality, the Orthodox would have been content to get much less, for example, "a compromise" by which Catholics (and Anglicans) could keep the doctrine of the *Filioque* privately, but agree to public recitations of the Credo without mentioning it!

In the middle of the discussion, a letter from the Pope arrived. The correspondent of the radical-chic newspaper *La Repubblica* wrote: "The letter was warm, underlined the importance of the conference, but for many it had the effect of a cold shower.

"The Pope proclaimed that the 40 Catholic bishops were, unlike the others, legitimate only by him; in other words, they could not be considered subjects of the conference, but only [his] delegates. . . . Not only this: The letter of the Pope in a certain sense re-introduced, to a meeting that did not recognize the Iron Curtain, the barrier that the ecumenicists did so much to eliminate. The bishops are here debating fraternally with the Protestant pastors and the Orthodox metropolitans with whom over the years they established relations of confidence. But Wojtyla is the Pope of the strong condemnations of the Eastern countries. . . . And the East-West question, in this European meeting, is the central one. How can the Catholics continue to calmly discuss the Credo with the Orthodox if the Pope changes the cards on the table?

"Political questions and theological questions are closely interconnected. The first split of the Christian world was the one determined by the question of the *Filioque*. . . . How different, also physically, the metropolitans are, what a fair look, what black birds, what big crosses on their chest!"

The morality of defense

The admirers of the Orthodox birds would be even more frightened if they read a recent essay by a Catholic theologian, Don Ennio Innocenti, "The Price of Justice Among States." It calls upon Western Europe to join in developing beam-weapon defenses against Soviet nuclear attack.

"There is a new weapon on the strategic scene, the 'beam' weapon," he wrote. "Its immediacy, potency, and precision make it possible to neutralize the threat of an intercontinental nuclear missile. . . . The current projected beam weapon is purely defensive; by itself, it can raise no moral objections."

The essay was published in *Rivista Militare*, the Italian Army's official magazine, and in the book *Military Conscience and Moral Conscience*, with a preface by Gen. Umberto Cappuzzo, chief of the Italian Army General Staff.

"It is true," Don Ennio Innocenti wrote, "that the Soviet Union warned in 1983 that building beam weapons would be considered a casus belli; but, apart from consideration of the evidence that the Soviet Union itself already has such a weapon, it is up to the prudence of politicians to evaluate the seriousness of such a warning. . . . Beam weapons can also be built in Europe.

"The duty to finance defense is a top priority of the state, unless the state gives up its fundamental reason for existence: to serve the common good. Only the agnostic state, being without values, is without duties."

EIR November 13, 1984 International 43

Pope rips mafia, Malthusianism

The following are excerpts from two speeches delivered by the Pope in Reggio Calabria on Oct. 7, 1984.

Today I am here among you, in the full knowledge of being in a region of Mezzogiorno and in the most deeply southern city in Italy, where the problems of the southern question appear in all their aspects—geological, economic, social, moral, political, cultural and religious—most seriously and, often, most dramatically. . . . Many hopes have not been met, [but] on the other hand, there are many reasons for hope for economic, agricultural, and industrial development. . . . There is also the problem of unemployment which is particularily hard here in Reggio Calabria, youth unemployment, intellectual unemployment. This is the outcome of the economic crisis which, in the context of all the other problems, provokes even more serious evils. And how can we not recall again the phenomenon of criminal and mafioso activities, and the various forms of omerta [mafia code of silence] and corruption it produces. . . .

From the second speech:

The young man without work and without hope is exposed to every sort of temptation: I am referring in particular to the temptations of violence and drugs.

You, young Christian, must give here a strong and courageous demonstration. Never give in to the temptation of criminal and mafioso violence. Rather, you must be the most determined moral force in defeating the mentality that leads to impotence, oppression, [and] vendetta. . . .

There is then the temptation of drugs, pushed by a disgusting market, that also dominates in your city and reaches even into the small towns of your land. . . .

The following excerpts are from the speech by John Paul II in Santo Domingo Oct. 12, to the Bishops of the CELAM (Latin American Bishops' Conference), in the section subtitled, "A look toward the future: the continent of hope." All emphasis is in the original.

1. The challenges of the moment: In contemplating the panorama which is open to new evangelization, it is not possible to ignore the challenges which this work must face. . . .

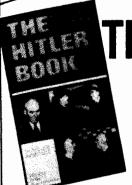
To all this is added the lack of solidarity between nations, an incorrect behavior in international relations and in commercial interchange, which creates new imbalances. And now the grave problem is presented of the foreign debt of the Third World countries, in particular of Latin America.

This phenomenon can create conditions of undefined social paralysis and can condemn entire nations to a permanent debt with serious repercussions, the generator of constant underdevelopment. In this regard the words come to mind which I spoke during my apostolic visit to Switzerland: "The financial world is also a human world, our world, which is subject to the conscience of all of us; here, too, ethical principles hold" (Homily in Flüeli, June 14). . . .

- 2. Latin America: out of your loyalty to Jesus Christ, resist those who want to quench your vocation of hope!
 - the temptation of those who wish to forget your undeniable Christian vocation and the values which shape it, to seek social models which disregard it or contradict it;
 - the temptation of that which can weaken communion in the Church as the sacrament of unity and salvation; both from those who ideologize the faith or pretend to construct a "popular Church" which is not that of Christ, as well as those who promote the spread of religious cults which have little to do with the true content of the faith;
 - the anti-Christian temptation of the violent who despair of dialogue and reconciliation, and who substitute for political solutions the power of arms or of ideological oppression;
 - the seduction of the ideologies which claim to replace the Christian vision with the idols of power and violence, wealth, and pleasure;
 - the corruption of public life or of the merchants of drugs and pornography, which gnaw away at the moral fiber, the resistance and hope of peoples;
 - the action of the agents of neo-Malthusianism who wish to impose a new colonialism on the Latin American peoples; drowning their potential for life with contraceptives, sterilization, liberalized abortion, and shattering the unity, stability, and fertility of the family;
 - the selfishness of the "satisfied" who cling to the privileged present of opulent minorities, while vast sectors of the people suffer difficult and even dramatic conditions of life, in situations of misery, marginal existence, and oppression.
 - the interference of foreign powers, who follow their own economic interests, of blocs or ideologies, and reduce peoples to a field of maneuvers at the service of their own strategies.

14 International EIR November 13, 1984

NEW From Franklin House



THE TRUTH ABOUT THE NAZI

INTERNATIONAL

Then and Now!

THE HITLER BOOK

A Schiller Institute Study

This new study, certain to be highly controversial, exposes the philosophical roots of National Socialism and the international oligarchical network that put Hitler into power.

\$995

Edited by Helga Zepp-LaRouche



Order from your bookstore or from:

The New Benjamin Franklin House Publishing Company, Inc.

☐ Please send me copies of The Hitler Book.			
Enclosed is \$			
Name			
Address			
City State Zip			
Make checks payable to: The New Benjamin Franklin House Publishing Company, Inc., Dept. E, 304 West 58th St., 5th fl.,			

New York, N.Y. 10019
Shipping: \$1.50 for the first book; .50 for each additional book. Mastercard and Visa holders call:

(212) 247-7484

Write for a free catalog of other books available.

U.S. Postal Service STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION

Required by 39 U.S.C. 3685

- 1A. Title of Publication: Executive Intelligence Review (EIR)
- 1B. Publication No.: ISSN 02736314
- 2. Date of Filing: October 20, 1984
- 3. Frequency of Issue: Weekly but for two weeks
- 3A. No. of Issues Published Annually: 50
- 3B. Annual Subscription Price: \$396.00
- Complete Mailing Address of Known Office of Publication: 304 West 58th St., New York, NY 10019
- 5. Complete Mailing Address of the Headquarters or General Business Offices of the Publisher: 304 West 58th St., New York, NY 10019
- 6. Full Names and Complete Addresses of Publisher, Editor, and Managing Editor

Publisher: New Solidarity International Press Service, 304 West 58th St., New York, NY 10019

Editor: Nora Hamerman, 304 West 58th St., New York, NY 10019 Managing Editor: Vin Berg, 304 West 58th St., New York, NY 10019

- Owner: New Solidarity International Press Service; Nancy Spannaus; Edward Spannaus; Warren Hamerman; all of 304 West 58th St., New York, NY 10019
- 8. Known Bondholders, Mortgagees, and Other Security Holders Owning or Holding 1 Percent or More of Total Amount of Bonds, Mortgages or Other Securities: None.
- 9. For Completion by Nonprofit Organizations Authorized to Mail at Special Rates: Not Applicable.
- 10. Extent and Nature of Circulation

		Average No. Copies Each Issue During Preceding 12 Months	Actual No. Copies of Single Issue Published Nearest to Filing Date
A.	Total No. Copies		•
	Printed	12,989	13,600
B.	Paid Circulation		•
	1. Sales Through		
	Dealers and		
	Carriers, Street		
	Vendors and		
	Counter Sales	5,084	6,300
	2. Mail Subscriptions	6,459	5,956
C.	Total Paid Circulation	11,543	12,256
D.	Free Distribution by	·	,
	Mail, Carrier or Other		
	Means, Samples,		
	Complimentary, and		
	Other Free Copies	1,100	1,000
E.	Total Distribution	12,643	13,256
F.	Copies Not		
	Distributed		
	1. Office Use,		
	Left Over,		
	Unaccounted,		
	Spoiled After		
	Printing	346	344
	2. Return From News		
	Agents	0	0
G.	Total	12,989	13,600
			·

I certify that the statements made by me above are correct and complete.
 VIN BERG, Managaing Editor.

Vin Berg

Report from Bonn by Rainer Apel

The defense budget debacle

The defense minister is blaming the Social Democrats for trying to "decouple" from the United States—but his own party is going along.

A turbulent session of the budgetary committee of the West German parliament decided on Oct. 30 to impose cuts in defense expenditures for 1985—against the pledge of NATO member countries to raise their budgets 3% per year in real terms. The cuts of 250 million deutschemarks (about \$83 million) will hit German air-defense capabilities in particular, at a time when German defense ministry officials have publicly revealed that Soviet maneuvers have been rehearsing a surprise attack against the Federal Republic.

The cuts were "moderate" compared to the original demands by the Social Democratic Party (SPD) for slashing the budget by 1.8 billion deutschemarks.

The Tornado jetfighter purchasing program will receive 100 million deutschemarks less than planned, while the development program for the Jetfighter 90 will be reduced from a planned 180 to 60 million. The long-term purchasing program for the Jetfighter 90, which requires 3.4 billion deutschemarks total through 1996, was frozen for the time being. In addition, the West German air force will have to reduce air exercises in 1985 because the fuel budget was cut by 60 million deutschemarks.

Defense Minister Manfred Wörner angrily denounced the budget committee's decision and the demands of the Social Democrats for even steeper cuts. "There are clearly visible tendencies on the side of the SPD to say farewell to the Western alliance," he said. "He who cuts the planned budget reduces not only our

own security, but also that of the alliance as a whole."

Wörner warned that "the SPD is working toward substantial cuts in our country's defense budget. Less defense expenditures mean less defense, and less defense means decoupling from the U.S.A."

But it was not only the Social Democrats who were to blame. The ruling Christian Democratic Union and Free Democratic Party possess a solid majority in all the committees of the parliament, so they can vote down every motion coming from the opposition SPD and the Greens. This they refused to do—a dangerous indication of the extent to which the arguments of the "peace movement" have penetrated the ostensibly "conservative" parties.

Many Christian Democrats have become the special victims of disinformation spread by networks in the Lutheran and Catholic churches about the danger of the arms race, the Soviet desire for peace, etc. The government itself adopted a slogan last year modeled on that of the disarmament movement—"Make Peace With Fewer and Fewer Weapons."

These issues came to a head during the debate on Oct. 30, when the budget committee had to decide on funding for some of the costlier projects, such as air defense and upgraded participation in the U.S. space research program. The SPD and the Greens had presented motions calling for drastic cuts: The Social Democrats, for example, wanted to freeze all funds for the Tornado, which they claimed was of no use any longer, since a chief

executive with access to top-secret files at the MBB company in Munich, coproducer of the plane, had been exposed as a KGB spy. The SPD's line of argument was quite peculiar, since the Social Democrats have gone along with most of the KGB's propaganda against the United States and NATO. Why are they suddenly so concerned about a KGB spy?

Other arguments were brought up against German collaboration in space research efforts with the United States. Some said that these projects, including the Cosmos space station, were "too costly" and "too much centered on military rather than civil research."

The vote is a dangerous blow to Western defense. Air defense is generally recognized to be one of the weakest pillars of Western military capabilities in Germany, and the Jetfighter 90 project is particularly important, because it aims at the development of a new jetfighter which needs no more than 500 meters of airstrip for takeoff and landing, can be refueled in the air, and is equipped with sophisticated electronics that allow the pilot to attack eight targets simultaneously up to a distance of 90 kilometers. NATO believes that this kind of plane would be the best option for "launch-on-warning" defense against any surprise attack from the East.

This project has now been placed in jeopardy, along with the special budget of 55 million deutschemarks that the Bonn Research and Technology Ministry wanted to have for German participation in the U.S. space station program in 1985. U.S. Lt. Gen. James Abrahamson, the director of the Strategic Defense Initiative, went to Bonn personally to try to convince the Germans of the importance of space cooperation, including the need for joint development of space-based ABM systems.

Report from Italy by Umberto Pascali

The Bulgarian plot to kill the Pope

Magistrate Martello's report leaves no doubt that Agca had accomplices in the East bloc secret services.

e are certain that there was an international plot to kill the Pope. It was a monstrous crime against humanity, because it hit the conscience of everybody who, whether or not they subscribe to a religious credo, share the fundamental Christian values of peace, brotherhood, solidarity." So reads the final document issued by Roman magistrate Ilario Martella, who has spent more than three years investigating the attempt on the life of Pope John Paul II in St. Peter's Square on May 13, 1981.

Despite all the sabotage, attempted blackmail, and diplomatic pressures coming from Moscow and Sofia—and also from unexpected quarters in the West-the final bill of indictment demonstrates conclusively that there was a plot to assassinate the Pope, and that this plot was guided from Bulgaria and Russia. Martella leaves no room for the "lone-assassin" theory: "The attempt against John Paul II was not the result of the ideological delirium of a criminal who did everything by himself, but the fruit of complex machinations organized by occult minds."

Together with the arrested gunman, Mehemet Ali Agca, Martella indicted eight other persons including the head of the Rome offices of the Bulgarian airlines (Balkan Air), Sergei Antonov, believed to be one of the top figures of the Bulgarian secret services. The Bulgarian secret services, as is well known, are the branch of the Soviet KGB in charge of the dirtiest operations. Two other Bulgarian citizens were also indicted: Teodor Ayvazov and Jelio Kolev Vessilev. The

first was the cashier of the Bulgarian embassy in Rome; the second was the secretary to the military attaché at the embassy. Both left Rome immediately after the attempt. Antonov is still in Rome under house arrest.

The other accused individuals are Turkish citizens linked to the terrorist Grey Wolves organization and/or to the related Turkish mafia whose strings are pulled from Sofia: Oral Celik, Omer Bagci, Musar Sedar Celebi, and Bekir Celenk.

Previously unknown details were finally disclosed to the public. The attempt was prepared in a "highly professional" way. Agca was not the only person to shoot; Oral Celik also fired and hit the Pope in the arm. The two were accompanied to St. Peter's Square by Antonov and Ayvazov, who were supposed to throw bombs immediately after the shooting and rescue their accomplices. A car with diplomatic plates was ready to smuggle the killers away. The unforeseen element that made this plan fail was the immediate reaction of the people present in the square. Acga was able to fire only two shots before being vigorously blocked by an anonymous American nun.

Also officially confirmed is that the head of the Turkish mafia, Bekir Celenk, who runs his drug- and weapons-smuggling organization from Sofia, deposited the sum of three million deutschemarks for Agca in the Munich Bayerische Vereinsbank, the privileged partner of the Bulgarian Foreign Trade Bank. The chief name associated with the Bayerische Vereinsbank is Prince Johannes von Thurn

und Taxis of the "Holy Roman Empire," descended from those in charge of intelligence for the Most Serene Republic of Venice.

The Bulgarian and Soviet reaction has been immediate and furious. On Oct. 27, twenty-four hours after the bill of indictment was released, the Italian ambassador in Sofia was summoned to the Bulgarian foreign ministry and given a "firm protest" whose violent tone is unprecedented. "The indictment [of Sergei Antonov] puts relations between our two countries to a hard test and casts a cloud over present and future relationships. The Italian state has become, whether it knows it or not, a collaborator and an instrument of this provocation."

The official Bulgarian press agency, BTA issued an angry release calling the indictment "a premeditated provocation against the People's Republic of Bulgaria and against real socialism, aimed to further worsen East-West relations and the international situation. . . . Antonov and the other Bulgarians are innocent: This is why this shameful provocation must cease immediately and Antonov must be released. . . . There are no doubts that the instigators of this plot are those U.S. and NATO circles whose interest lies in the worsening of East-West relations and in the intensification of international tensions and acceleration of the arms race."

From Moscow, *Izvestia* joined in the attack: "The conclusions of Judge Martella represent one of the most scandalous provocations of our time. The trial will be a farce. The Bulgarian track is an invention of the Italian secret services in collaboration with the CIA."

While Moscow was protesting, the world was informed that the Polish priest Jerzy Popieluszko had been kidnapped and killed.

Kissinger Watch by M.T. Upharsin

'If you think Henry Kissinger is Jewish. . .'

We don't know if there is a law for arresting somebody for impersonating a Jew, but if so, Henry Kissinger would have to be the first arrested. If such a law does *not* exist, we can rest assured that what follows will turn the stomach of Jews and non-Jews alike.

In what might have been intended as a sick joke, Henry is cited in a sensational cover-story slander of Lyndon LaRouche in *New Republic* accusing LaRouche's supporters of "anti-Semitic harassment" against him.

For Kissinger, to attack Henry Kissinger is to be anti-Semitic!

In mid-October, Henry first sent out the signals about this scurrilous new tactic. He informed a largely Jewish audience in Denver, Colorado, that "if you want to know about Lyndon LaRouche, ask the Anti-Defamation League." At that moment, as Dr. K. knew, Lyndon LaRouche was in a multi-million dollar suit against NBC-TV and the ADL for libeling LaRouche as an "anti-Semite."

Many Israeli contacts of *EIR* who are none too fond of Kissinger have reported that Dr. K is, in the words of one source, "really harping on the theme of his Jewishness these days. We can't quite figure out why." The most likely explanation, he asserted, was that this sudden avowal of "being Jewish" on the part of the notoriously unethical and underhanded Kissinger was for illicit gain, to ingratiate himself among Israeli and American Jewish financier circles.

Of course, many Israelis resent this distasteful currying of favor. Recall the passage in the book, *Kissinger in Middle Eastern Eyes*, page 22: "Fritz Kraemer, the man who knows Kissin-

ger as few others do, having 'discovered' him in military service and directed his career toward intelligence work and Harvard, expressed his conviction that Kissinger had no interest in the fate of the three million Jews in Israel, even if they were to perish as a consequence of his policies. . . Although there are nuances in Israeli attitudes toward Kissinger," author Gil Carl Alroy notes, "a sense of anxiety and distrust seems common."

We need not here drag out again the story of Kissinger's role in recruiting murderous ex-Nazis like the "Butcher of Lyons" Klaus Barbie into Anglo-American intelligence after World War II. Nor need we repeat the oft-documented story of Henry's "bowing and scraping" (as Ronald Reagan put it in his 1976 election campaign) before the anti-Semitic warlords ruling Russia, nor his Neville Châmberlain-like appeasement of pro-Nazi regimes like the one ruling Syria.

We might for the moment only turn to the attitude of Fat Henry and his mentors toward the Israeli economy. Nazi Finance Minister Hjalmar Schacht himself might have been embarrassed at what Henry and his friends are proposing, under the auspices of a "Joint American-Israeli Team" to "restructure" the Israeli economy. Appropriately enough, the team's main State Department mentor under the direction of Kissinger crony George Shultz is Allen Wallis, undersecretary of state for monetary affairs. A fanatical monetarist of the Milton Friedman (with whom Wallis worked at the University of Chicago for many years) type, Wallis has long advocated Naziausterity under the guise of "free enterprize."

Evidently, these proclivities extend today to a strong hatred for the continued existence of Israel on this planet. The "consensus" of the economic advisory team, a State Department source confessed, is that there is a "definite need for demand-management measures including budgetary cuts and a program of wage restraint."

Translated into English, this program adds up to, according to one Israeli source, "cut, cut, cut, very strong cuts. A lot of people will be unemployed, factories will have to be closed, people will have to suffer.

"They call it a 'little revolution,'" he noted.

That was the kind of terminology that fascist economists used in the 1930s as the concentration camps were erected.

Such policies, whatever the pretended justification, are in the most rigorous sense, "anti-Semitic," or "anti-Jewish," in the sense that austerity violates the Book of Genesis iniunctions for man to "be fruitful, multiply, and fill the Earth and subdue the Earth." The gouging of Israel's economy for the cause of usurious debt repayment also violates countless Biblical injunctions against that nasty practice. Finally, that "restructuring" of the Israeli state violates the most elementary principles of statecraft and nation building associated with the great historical figure of Moses.

In early December, Henry Kissinger's own personal *Gauleiter*, former State Department Undersecretary Lawrence Eagleburger, now president of Kissinger Associates, will be in Israel on a private visit, to report back on the effects of this dirty work.

It is more than likely that Eagleburger will be greeted by an Englishlanguage bumper-sticker that is reportedly catching on among Israel's population these days: "If you think Henry Kissinger is a Jew, you must be anti-Semitic."

Northern Flank by A. Borealis

Palme ordered to refute KGB exposé

Soviet Ambassador Boris Pankin ordered the Swedish government to oppose a book exposing some 80 KGB and GRU officers in Sweden.

In a display of subservience to his Soviet masters, Swedish Prime Minister Olof Palme has agreed to officially deny the truthfulness of an exposé of the Soviet secret services contained in a book, *The KGB in Sweden*, released in Stockholm on Oct. 22.

The book reveals that no less than 26 of the 38 accredited Soviet diplomats at the Stockholm embassy can be identified as Soviet secret intelligence agents. If you include those at the Soviet consulates and trade representation in Sweden, about 60 KGB officers and 20 GRU officers—ranking from captain upwards—are identified in the book with name, rank, and picture.

The book asserts that Sweden is the third largest target of Soviet intelligence operations in the West, next only to the United States and West Germany. The book's main deficiency is the failure to fully account for the obvious Soviet masterspy in Sweden, Ambassador Boris Pankin himself. Previously, Pankin, whose assignment to Sweden dates from Palme's reelection as Prime Minister in the fall of 1982, headed the KGB's "Service A"—formerly "Department A"—for "active measures," including disinformation.

But Palme did not respond to the book's exposé by taking action against the illegal Soviet activities. Nor did he respond with an embarrassed silence, as one might have expected. Rather, on Oct. 25, three days after the book had been released, Palme had the undersecretary of the Prime Minister's Office, Ulf Larsson, sharply denounce the exposé as "unfounded," adding that it is "serious that the book raised accusations against a whole embassy." In other words, the massive Soviet espionage was not regarded a problem—the book was!

Coincidentally, the liberal daily Dagens Nyheter on Oct. 26 published a most interesting statement by Maj.-Gen. Yuri Lebedev of the Soviet General Staff. Note that this statement was issued on or before Oct. 25, the same day as Undersecretary Larsson denounced the book. Responding to a question about whether the Swedish government is doing enough about anti-Soviet sentiment, Maj.-Gen. Lebedev stated: "Naturally, it is correct that the Swedish government could react negatively against this phenomenon that does exist in the country. It could make it understood that such statements are unfounded"—exactly the word used by the government in denouncing the KGB exposé!

The same day, Dagens Nyheter printed another statement, issued by the Scandinavia specialist of the Soviet news agency Novosti, Igor Pavlov. Using a mixture of praise and implicit threat, peculiar to Soviet politics and lower forms of mafia disputes, Novosti editor Pavlov declared: "We consider the government of Palme to be a workers' government, a kind of ally within the international workers' movement. We understand very well Palme's situation, that he has enemies

at home. We do not want to hurt him [sic]."

Meanwhile, Palme faced widespread suspicion from his "enemies at home" that the Soviets had pressured the government into denouncing the book. Undersecretary Larsson was deployed on Oct. 26 to proclaim that his statement the previous day had not been prompted by any official Soviet complaint. On the contrary: "It is possible that my criticism prevented a Soviet complaint," Larsson lied.

However, Undersecretary Pierre Schori of the foreign ministry, after meeting Ambassador Pankin for one hour on Oct. 25 to discuss the matter "officially," admitted to the press that the foreign ministry's assistant secretary for political affairs, Jan Eliasson, had lunch with Pankin to "unofficially" discuss the exposé on Oct. 24, one day before the government denounced the book. Denying that any Soviet protest had ever been filed, Schori sophistically insisted that the Pankin-Eliasson lunch was merely "unofficial," and "didn't count."

But the Soviet chargé d'affaires at the Stockholm embassy, Yevgenii Rymko, said on Oct. 28 thatthe Soviet embassy did issue an official protest to the Swedish government during Pankin's one-hour meeting with Schori. While this is still denied by Schori, the press spokesman of the foreign ministry, Lärs Lönnbaeck, conceded that "if the Soviet Union afterwards wants to call it a protest, then it is a protest. It is up to them to decide if it is a protest."

Expressing how pleased the Kremlin is with Palme's cooperation, Soviet press attaché Pyotr Kogoyenko stated that the Soviet embassy didn't have to demand any direct measures against the book. "It is sufficient that the Swedish government Undersecretary Ulf Larsson has declared that the book is based on lies."

International Intelligence

Egypt's Mubarak on W. European peace tour

Egyptian President Hosni Mubarak left on Oct. 29 for a trip to France and West Germany to seek support for a Mideast peace initiative. The goal of his trip was described by the official newspaper Al Ahram on Oct. 27: "Egypt is determined not to pay the price of a new Yalta agreement between Washington and Moscow over the Middle East."

Since the reestablishment of ties between Jordan and Egypt two weeks earlier, Mubarak has reasserted Egypt's position as a leader of the Arab world, and it was announced that Iraqi President Saddam Hussein has invited him to Baghdad. Mubarak, shortly before his European trip, had written to President Reagan, calling upon him to exclude Henry Kissinger from all influence over U.S. Mideast policy.

Gains for Greens in Baden-Württemberg vote

West Germany's radical-environmentalist Green party continued their recent electoral gains, winning two-digit totals in local elections throughout the state of Baden-Württemberg on Oct. 28.

The Greens gained by around 7% on the average, with the largest totals in the university cities: Heidelberg—18%, Stuttgart—15%, Heilbronn—11.5%, Freiburg—17.5%, Karlsruhe—12%, Ulm—11%, and Tübingen—over 30% for the two Green slates combined. The Greens profited from the unprecedentedly low voter participation of 53%, and received strong support from the Anthroposoph cult movement, which is based in Stuttgart.

Most remarkable was the jump from 5% to more than 15% in the state capital of Stuttgart, where the Greens are expected to occupy one of the mayor's posts now. In Tübingen, the Greens emerged as the secondlargest party behind the Christian Democrats (CDU).

The "established" parties responded to the vote gains for the Green fascists with a

50

International

shrug. Christian Democratic state governor Lothar Späth said his party was "fully content with the outcome of the elections, because the losses were on the side of the SPD [Social Democratic Party] mainly."

SPD federal General Manager Peter Glotz said that the Greens "must be considered a bourgeois party like the CDU." Glotz added that he could imagine "coalitions between SPD and Greens on a federal level as much as coalitions between SPD and CDU. It depends on what policies can be implemented best with whom."

Japan's Nakasone wins crucial party election

Prime Minister Yasuhiro Nakasone was reelected president of the ruling Liberal Democratic Party (LDP) on Oct. 31, which ensures his re-election to the prime ministership for the next two years. Under Nakasone's leadership, Japan will maintain its close strategic ties to the United States and continue to expand its "bridging role" between North and South. Nakasone is expected to reshuffle his cabinet.

By winning the LDP vote, Nakasone will be the first prime minister since 1972 to serve for two consecutive terms. The factional battles within the LDP which threatened Nakasone's re-election were put to rest on Oct. 28, when his rivals, Foreign Minister Shintaro Abe and former Foreign Minister and Kissinger friend Kiichi Miyazawa, withdrew their names from consideration.

High-level Soviet leaders visit Japan

A Soviet delegation led by Politburo member and Supreme Soviet Presidium member Dinmukhammed Kunayev has met with Japanese Prime Minister Yasuhiro Nakasone and Finance Minister Shintaro Abe during an eight-day visit to Japan, which began during the last week of October. The delegation, the most important since the Soviet invasion of Afghanistan in 1979, includes Central Committee member Vadim

Zagladin and Andrei Alexandrov, an aide to President Konstantin Chernenko.

The Soviets are offering political negotiations aimed at drawing up a Japanese-Soviet peace treaty, and economic and cultural cooperation. A Japanese finance ministry official said that "Japan cannot accept any proposal to improve economic relations without reference to political questions, including the territorial issue [the northern Japanese islands which were occupied by the U.S.S.R. during World War II and never returned]."

Nicaragua gets advanced radar from Bulgaria

Nicaragua has received the sophisticated radar equipment it needs to support and direct advanced combat aircraft, U.S. intelligence sources said Oct. 26. The country's third Ground Control Intercept (GCI) radar was just unloaded from the Bulgarian Ship Christo Dotev, docked at Bluefields. The Nicaraguans already have installed GCI radars at Masaya, near Managua, and at Esteli in the northern part of the country.

The addition of this third system completes the three-point system needed to guide advanced combat planes and also pinpoint attack by aircraft and missiles. Nicaragua is also in the process of purchasing advanced L-39 fighter bombers from Czechoslovakia. U.S. intelligence sources said the L-39 is far more suitable than Soviet MiGs for fighting the guerrilla actions of the Contras. They also warned that the L-39 is "far superior" to the U.S.-made A-37 combat aircraft of the Honduran Air Force. The crates of the L-39 are presently in a Black Sea port, and are being carefully monitored by the United States.

Venezuelan TFP cult called 'un-Christian'

The official spokesman for the Venezuelan Bishops Council challenged the Tradition, Family, and Property cult to give up its pre-

Briefly

tentions to being Christians and instead "join the Church." Father Amador Merino Gómez observed that the TFP never cites Catholic Church doctrine since Vatican II. He declared, "I have not been able to figure out the precise meaning and scope of the words 'tradition, family, and property.' I gather that 'tradition,' especially in reference to Church doctrine, is based on the writings of certain Christian authors so as to justify their calling themselves 'Catholic' and defending what they call 'Christian civilization.''

Father Merino spoke on Oct. 28 on Caracas television and was quoted in the daily El Nacional on Nov. 1.

Swedish Social Democrat receives death threat

Thorwald Arwidsson, a Social Democratic local leader from Oestermalm who last summer joined the campaign by the European Labor Party (EAP) for Sweden to join the Western alliance, charges in a recent interview that he received a death threat during the Oestermalm local Social Democratic Party board meeting.

The EAP is the Swedish political party founded by collaborators of U.S. political figure Lyndon H. LaRouche.

Arwidsson is interviewed in the current issue of Kontra, which publishes a two-page story, headlined "Social Democrat Receives Death Threat at Party Board Meeting," with a picture of him holding his Social Democratic Party membership book and standing in front of an American flag. Arwidsson is asked by Kontra journalist Filip Lundberg: "For what reason, then, did you get in touch with the EAP?" Arwidsson: "Because I was frozen out of the [Social Democratic] party. Because there is no room for debate in the party. Also other people used the EAP as a channel to open up a debate, people like Jueri Lina, Alf Enerstroem, and Hans Ericsson. I do not necessarily agree with everything the EAP says. For instance the development of beam weapons, the deployment of neutron bombs and such things surpass my competence. But I and the EAP are very close in the one central issue of Sweden's political and national security situation."

Arwidsson continues: "The reaction of my party friends to my contact with the EAP had the result that I had my life indirectly threatened at the August 21 board meeting of the Oestermalm Social Democratic Party board. . . . Indeed, I did expect a strong reaction within the party. In one sense, I took this stand to measure the sentiments. I see my own case as a test-case. But I did not expect to have my life threatened at a party board meeting. This is a little too upsetting."

Mexican politicians score U.S. ambassador Gavin

Leading Mexican political figures have gone on the offensive against U.S. Ambassador to Mexico John Gavin, who has been openly plotting with the Nazi-communist National Action Party (PAN) to overthrow the Mexican government. On Oct. 27, Irma Cue de Duarte, secretary general of the ruling PRI party, blasted Gavin in Veracruz, stating that he must stop making declarations about the policies of the government of President Miguel de la Madrid. She pointed out that he should limit himself to carrying out diplomatic tasks in the interest of the U.S.

Senator Hugo B. Margain, president of the Foreign Relations Commission of the Senate, stated on Oct. 26 that the "Secretariat of Foreign Relations has to act in the face of the recurring interventions of Ambassador John Gavin in the internal affairs of Mexico." Margain reiterated that Gavin has interfered in the internal affairs of Mexican politics, despite protests of PRI President Adolfo Lugo Verduzco.

At the same time, Senator Humberto Hernández Haddad, secretary of foreign relations of the PRI, stated that Gavin is interfering in matters that are exclusively Mexican, and that his attitude "puts in jeopardy the greatest interests of the nation." He pointed out that "we will not permit that accredited ambassadors to the government of Mexico surpass their diplomatic functions, to enter into territory that is exclusively the dominion of the Mexicans to decide their own national destiny."

- TERRORISTS blew up a bus carrying Arab passengers traveling from Hebron in the occupied West Bank to East Jerusalem on Oct. 28. Right after the incident, a group claiming responsibility called the Israeli press and said that the bombing was in retaliation for the recent murder of two Israeli hikers. Under suspicion for the new bombing is the same band of "Jewish underground" terrorists who blew up an Arab bus several weeks before. This "underground" is linked to the Jerusalem Temple Mount Foundation and to Rabbi Meir Kahane.
- BRITISH STRIKERS from the Mineworkers union are receiving aid from the Libyan government, the French weekly Vendredi Samedi Dimanche (VSD) reported in its Oct. 25 issue. The chief of the mineworkers' admits to having met with a personal representative of Colonel Qaddafi in Paris early in October.
- BRITAIN'S QUEEN Mother and her grandson Prince Charles went to Italy during the last week of October and visited the Very Serene Republic of Venice. The official pretext for the visit was a ceremony to thank the British for the help they gave to Venice following the 1966 flood. After the ceremony, the Queen had a tour on a gondola, but Venice couldn't resist showing its contempt for the "parvenue British lady": The Queen mother was received by Venice cultural councilman Domenico Crivellari dressed in tattered old blue jeans, because "he had no time to change."
- THE SWEDISH Moderate Youth Organization (MUF) has presented a motion demanding a 4% real increase in defense spending annually, to be legislated in the event the Moderates win the elections next year. The Moderate Party Board rejected the MUF's motion.

LaRouche rips rigged verdict in round one of NBC trial

by Don Baier

Independent Democratic presidential candidate Lyndon LaRouche vowed on Nov. 2 to fight the rigged verdict in his libel suit against the National Broadcasting Company all the way to the Supreme Court if necessary. "This is just round one," said LaRouche.

• While LaRouche's attorneys are appealing the outcome of his libel suit against NBC and the Anti-Defamation League (ADL) of B'nai B'rith, they will also immediately move to set aside the scandalous \$3,000,000 judgment rendered by the jury against LaRouche on NBC's counterclaim against LaRouche for "interference" with NBC business relations.

"If I did not appeal this ruling, then the American system would be destroyed by the implications of this court's ruling," commented an angry Mr. LaRouche upon being informed of the verdict issued by the federal court jury last night. "The press can accuse a public figure of any crime, citing secret sources, with no proof whatsoever that such sources even exist. Our government can be destroyed by such methods."

LaRouche was referring to the ruling made by Federal District Judge James C. Cacheris at the beginning of his nineday trial Oct. 22, which permitted NBC to testify concerning information received from secret "confidential sources" without having to disclose the identify of the sources. According to LaRouche, this ruling effectively rigged the entire proceeding, for it enabled NBC reporters and producers to testify at great length concerning stories told to them by various "confidential sources" without having to prove whether these sources even existed or disclose who they were. At the same time, the judge delivered a series of rulings which severely restricted the scope of the evidence LaRouche was permitted to offer, while NBC and the ADL were invited to shovel into the court record as "evidence" 10 years of printed and televised filth against LaRouche by his political enemies—including the lie that he "harassed and threatened journalists."

The jury in the LaRouche case deliberated for eight hours

on the verdict on the main libel case before announcing they had reached a decision. Observers from all sides believed that an intense fight was taking place in the jury room. At about 6:00 p.m., the jury announced that it had reached a verdict in the libel case, but that it was unable to reach a unanimous verdict regarding NBC's counterclaims for business interference and racketeering.

Judge Cacheris ordered the jury to continue deliberations, and it took five more hours until the last holdouts apparently gave in, permitting the jury to deliver a verdict against La-Rouche on the business interference count, and for LaRouche on the racketeering count. The jury awarded NBC \$2,000 in "compensatory damages," i.e., to compensate for the estimated actual damage incurred, and then went on to award \$3,000,000 in punitive damages—an award which La-Rouche's attorneys say would almost automatically be reduced by a judge under normal circumstances.

But, observers noted, this case was rigged under circumstances that were far from normal. To buttress NBC's claim that LaRouche and his associates harass and intimidate reporters—a central issue in the libel case itself—NBC staged a phony "death threat" incident to its producer Pat Lynch. The Washington Post cooperated by publishing an article headlined "Death Threat to NBC Producer" which two jurors admitted seeing the next day. When LaRouche attorneys moved that the two jurors be excused, Cacheris refused. LaRouche attorneys then immediately moved for a mistrial, which Cacheris also denied.

Later in the week, a juror quit the jury, saying she feared for her personal safety. When the *Washington Post* ran another headline "Juror in LaRouche Case Quits in Fear," Cacheris incredibly again refused to allow a mistrial. The climate of fear thus created in the jury, plus the fact that Cacheris permitted NBC attorney Thomas Kavaler to prance around the courtroom ranting and raving about "violence by the LaRouche cult," combined to so contaminate the jury that the \$3,000,000 verdict resulted.



LaRouche's attorney Michael Dennis (at the podium) presented overwhelming evidence of NBC's reckless disregard for the truth, but the court's verdict was rigged. Shown here are defense attorney Thomas Kavaler (center, hand on rail), and NBC's Mark Nykanen and Pat Lynch (far right).

The phony death-threat incident was followed by constant complaints during the trial by NBC and ADL attorneys of harassment by LaRouche associates—including accusations that LaRouche staff members were even following them to the bathroom!

This pattern of lying by defense attorneys started last June, when terrorist-linked defense attorney Philip Hirschkop staged a security-stripping provocation, and then Judge Cacheris acccepted Hirshkop's perjured statements concerning the incident, compelling LaRouche to dismiss drug-lobby scribblers Dennis King and Chip Berlet from the case to safeguard his own security. Hirschkop ostentatiously appeared in court on the third day of LaRouche's testimony, apparently hoping to provoke another incident around the security precautions established for the trial.

The two principal appeal grounds will be the refusal to grant a mistrial, and the refusal to preclude NBC from citing its undisclosed secret sources in testimony. Unless the latter ruling is overturned, said LaRouche, there will be no libel law left in this country.

As LaRouche attorney Michael F. Dennis said in his closing argument, the media "are setting themselves up as the Grand Inquisitors of this country." NBC's position toward LaRouche, was, he explained: "If you don't submit to this Inquisition by the media, we will assassinate you by the media." Warning of a "media dictatorship," Mr. Dennis asked the American people to "consider the implications of this for you, and for all of us in this country."

Earlier this week, testimony by Club of Life and B'nai B'rith member John Weber on the morning of Oct. 29 made a mockery of the NBC and ADL claims that LaRouche was an anti-Semite. Weber testified about his lifelong involvement with Jewish affairs and his personal association with LaRouche. He concluded that "if Lyndon LaRouche is an anti-Semite, then I would have to be called an anti-Semite, and no one who knows me would ever call me that."

LaRouche takes the stand

Then plaintiff LaRouche took the witness stand for two days to expose not only the specific compendium of lies that NBC had aired on its Jan. 30 "Nightly News" and March 4 "First Camera" broadcasts, but the entire method of "fallacy of composition" which the reporters used.

LaRouche gave a brief synopsis of his early life, wartime service, experience as a management consultant, and, in slightly more detail, his activities as a political figure into 1983. LaRouche took particular note of the evil role of the League for Industrial Democracy in setting up SDS; McGeorge Bundy and the Ford Foundation in operations around the Columbia University student strike and orchestrating the racist, anti-Semitic operations against the 1968 New York teachers' strike; the development of the NCLC as a philosophical association growing out of LaRouche's economics classes; and the Communist Party's goon operations against LaRouche.

In a direct challenge to NBC's characterization of La-

EIR November 13, 1984 National 53

Rouche as a purveyor of the "politics of hate," the plaintiffs showed the complete tape of LaRouche's Jan. 21, 1984 CBS broadcast, "Our National Defense Emergency." This tape provided the jury with the first opportunity to get an uninterrupted view of LaRouche's politics. LaRouche's attorneys emphasized that this tape was in the possession of NBC, which ran flashes from it in their "Nightly News" slander, and therefore demonstrated the "knowing falsity" of the NBC charges against LaRouche.

Another highlight of LaRouche's testimony was his description of the concept of "golden souls." On First Camera, Dennis King had declared that LaRouche's advocacy of "golden souls" was "Adolph Hitler's program, pure and simple." LaRouche responded by giving a simple, direct, and moving description of the maturation process from the infant to the adult personality, identifying the golden soul as the person whose identity is centered in acting for the benefit of all humanity.

LaRouche also spoke to the allegations of his "plot" against Jimmy Carter. Judge Cacheris here prevented LaRouche from reporting the shady background of both "witnesses" for this outlandish concoction—convicted felon Gordon Novel and the alleged source of the assassination plot story, disgraced and discharged police-officer Larry Cooper—in strict contrast to the latitude he gave defense witnesses. But LaRouche told the jury that although he despised Jimmy Carter, he had not only not tried to kill him, but had tried to guarantee his safety against terrorist attack.

NBC goes berserk

At the close of court on Oct. 29, two camera crews from NBC television, equipped with the kind of high-intensity lighting equipment that can flood an area, staked out the front and rear exits of the courthouse, placed a lookout in the first-floor post office, and gave every appearance of planning to intercept LaRouche to delay his departure for the day.

Such action was totally consistent with NBC's tactic throughout, which was to attempt to show LaRouche as paranoid, even if it meant creating a security incident.

Fortunately, the NBC crews seemed not to have anticipated the route by which LaRouche left the courthouse, however, for he had entered his vehicle and was on his way before the camera crews were able to react.

The role of star provocateur then passed on to NBC's lead attorney, Thomas Kavaler. NBC attorney Kavaler, whose performance consisted of constantly repeating and embellishing the most vile slanders aired on the TV show, got his chance to cross-examine LaRouche on Tuesday, Oct. 30.

Most astonishing was Kavaler's decision to introduce LaRouche's Oct. 23 national television broadcast exposing Walter Mondale's role as a Soviet agent of influence, as evidence for the defense! Otherwise, Kavaler continued with his method of reading sections of LaRouche's depositions in hope that they would prove what LaRouche's testimony did not. LaRouche continually caught Kavaler in taking his dep-

osition statements out of context.

So intent was Kavaler on being the provocative star of the show that he got quite distressed when LaRouche refused to look at him during his reading of the deposition. Kavaler repeatedly asked Judge Cacheris to "make him look at me." The judge refused.

ADL's Suall on the spot

The LaRouche side concluded its case by calling Irwin Suall, the "LaRouche expert" who admits to never having read more of LaRouche's writings than his "clipping service" provides him.

Suall rested his claim that LaRouche is anti-Semitic on the claim that LaRouche used "code-words" to express his anti-Semitism. These ranged from "Rothschild" to "masons" to the ADL itself. In effect, Suall was arguing that an anti-Semite is someone who attacks Irwin Suall!

Not surprisingly, Suall was unable to back up his televised charge that LaRouche "thinks that the Jews are responsible for every evil which besets the world." He also claimed to have "no recollection" of LaRouche's use of the term "Judeo-Christian" tradition as a positive description of Western culture.

Summation

After Judge Cacheris denied NBC motions for a directed verdict Oct. 31, LaRouche was recalled to the stand to testify as to his residence. Prior to his appearance on the stand, NBC attorney Kavaler snidely remarked that LaRouche had probably hit the road that morning—in a crude apparent reference to the previous day's assassination of Indian Prime Minister Indira Gandhi.

During examination of LaRouche Kavaler then further displayed his venality by asking LaRouche if he'd ever been shot at, and then commenting, "I was just curious, I thought it might have been one of your own security guards. I understand that's a popular thing these days." At this sick reference to the Gandhi assassination, the NBC and ADL defense teams tittered and laughed.

NBC called only one witness on its behalf, avoiding the issue of convicted felon Novel and Larry Cooper.

In the closing argument, LaRouche attorney Michael Dennis concentrated on one simple point—the outrageous venom and conduct of Kavaler was the embodiment of the malicious intent of NBC.

As if to prove the point, Kavaler's summation made Josef Goebbels look like a mild, honest fellow. Kavaler called LaRouche "an animal," "a beast," "filth," "a creature," "vile," "a Nazi," and said that it was impossible to destroy LaRouche's reputation because "he doesn't have any." How can the reputation of a Hitler be destroyed?

Kavaler unabashedly declared that NBC had a right to say anything it wanted to about LaRouche. Let them buy their own TV network, he said, if they want to have a balanced characterization of what LaRouche stands for.

54 National EIR November 13, 1984

NBC's Lynch describes use of phantom 'sources'

Here are excerpts from the transcript of testimony of NBC producer Pat Lynch in the libel suit brought by Lyndon H. LaRouche, Jr. LaRouche's attorney, Michael Dennis, is examining Lynch about Larry Cooper, who was used by NBC as a "source" for a wild concoction that LaRouche plotted to assassinate Jimmy Carter.

Q: So it is your testimony—or I believe your testimony is that you heard this story from a man . . . who you never personally met before this broadcast, knew nothing about except what you read in some news clippings, didn't even know for a fact that Cooper was the individual who talked to you on the telephone, is that correct?

A: Well, the number in the phone book was for Mr. Cooper. The number at the fire department that I called was for Mr. Cooper. I have no doubt that I was speaking with Mr. Cooper.

Q: ... But you had no other proof other than his statement and these confidential informants that he even had been to Wiesbaden, isn't that so?

A: No, because I went further. . . .

Q: Who else did you speak to about this assassination, alleged assassination plot?

A: Yes, indeed. I then spoke to the person who at one point was a confidential source and they wanted to go on record, Mr. Novel.

Q: Did you do any background check or investigation of Mr. Novel because you were going to use him to support a criminal allegation of the most serious type?

A: Well, my concern was whether or not Mr. Novel was actually a person who had heard the story that Larry Cooper told me. . . .

Q: Did you ever ask him whether he was ever convicted of a crime?

A: I don't recall that I did.

Q: Did you learn prior to the broadcast that he had three felony convictions?

A: I recall that he told me he had spent some time in jail.

Q: Did he tell you how long?

A: No, no.

Q: Did he tell you for what?

A: No. But I believe I may have asked him about the issue of libel or perjury and it had nothing to do with that.

Q: Well, happily, I believe you know, nobody goes to jail in this country for libel. Did you ask him what he spent a long time in jail for?

A: No. I really didn't get into his prior background there. I mean my purpose in speaking to him was to find out if Mr. Cooper had told the story that he said he told. . . .

Q: But you are a responsible reporter by your own testimony. And here you have this individual whom you're going to use to support an allegation of planned murder of the President of the United States by Mr. LaRouche, who told you that he had been convicted of crimes, . . . spent a substantial amount of time in jail, and you didn't even inquire for what he was jailed?

A: Mr. Dennis, I was concerned about Mr. Cooper's story, and then getting to people like George Franklin from the Trilateral Commission and other individuals to find out if there was any credibility, and then to get to the Bureau and the CIA which is what I did do. . . . I wanted to be as fair as possible to Mr. Cooper because he did agree to have his name used in the broadcast.

Q: That is interesting. You say that Cooper, who was fearful for himself and his family, agreed to let you use his name to be broadcast all over the nation and to the persons whom he said he was fearful of allegedly, but that he would not appear on the program. Did you ask him why that was?

A: . . . A lot of people are a little nervous when camera crews come and television crews come. But he said use my name, that's the story.

Q: Did you discuss the fact with anyone at NBC that the socalled corroboration which was not really corroboration by Novel, who was not there, you intended to put on the air, was given by a thrice-convicted felon who had spent time in jail?

Mr. Kavaler: I object to the form of the question. The Court: Sustained.

Q: [By Mr. Dennis] All right. . . . Did you discuss putting Mr. Gordon Novel on the air to allegedly corroborate what Cooper said he heard—with anyone at NBC and point out that Mr. Novel was a convicted felon who had spent time in jail?

A: . . . No, I did not tell anyone because I didn't know any details about that.

Q: Did [Novel] also tell you that he was arrested by District Attorney Garrison and jailed?

EIR November 13, 1984 National 55

A: As I said to you, he said he had problems, legal problems, but not specifics.

Q: Did you ask what those legal problems were?

A: No, not for specifics, no. I asked him whether the Cooper story was correct and that was what—

Q: That was all you wanted to hear. You didn't care, you didn't care to go into the background of this so-called corroborative source to determine whether he had a vestige of credibility, whether he was a con man or not. Did you care about that?

Mr. Kavaler: Objection, Your Honor. . . .

Q: So it's fair to say the FBI did not corroborate?

A: That's correct.

Q: Did you call any other law enforcement agency about Mr. Cooper's story?

A: Yes. I called the—Mr. Daily Peterson at the Central Intelligence Agency.

Q: . . . So there's no corroboration from the CIA?

A: That's correct.

[Thereupon Mr. Dennis questions her about her unsuccessful attempts to corroborate Cooper and Novel's story with George Franklin of the Trilateral Commission, Zbigniew Brzezinski, former President Carter. . . .]

Q: So there's no corroboration from these sources—

A: That's correct.

Q: So of all the sources—

A: But I did something else, Mr. Dennis.

Q: Tell me exactly what else you did.

A: I then got in touch with a gentleman who is a journalist in Detroit and he is a person who has spent a lot of time writing. His name is Russell Bellant and he has spent a lot of his time investigating the LaRouche organization. . . . And he has a direct line to approximately 20 to 30 defectors from the LaRouche organization—

Q: Did you communicate with this man? What did you ask him? What did he tell you?

A: . . . He told me that the story checked out.

Q: It checked out with whom, did he say?

A: He said one of his sources was actually present.

Q: Oh, another source who was actually present.

A: Uh-huh.

Q: Also an American?

A: I didn't ask him. It was a confidential source.

Q: . . . Did you ask him to supply you with that confidential source to go on television, corroborate that?

A: I would have loved it.

Q: Did you ask?

A: Of course.

Q: What did he say?

A: He said they're confidential.

Q: They're confidential. So you don't even know whether that source exists other than his statement that it's confidential, isn't that so?

A: I have no basis not to believe Mr. Bellant.

Cross-examination by NBC's attorney, Mr. Kavaler:

Q: . . . Another point that Mr. Dennis was very insistent on making, talking about the assassination story, that is Mr. LaRouche's threat to assassinate President Carter, Mr. Brzezinski, and others in Germany. He asked you quite often whether you received any confirmation for that. He asked you whether the FBI confirmed it. He asked you whether the CIA confirmed it. He asked you whether Mr. Brzezinski confirmed it.

Let me ask you this: Did anybody that you talked to at any point prior to the 4th of March tell you to the contrary? Is there anybody who you talked to who said that wasn't true? A: Absolutely not.

Q: Now, you made a lot of references to confidential sources. Tell us what a confidential source is in the journalism profession.

A: I think the best way to explain it is the Deep Throat mechanism. The person or persons who helped in the Watergate investigation were people who couldn't, for whatever reasons, be revealed. They presented information which enabled that scandal to be exposed. . . .

Q: You have worked for all three networks. Are you aware of the use of confidential sources by reporters at all three networks?

A: And I have used confidential sources at all three networks.

Q: . . . Now, Mr. Dennis seemed very concerned about the reliability of a confidential source. Tell us in a general manner, not necessarily related to the LaRouche story, how you as a journalist verify what someone is telling you when that someone says you can't use my name, you can't put my picture on the air.

A: Well, I try to find as many people as possible who are going to say what this person says. If that doesn't work out, if there is no way that the same story is evolving through all of the people that he or she claims is going to prove this story, then I will stay away from it with a 10-foot pole.

Anti-'Star Wars' scientists on tour

by Stephanie Ezrol

A hastily assembled national tour "to draw a line in the heavens" against President Reagan's Strategic Defense Initiative (SDI) was launched on Oct. 29 in Washington, D.C., at a poorly attended press conference held under the auspices of the Mondale-Ferraro campaign. Led by "pop"-scientist Carl Sagan, the group included Nobel Prize winning physicist Hans Bethe, Jeremy Stone of the Federation of American Scientists, and Henry Kendall of the Union of Concerned Scientists—all wringing their hands that the beam-weapon defense program would offend the Russians.

Kendall called the SDI "one of the most reprehensible actions of this administration." He enumerated four objections to the program, placing emphasis on the first, that "pursuit of the program would be seen as provocative." He charged that the Soviets would perceive the United States as trying to get a first-strike capability, and would meet that challenge with a "fierce response." At no time did Kendall acknowledge that the Soviets not only have their own space-based weapon program, but are acknowledged to be 10 years ahead of the United States.

Secondly, Kendall charged that, faced with "devastating counter-measures," the SDI program would not work because of overwhelming technical difficulties. And the Soviets, he said, would be forced to respond with a huge offensive buildup. He claimed, thirdly, that the SDI "is the enemy of arms control." Finally, he asserted that the program, at an overall cost of \$1 trillion, is too expensive.

Next Dr. Bethe spoke, emphasizing that the strategic defense program "isn't going to work," according to his own calculations, and when he looked at the classified Fletcher Commission report on the outlook for the program, he found nothing to refute his own evaluation.

The fact sheet distributed by the Mondale campaign reiterated this claim, evoking "expert" opinion to prove that, for antiballistic-missile defense to be achieved, "at least eight technical problems must be solved . . . each problem equal to or greater than the Manhattan Project that created the atomic bomb or the Apollo project that put a man on the moon."

But it was Jeremy Stone's testimony that epitomized the

irrational approach the Mondale campaign has used in trying to attack the SDI. Stone told reporters: "You don't have to be a scientist like Hans Bethe to know that the system would not work to create a perfect defense. A child of 10 could tell you that."

Then Carl "Nuclear Winter" Sagan reported that last December a proposal was made at the United Nations to ban weapons in space, and it was approved by 147 to 1, the one being the United States. Sagan claimed that 1) the defense shield should be opposed because it would never be 100% effective; 2) the cost would be too great; 3) it would abrogate the ABM treaty; 4) it would only defend the United States, and therefore would unravel our alliances; 5) it would encourage a Soviet pre-emptive strike.

During the question period, an *EIR* reporter asked the "Star Wars Brigade" "experts" to explain several blatant inconsistencies in their logic: If they admit, for instance, that "at least eight technical problems have to be solved," then how can they claim the system is impossible; and, if it is impossible, how could it provoke a first strike; and if the technology would not work, why would Mondale be so upset at President Reagan's offer to share the technology with the Soviets? Answering for the group, Jeremy Stone said the system "would not be effective enough to work, but would be effective enough to start up a new arms race."

A last-ditch effort

The anti-Star Wars tour was part of the Mondale campaign's 11th-hour drive, during the last weeks before the presidential election, to sow Moscow's disinformation about the Strategic Defense Initiative. Said a Mondale campaign spokesman at the Washington press conference: "The tour only came together within the last few days. We always wanted to do it . . . but it just came together quickly. We don't even have the last days of the tour solid yet. It's just that everyone got truly appalled by Reagan's comments in the second debate. That really ignited the scientific community. It was clear that Reagan didn't even know what the program was about. Even people in Reagan's administration agreed that the system won't work."

Following the Washington press conference, the tour hit Atlanta, Nashville, Louisville, St. Louis, Los Angeles, San Francisco, Portland, Chicago, Milwaukee, Detroit, and New York City.

Despite advice to Mondale that his head-on attack against "Star Wars" was backfiring as a vote-getting tactic, the candidate aired television advertisements portraying President Reagan as a war-mongering maniac who would blow up the world if re-elected. Counterposing film clips of children playing to shots of nuclear missiles in flight, the ads were modeled on Lyndon Johnson's 1964 ad which depicted Barry Goldwater as a man ready to launch Armageddon. LBJ's ad may have contributed to Goldwater's defeat, but today the polls show that the vast majority of the population supports the Strategic Defense Initiative.

EIR November 13, 1984 National 57

France's *Le Figaro*hits palace guard surrounding Reagan

The conservative Paris newspaper Le Figaro has published an analysis of the crisis in the Western alliance and the factional battle in the U.S. administration which closely echoes what EIR has been reporting for many months. This is the first time that a leading international daily has reported the real story of what is going on behind the scenes at the White House. What we have called the "palace guard" surrounding President Reagan is here described as the "entourage" that is filtering the intelligence reports reaching the President and deciding who will have access to the Oval Office.

The palace guard's briefing to the President was responsible for his poor showing in the first nationally televised debate with Walter Mondale; this provoked a backlash from the opposing administration faction (Reagan's close associate Sen. Paul Laxalt (R-Utah) said the President had been "smothered"). At least temporarily, the President was freed from the grip of Michael Deaver, James Baker III, Henry Kissinger, et al., and the outcome was the much more successful debate of Oct. 21, in which the President vigorously defended his Strategic Defense Initiative and denounced the "Malthusians" who claim that population control is the "solution" to the world's economic problems.

Le Figaro commentator Jacques Guilleme-Brulon published the article which we excerpt here on Oct. 27, under the headline, "A few days before the U.S. elections—Reagan: the drift?"

A few days before the U.S. presidential elections, cracks are being heard on the Western front, on the two sides of the Atlantic, particularly in the Federal Republic of Germany and in the United States. In West Germany, the signs of uneasiness are multiplying, and Mr. Helmut Kohl's authority seems to be evaporating, slowly but surely. Even before the the Barzel scandal [Rainer Barzel, the president of the West German parliament, resigned in October because of accusa-

tions that he was involved in political pay-offs from the Flick Corporation—ed.], in the recent elections in Rhineland-Westphalia, a traditional stronghold of the CDU, the Christian Democrats were defeated by the Social Democrats; and the Greens managed to eliminate the Liberals. . . .

The drift toward the East is such, on the government side, that a public veil has been cast over the sordid transactions [with the East]. . . . Now that it has shown its will to remain faithful to the Atlantic alliance by accepting the deployment of a few Pershing IIs on its territory, the Bonn government has, in fact, no more urgent priority than trying to negotiate with the Soviet Union, precisely at a time when the campaign against the "German revanchists" has reached its paroxysm in Moscow. Foreign Minister Genscher undertakes the impossible, trying to serve as a relay to Washington in order to relaunch détente, whose sour grapes Europe and the United States are still gathering, four years after its official end.

Back-channel maneuvers

But there is much more. On the occasion of the maneuvers of the Fifth U.S. Army Corps in Hesse in September, the peaceniks broke loose with sabotage activities aimed against the military communications network and other equipment. When General Wetzel complained to the Hesse governor, Mr. Börner, the latter answered that he [Wetzel] was meddling into business which was not his own, and that he understood nothing about the situation. Further, the traditional Social Democrat added that, like "the majority of the Germans"—a questionable claim—he [Börner] was supporting the peace movement. Yet, since the SPD has no absolute majority in this state, he can only govern through an alliance with the Greens.

On the U.S. side, an evolution is underway which, if not parallel, is strange enough to cause some concern. After the last bombing of the U.S. embassy in Beirut, President Reagan publicly stated that this type of drama had become inevitable since the previous administration had "broken the back" of the CIA. But what is less well known is that, half a day later, the President called Mr. Carter to apologize for having publicly stated that assessment—which was, however, fully justified. Given that it is difficult to believe that Reagan could have changed his mind so quickly on such an important matter, we are forced to look for the reasons in the maneuvers being carried out by his entourage. Yet, this entourage, including Messrs. James Baker and Michael Deaver, is hardly reassuring. These two men . . . are in favor of returning at any cost to discussions with the Soviet Union. However strongly Mr. Weinberger might be fighting to make sure that the U.S. military buildup program continues at an accelerated rate, specifically in the area of "Star Wars," he feels more and more shortcircuited by the President's men.

Thus Mr. James Baker controls all the documents coming to Mr. Reagan's desk; he receives and filters visitors, favor-

58 National EIR November 13, 1984

ing those whose will to accelerate appearement of the East seems to him to be the most obvious.

Thus a few days before Mr. Andrei Gromyko's visit to Washington, Mr. Ronald Reagan was indoctrinated at length by Mr. Henry Kissinger. And Henry Kissinger, contrary to all expectations, had already recently crossed Central and South America on his request, in order to give him a full briefing on the balance of forces there and to draw the main lines of a settlement in these troubled regions.

"Dear Henry" is known to be a luminary of the Trilateral Commission, yet this honorable international enterprise gathers Western figures for whom success in business is worth some concessions on the altar of Marxism-Leninism. . . . Isn't it bizarre that these people, who had been courteously but firmly ousted from power just four years ago, came back through the window after having left through the service door? Isn't it bizarre that one of the moving forces of Reagan's first presidential campaign was the slogan, "Kick out the Trilateroids," and now we can see them coming back in force? This is a puzzle which disturbs many supporters of the White House.

Six months later

The propaganda campaign around Mr. Gromyko's visit has displeased the circles which are fighting to get the United States to be itself again. . . . It is clear that the defense secretary, Mr. Weinberger, and the Pentagon have been kept away from the discussions in which they should have taken part. Thus an idea is becoming popular in the political circles of the American capital: that, in matters of foreign policy, Mr. Reagan is following a scenario prearranged by more or less occult advisers, a scenario that would push him to do just the opposite of what he stood for just six months ago. According to these same circles, this tendency goes beyond the framework of the electoral campaign, in which the most optimistic of these circles at first saw the reasons for this surprising shift.

There also can be observed now the recently renewed activities of rundown so-called "liberals," such as Cyrus Vance and Harriman, among others, who are dancing a war dance around the presidential couple. . . . Even the secretary of state, Mr. Shultz, does not remain insensitive to the charm of these sirens. As for the vice-president, Mr. Bush—a true Janus—nobody would dare to claim to know the depth of his thoughts on these fundamental problems. What is becoming clear, anyway, to informed observers, is that if Mr. Reagan does not change his team when he starts his second term, including by putting at the top personalities cast in the same mold as Mrs. Jeane Kirkpatrick, for example, we may end up watching events which are as decisive as they are surprising, and which would call into question the fate (so far perfectly defined) of the United States and its Western allies on the issues of the East-West relations.

United States plans a return to the Moon

by Marsha Freeman

During the last three days of October, a historic conference sponsored by the National Aeronautics and Space Administration (NASA) convened in Washington, D.C., to plan the return of the United States to the Moon. Conference participants included some of the men who have been to the Moon, the NASA administrator who led the space effort when Apollo 11 landed there, and scientists and engineers who are taking on the job of planning how and when the United States will return.

This time, the people who go to the Moon will not just visit and explore. They will move human civilization off the planet Earth to the heavenly body nearest to our own, with one eye always on Mars. The great task between now and the end of the century will be to prepare the technology and infrastructure for human settlements on the Moon, which will prepare for even more ambitious voyages to Mars and beyond.

For the past three years, small groups of space scientists and engineers at NASA's Johnson Space Center, the Los Alamos National Laboratory, and elsewhere have been studying all aspects of this question. NASA's Washington conference, introduced by NASA administrator Jim Beggs, gave needed legitimacy to the "bootleg" work already under way, and laid the basis for a serious planning effort for extraterrestrial colonization.

Why the Moon?

Not only is the Moon the nearest heavenly body to the Earth, this airless and desolate world is actually much more like the Earth than any other planet. It is so close, only a quarter-million miles, that we can go and return in a few days. The resources of the Moon, including lunar oxygen and metals, can support a multitude of industries, providing shielding material for spacecraft, construction materials, oxygen for space fuel, and even food from the fertile lunar soil.

The Moon will also be a laboratory for scientific study. Study of the Moon will teach us much about the evolution of the solar system. Radio and other telescopes placed there, perhaps on the "dark" side, will give us a new window on the universe. Whole cities, with new universities for the study of

EIR November 13, 1984 National 59

astronomy and space science, will be built there.

Because the Moon is so close to Earth, settlements there will not have to be self-sufficient from the start. New experimental technologies will be tried for agriculture, closed-cycle life support systems, materials processing, and other needs. In this fashion, the techniques necessary for trips to, for example, Mars, will be tested and refined. In that case, the 35-million-mile distance is so great that voyagers will have to be self-sufficient from the moment they land.

Space scientist Krafft Ehricke has described the Moon as the seventh continent of the Earth. It takes less time to get there than it does to cross the ocean by ship. It creates an "open world" for our home planet by making available an array of new resources. It ends forever the notion that there are limits to growth.

During his conference presentation, Ehricke stated that some people have said: "If God had meant man to fly, he would have given him wings." To which he replied: "If God had meant man to be a space traveler, he would have given him a Moon."

But the United States is not yet ready to go back to the Moon. The Saturn V rockets that carried the Apollo astronauts there the first time could not be produced today. Insteady, we would base our space transportation on the reuseable Shuttle. The U.S. space station, planned for early-1990s operation, will be many things, including a transportation node for trips to higher Earth orbits, the Moon, and the planets. From the space station, orbital transfer vehicles will need to be developed for such journeys.

In addition to transport, more detailed unmanned survey work needs to be done. As former Apollo astronaut and ex-Senator, Harrison Schmitt, stressed at the conference, we know enough about the Moon now to pick a site and go back, butthe lunar poles and other areas have never been adequately mapped. Scientific advisory bodies to NASA have recommended a lunar polar-orbiter mission to do a comprehensive mapping of the Moon.

New energy technologies will have to be developed for lunar colonization. In addition to the fact that reliance on solar energy would have you literally in the dark for two weeks out of every month, megawatt-sized energy requirements cannot be efficiently met with solar power. Nuclear energy will be needed to power the lunar cities of the next century.

What's the hurry?

In his conference presentation, Tom Paine, administrator of NASA at the time of the Apollo 11 lunar landing, described one possible scenario for the year 1995. The year opens "with a triumphant Soviet expedition to Mars. Spectacular docking scenes at Phobos (one of the moons of Mars) show extravehicular activities by seven men and four women that dominate world television. The President of the United States receives

an electronic postcard from the cosmonauts reading: 'Having a wonderful time—wish you were here,' and a golden fleece from an elderly senator for relinquishing America's 'scientific preeminence' to the Soviet Union. In reponse, he orders the Vice-President to overhaul the American space program; the President begins by firing the administrator of NASA for lack of boldness. A joint session of Congress applauds the President's fiery speech setting a new national goal to lead the world in opening the solar system for human occupation and development, and approves doubling the NASA budget."

Most conference speakers similarly stressed that the Soviet commitment to manned space flight cannot be ignored in U.S. space plans. Schmitt stated that "the exploration and settlement of the space frontier is going to occupy the creative thoughts and energies of major portions of generations for the indefinite future. The only principal historical issues in doubt are the roles that will be played by free men and women. . . . "

Schmitt called for a millennium project, Mars 2000, which would put in place a Mars settlement in the first decade of the century. "No matter what other justifications may be given," he stated, "the ultimate rationale for today's generations to return to deep space, and to establish a permanent presence there, is to create the technical and institutional basis for the settlement of Mars. This will be the first great adventure for humankind in the second millennium after the birth of Christ."

Schmitt described today's children, who will be the inhabitants of our lunar colonies, as the parents of the first Martians. Their enthusiasm will be the major reason for the "hurry." His plan calls for the establishment of a permanently occupied base on Mars, resupplied by regular interplanetary space stations, soon after the establishment of a permanent lunar settlement, in approximately the year 2010.

The dozens of papers presented at the lunar symposium covered many specific proposals for growing food, producing energy, providing transport systems, and even a legal framework for industrializing and colonizing the Moon. But the foundation for the plans is the spirit of adventure and excitement, to push through to new frontiers and broaden human vision.

On Sept. 16, 1969, Apollo astronaut Mike Collins addressed a joint session of Congress, and closed with: "We have taken to the Moon the wealth of this nation, the vision of its political leaders, the intelligence of its scientists, the dedication of its engineers, the careful craftsmanship of its workers, and the enthusiastic support of its people.

"We have brought back rocks, and I think it is a fair trade. . . . Man has always gone where he has been able to go. It's that simple. He will continue pushing back his frontier, no matter how far it may carry him from his homeland."

The work to return to the Moon has begun. Only the quality of political leadership will determine whether or not it is done.

Elephants and Donkeys by Kathleen Klenetsky

Whither the Democratic Party?

EIR has learned that Mondale's stringpullers in the Swiss-run, Minneapolisbased grain cartel are putting the finishing touches on a scheme to "Green" the party in the post-November 6 period.

They are counting on a crushing Mondale electoral defeat to create the conditions under which the remaining conservative and moderate Democrats will become so demoralized that they will finally cry "Enough!" and split out of the party, merging with moderate Republicans in a third, centrist political institution. When this happens, the "progessives" will be able to seize control and remake the party in their own bizarre image.

This scenario was described to EIR by George S. Pillsbury, Jr., scion of the oligarchical family which founded the grain-cartel-interlocked Pillsbury Co. Pillsbury—whose father sits on the board of the Hubert Humphrey Institute, the Minneapolis think-tank which independent Democratic presidential candidate Lyndon H. La-Rouche Jr. identified in an Oct. 23 nationwide TV broadcast as the chief organization involved in building a Green fascist movement in America-told EIR that he's one of the key organizers of the "Greening" of the Democratic Party.

"I'm devoting all my efforts to seeing that the Democratic Party will be radically transformed" and will embrace "Green values . . . like no economic growth and scaling down people's lifestyles," Pillsbury declared.

According to Pillsbury, once the party "sheds its conservative half," the

"progressives" will proceed to implement a full-fledged Green program: unilateral nuclear disarmament, the dismantling of what's left of the U.S. nuclear power industry, the destruction of large-scale, capital-intensive industry and agriculture—and a warm invitation to Moscow to take over the country.

Pillsbury directs a network of "alternative foundations" which fund various "grass-roots" community organizations—local nuke-freeze groups, women's groups, environmentalists, etc.—whose purpose is to "create the constituencies and social movements" that will permit the "progressives" to seize the Democratic Party and "reorient it away from its traditional politics" toward "the values the Greens represent."

"Mario Cuomo and Jesse Jackson will be the torchbearers of this movement," said Pillsbury, adding that Cuomo, a devotee of the pro-Hitler Jesuit Teilhard de Chardin is "particularly adept at articulating the kind of values we're talking about." As for Mondale, he's "too tied" to "old politics," but will nevertheless "line up with us."

The transformed Democratic Party which Pillsbury is trying to bring into existence will be solidly Greenoriented. "There will be certain differences, of course. For example, I don't necessarily agree with the West German Greens' insistence on not calling themselves leftist. After all, that's what they are. But that's just a minor difference. We are definitely committed to the Greens' values, to making them the values of the Democratic Party."

The most important of these values, said Pillsbury, is the "rejection of the idea that economic growth is going to last, or is necessarily good. . . .

Progressives and leftists will have to drop their old rhetoric about economic growth and start facing up to the fact that, since 1973, there hasn't been any real growth, and there isn't going to be any in the future. . . .

"We won't be able to attack economic growth outright, of course," Piilsbury added, "but we'll have to find a way of expressing the idea" that will be acceptable to Americans.

The LaRouche factor

The problem with the scenario which Pillsbury and his cohorts have adopted is summed up in one word: LaRouche. Founder in 1980 of what has become the largest and fastest-growing political action committee in the country, the National Democratic Policy Committee (NDPC), LaRouche has enormously increased his influence among traditional Democrats over the course of the last 10 months, despite unabated harassment by the party hierarchy.

LaRouche's vow to retake the Democratic Party from the Manatt-Harriman-Mondale traitors and prevent its falling into the hands of the Greens has struck a deep and responsive chord among many Democrats who had despaired of the party ever being put back on a positive track.

In the main, these are the same moderate and conservative elements which the Green faction is planning on forcing out. LaRouche's NDPC, which fielded over 2,000 candidates for local, state, and federal office in 1984, plans to organize these actual "grass-roots constituencies" into a potent political force—and give the fascist Greens a real run for their money in the battle to shape the future of the Democratic Party.

National News

Baltimore Sun calls NASA scientists 'Nazis'

"When Americans landed on the moon, most of the world did not realize there was an invisible dark stain on the rockets that put them there."

That is the claim of a commentary published in the Baltimore Sun Oct. 29 by Washington bureau chief Ernest Furgurson. The Justice Department Office of Special Investigations alleges that several leading officials in the National Aeronautics and Space Administration (NASA) had worked in the Nazis' rocket program, in some cases helping coordinate Nazi slave-labor projects to build this program.

Referencing the case of Arthur Rudolph, now living in West Germany allegedly to escape OSI investigation, Furgurson says that this case is a "stigma" that "touches the whole American space program, because that work was directed by scientists who worked on Hitler's rocket program. . . . While Redstones, Pershings, and Saturns have flown high bearing the U.S. flag, and Rudolph and his colleagues have been decorated for their achievements, that deep, dark stain has been there all the time. . . .

"How many more are there?" Furgurson asks.

Reagan camp in battle over defense policy

Opposing factions in and around the Reagan administration are battling for control of the defense policy of a second Reagan term. The issues involve primarily the Strategic Defense Initiative and the role of U.S. forces in the defense of Europe.

Martin Anderson, a former official in Reagan's Council on Economic Advisers who is currently a member of the Foreign Intelligence Advisory Board and a fellow of the Hoover Institution in California, wrote an article in the New York Times Oct. 29

titled "Limited Missile Defense." Anderson upholds Henry Kissinger's argument that the United States should strive for "limited missile defense" as against "the complex arguments of a comprehensive 'Star Wars' missile defense system. . . . Full-scale strategic defense, if ever built, is decades away, and we may never be able to fully protect the U.S. from an all-out nuclear attack by thousands of Soviet nuclear missiles."

"Limited" defense, Anderson argues, could "intercept and 'kill' a nuclear missile or two" under conditions of an "accident" in which a Soviet missile is launched against an American city, or in cases of nuclear terrorism or use of nuclear weapons by a "third power."

Another commentary the same day, by conservative columnist Albert Weeks writing in the New York Tribune, challenges Kissinger's policy of withdrawing U.S. troops from Western Europe.

The Soviets' global strategy, he says, is to embroil the United States in hotspotslike Central America—so that "by distracting the opponent, by pinning him down," they can choose the "axis" for delivering their main blow, "at the decisive place and at the decisive moment." The West can be defeated, he writes, because even now the United States is being forced to disperse forces away from the "main axis" of Soviet attack-Europe-into Asia, the Middle East, and Central America.

Bundy demands campaign against beam weapons

McGeorge Bundy, a dean of the Eastern Establishment and former National Security Adviser to President John F. Kennedy, in a speech Oct. 30 called for an "extraordinary effort throughout the country" to prevent the realization of the Strategic Defense Initiative, if President Reagan is reelected. Bundy also denounced Defense Secretary Weinberger, the principal administration advocate of the beam-weapon defense program, as "incompetent."

Bundy spoke at Columbia University in New York City, honoring the late John Gorham Palfrey, a former Columbia professor and arms control expert. President Reagan's vision of rendering nuclear missiles "impotent and obsolete" is "unachievable," Bundy claimed. "Star Wars may have a surface attractiveness, but it breaks down on the rock of thermonuclear reality. Not one of Mr. Reagan's technical advisers believes it can be achieved within the foreseeable future. . . . Only Mr. Weinberger, who is not restrained by any technical competence, thinks otherwise."

Bundy denied that there is a strategic imbalance between the United States and the Soviet Union: "We must come to understand that there is no significance in the words 'ahead' or 'behind' when talking about nuclear weapons. . . . There is not now, nor was there ever, a window of vulnerability. . . . We should not be afraid of unilateral moderation in our own strategic deployments."

Bundy said that if Mondale wins the election, "the center of hope" for arms control will "move to the Executive Branch." But if Reagan wins, "then we must have an extraordinary effort throughout the country to dissuade him" from pursuing "Star Wars."

New York state adopts 'brain death' statute

The New York State Appeals Court ruled on Oct. 30 that a person may be declared legally dead when his brain has ceased to function, even if his heartbeat and breathing are being maintained on a respirator.

New York has now joined the 38 other states which have adopted this measure, which permits "pulling the plug" on patients in comas and related states. New York Governor Mario Cuomo had previously declared a moratorium on hospital construction, and his health commissioner has attempted to limit acquisition of new medical technology.

Using cessation of brain function as the ultimate criterion of death has been a controversial issue ever since Harvard University promulgated the first "brain death guidelines" back in 1974. Many scientists and physicians contend that not enough is known

about brain functioning to fully assess when the brain is truly "dead." There have been numerous cases of patients whose brains had apparently ceased to function, suddenly reviving and resuming normal lives. During the last 10 years; numerous revised versions of the original Harvard guidelines have been issued, each looser than the ones they replaced.

Euthanasia proponents from the "right to die" movement have been the biggest proponents of "brain death" statutes. The Abrams Commission, the Carter administration-appointed "medical ethics" board which advocated starving terminally ill patients to death, drew up a model "Uniform Determination of Death" statute, based on cessation of brain function, which it urged all 50 states to adopt.

Rock music blamed for teenage suicides

Dr. Robert Litman, head of the Los Angeles Suicide Prevention Center, told a conference in Overland Park, Kansas on Oct. 26 studying the causes of the recent rash of teenage suicides in many U.S. cities, that rock music is a key contributing factor in these suicides.

Litman warned that rock music "can be dangerous if taken too seriously," because it "tends to emphasize the negative side of living and deprecates work as an important value."

'He played songs by several rock singers who had died from drug overdoses and cited these as cases of people who got involved in rock because they were "afraid to meet responsibilities and insecurities. . . . The depressions these performers suffered and the alienation they felt from society are symptoms of suicidal tendencies. The main danger is that many young people may echo the attitudes of such singers whom they choose as role models."

He cited an example of a boy who hanged himself after going to a rock concert, evidently in imitation of the rock singer, who did a mock hanging of himself during the show.

Celebration of Schiller Day set nationwide

The city of Houston has announced that it will officially observe Nov. 10 as "Schiller Day," in honor of the 225th birthday of the great German poet of freedom and friend of the American Revolution, Friedrich Schiller.

The international Schiller Institute, which organized support for the move, has vowed to make Nov. 10 the occasion for a nationwide outpouring of classical culture, as well as a demonstration of support for the Western alliance, against the "decouplers" of East and West who are trying to split the United States from Western Europe, and particularly from the Federal Republic of Germany.

The state of New Jersey had previously decided to celebrate Schiller Day, and the states of Texas and Oklahoma are considering doing the same.

Some highlights of the festivities planned include:

- Parades and rallies in Baltimore, Boston, Chicago, Houston, Leesburg, Va., Philadelphia, New York, San Francisco, Washington, D.C., and other cities, followed by evenings of poetry and song. Selections from Schiller's play Wilhelm Tell will be performed in several cities, and a documentary film on the life of Schiller, produced by Helga Zepp-LaRouche, the Schiller Institute's founder, will be shown.
- Radio station KTCU in Fort Worth, Texas, has declared the week of Nov. 4-10 as Schiller Week, and will devote one hour of air time per day to music based on Schiller's poems and dramas, including broadcasting Verdi's opera Don Carlo.
- In Philadelphia, many of the city's ethnic constituencies are getting involved in the celebrations. Hungarian leaders told representatives of the Schiller Institute that they regard Schiller as "the poet of the Hungarian freedom fighters." Ukrainians described the work of Ivan Franko (1856-1916), a Ukrainian poet who translated Schiller's poems and considered Schiller "the greatest of writers and the greatest of political thinkers."

Briefly

- 'THE SAVANTS at Reagan-Bush headquarters were more worried about Lyndon LaRouche than Walter Mondale," reported columnist Harrison Rainie in the New York Daily News Oct. 31. "Reagan operatives said that if LaRouche won the right to go first, they would have withdrawn their \$750,000 commitment and bagged the President's television appearance on the theory that no one would be around to watch Reagan on the tube after 30 minutes of LaRouche."
- EUGENE ROSTOW, the former head of the Arms Control and Disarmament Administration (1981-83), attacked Walter Mondale and Geraldine Ferraro for abetting Soviet imperial aims, in a New York Times commentary Oct. 28. Rostow, a Democrat, asks: "Do the Democratic candidates realize that the Soviet nuclear arms buildup of the last 25 years is designed primarily to compel American neutrality while the Soviet Union gains control of the Eurasian land mass. Africa, and even the Caribbean through the use of convenforces. tional terrorism. subversion?"
- THE COUNCIL on Economic Priorities, a private New York-based group, announced the release of a report Oct. 26 calling the Reagan administration's Strategic Defense Intitiative an \$800 billion boondoggle that will "soak up" scientists from private industry. The CEP is headed by Alice Tepper Marlin, a leading member of the U.S. association for the Club of Rome.
- THE SCHILLER Institute will be allowed to plant a tree in Central Park as a part of the celebration of Friedrich Schiller's 125 birthday. But not a linden, as requested; the Park Department will only allow an elm, and that only on the condition that the institute agree to pay \$500 for care and maintenance of the tree for one year.

Editorial

Media dictatorship?

"What you see is an attempt by Lyndon LaRouche to play with the system. The system has prevailed."

Thus spoke Pat Lynch, the producer of the NBC-TV "First Camera" libel against Lyndon LaRouche. For the first time known to this news service, she told the truth.

What is "the system" which Pat Lynch alluded to? It was elaborated clearly enough in the trial that ended up in the travesty of justice against LaRouche. "The system" is the power of the major media to be accountable to no one for whatever they wish to print.

Pat Lynch wants to imply that "the system" she is talking about is the "American system." On this point, she is either ignorant or lying.

Under the American system, in a landmark case waged in the early 18th century, the courts established a system of libel law under which the entire feudal system of privilege was eliminated. In Europe, and in colonial America, the nobility had ruled that the publication of any hurtful information against an individual, particularly a member of government, could be punished as libel. Regardless of the truth or falsity of the information, the publisher was liable for punishment.

In the American system established by the famous Zenger case of New York, the standard of libel was radically changed. Zenger's defense against the state of New York was that the information which he published against the governor was *true*. While the judge ruled against him, the jury revolted, and voted for his acquittal on this basis. The standard of *truth* as the criterion of libel was established—and soon became standard practice throughout the land.

Was NBC, or Pat Lynch, adhering to this American standard of libel when they published their show on Lyndon LaRouche or defended it? By no means.

In fact, NBC argued that they had no need to check out whether their "information"—no matter how outrageous—was true or not. All they had to do was to see if they could find some other individuals, including individuals who would refuse to have their names disclosed, would claim that such information was true.

Their defense against LaRouche's charges of mali-

cious libel was only that they did not *know* the information to be false. And why didn't they know? Because they refused to check it out in any serious way.

There was another gross violation of the American system of law in this trial. That was the violation of the fundamental right of due process, the right of an accused to be confronted by his accuser.

Such a confrontation is the hallmark of the American court system. Individuals on trial and initiating suits are permitted to question and cross-examine those who accuse them of crimes, or defend themselves from those crimes. Individuals suing others, and those sued, are both permitted "discovery."

But NBC's "system," validated in this case by the judge, was to avoid this practice. Rather than bring the sources for their wild charges against LaRouche into court, or even give their names, NBC hid behind the shield of "confidential sources." Claiming that they in the media have special customs and rights, NBC cited one "confidential source" after another for their wild allegations against LaRouche. It was impossible even to confirm the existence of these confidential sources, much less their integrity and accuracy.

It might as well have been a return to the Star Chamber of the British Crown. Citing all the authorities of the realm—such as the *New York Times, Washington Post*, Democratic Party honchos, and so forth—NBC claimed that it had a right to call LaRouche a cultist, anti-Semite, and potential assassin. When asked for concrete evidence, they could provide none. When asked to present their "confidential sources," they claimed "journalistic privilege."

We did not fight and win independence from feudal law in order to have the Eastern Establishment through the media take the place of the monarchy and nobility. Yet, if the decision against LaRouche in his case against NBC prevails, that is precisely what will have occurred.

If Pat Lynch's system prevails, there is nothing that can prevent the watergating and destruction of a President, much less the destruction of an individual.

The oligarchical system has prevailed, and we'd better change it as soon as we can.

Executive Intelligence Review

U.S., Canada and Mexico only 3 months\$125 6 months\$225 1 year\$396	Foreign Rates Central America, West Indies, Venezuela and Colombia: 3 mo. \$135, 6 mo. \$245, 1 yr. \$450 Western Europe, South America, Mediterranean, and North Africa: 3 mo. \$140, 6 mo. \$255, 1 yr. \$470 All other countries: 3 mo. \$145, 6 mo. \$265, 1 yr. \$490			
I would like to subscribe to Executive Intelligence Review for 3 months 6 months 1 year Please charge my: Diners Club No. Master Charge No. Visa No.				
Interbank No Signature I enclose \$ check or money order Expiration date				
Name Company Address				
Make checks payable to EIR/Campaigner Publications and mail to	StateZip			

EIR Confidential Alert Service

What would it have been worth to you or your company to have known in advance

- ✓ that the Latin American debt crisis would break in October 1983?
- That the degree of Federal Reserve fakery, substantial for many years, has grown wildly since January 1983 to sustain the recovery myth?
- that, contrary to the predictions of most other
- economic analysts, U.S. interest rates would rise during the second quarter of 1983?
- that Moscow has secret arrangements with Swiss and South African interests to rig the strategic metals market?

"Alert" participants pay an annual retainer of \$3,500 for hard-copy briefings, or \$4,000 for telephone briefings from staff specialists at **EIR**'s international headquarters in New York City. The retainer includes

1. At least 50 updates on breaking developments per year—or updates daily, if the fast-moving situation requires them.

2. A summary of **EIR**'s exclusive Quarterly Economic Forecast, produced with the aid of the

LaRouche-Riemann economic model, the most accurate in the history of economic forecasting.

3. Weekly telephone or telex access to **EIR**'s staff of specialists in economics and world affairs for in-depth discussion.

To reserve participation in the program, **EIR** offers to our current annual subscribers an introduction to the service. For \$1,000, we will enroll participants in a three-month trial program. Participants may then join the program on an annual basis at the regular yearly schedule of \$3,500.

William Engdahl, *EIR* Special Services, (212) 247-8820 or (800) 223-5594 x 818 304 W. 58th Street, fifth floor, New York, New York 10019