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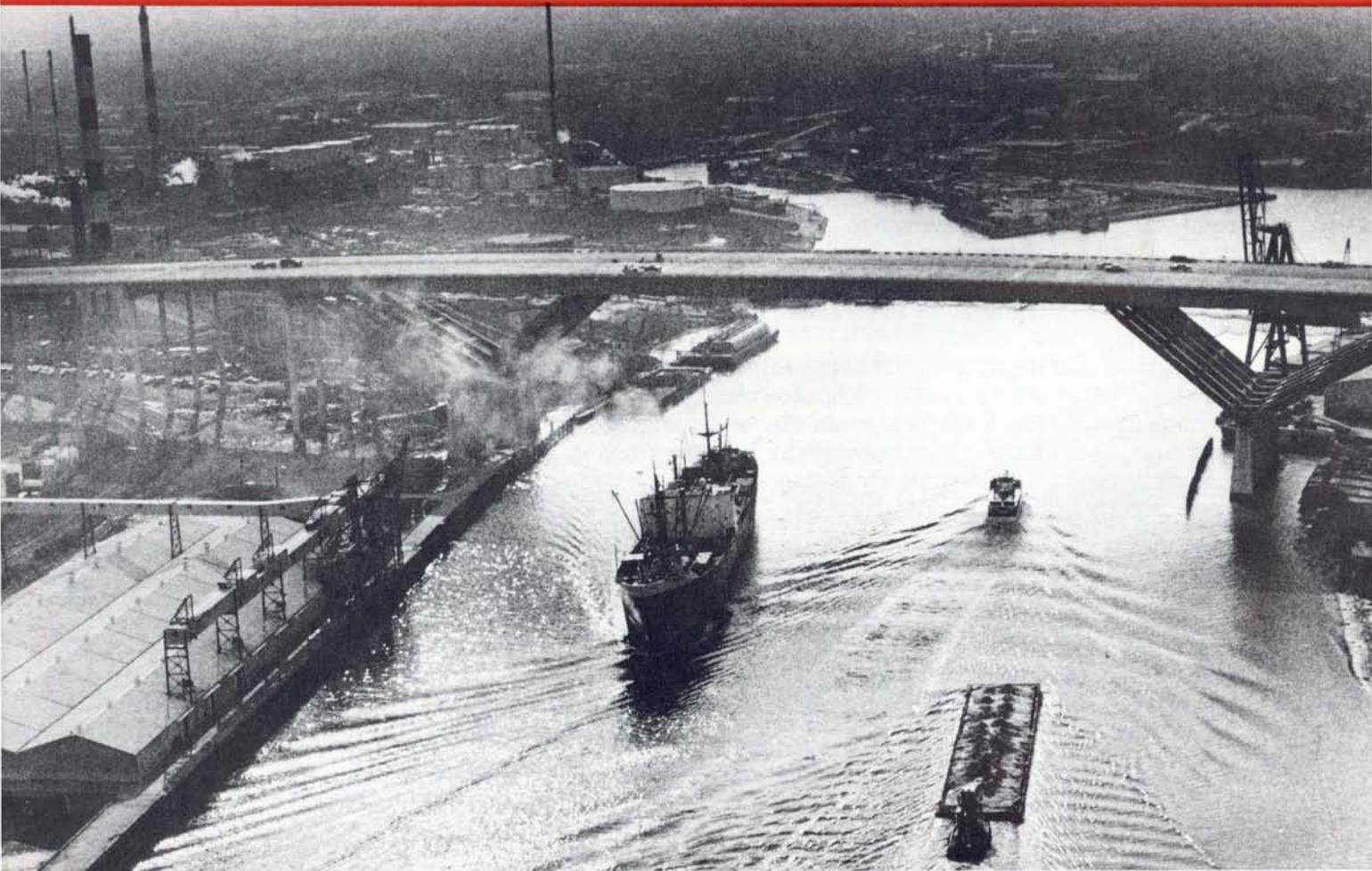
Executive Intelligence Review

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Did Sweden stop the arrest of Palme's killer?
Hulan Jack fought for inalienable rights
Decoupling, AIDS real issues in German election

**World trade collapse: what
it will take to revive trade**





An EIR Special Report

Germany's Green Party and Terrorism

Moscow's Irregular Warfare Against the West

- **On May 17-18 of this year, the tiny Bavarian village of Wackersdorf** was rocked by well organized, unprecedentedly violent attacks on police guarding a local nuclear construction site. A first wave of 1,000-1,200 masked "demonstrators" drew police out from behind fences to make arrests. Immediately the exposed police were hit by a second wave of masked attackers, wielding killer sling-shots, steel bolts, and sharp steel splinters. Then, a third wave came in for targeted attacks on individual policemen.
- **In Hanover, 350 miles away, the convention of the Green Party** was taking place. Upon the news that 183 police had been hospitalized by the violence at Wackersdorf, the delegates cheered wildly. Rainer Trampert, party executive committee member, denounced the planned construction of a nuclear reprocessing plant in Wackersdorf as "a project to build a German nuclear bomb."
- **Only a few days earlier, Rainer Trampert had been in Moscow** conferring with President Andrei Gromyko and other Kremlin officials. The Soviet officials and the Soviet press had been steadily denouncing the Wackersdorf construction as—"a plot to build a German nuclear bomb."

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EIR

From the Editor

If, and only if, the political power of the corrupt Eastern Establishment is broken, can a sane policy to defend the United States and the West be carried out. There is not much time. *EIR's* editors estimate that this issue will be decided within weeks.

The locomotive careening toward trade war against our European allies is the most serious aspect of the crisis.

Also exemplary is the fact that the Reagan administration has just proposed to massively cut funds for the War on Drugs in the 1988 budget. We've never doubted the sincerity of Mr. Reagan's anti-drug commitment. The problem is that Merrill Lynch's Don Regan and his friends still call the shots on economic policy.

For the above-cited reason, we departed from the usual format this week to play up the lead story of the *Economics* report on the cover; it includes the facts of world trade collapse, behind the current trade-war moves by the Eastern Establishment traitors and their cronies in the international banking fraternity. And it includes a searing indictment of what the Trilateral boys want to pull off, by Lyndon LaRouche. If the Trilaterals get their way, within months, maybe weeks, Western Europe will be in the Soviet economic sphere.

The *Feature* section is very relevant to all this. This details the political battle in West Germany, where there is going to be an election about the time you folks read this issue, on Jan. 25, for the federal parliament. The new Patriots for Germany party is bringing the real issues—stopping the “decoupling” of the alliance, and the AIDS threat—to the electorate, while the three large parties are putting everyone to sleep with sheer boredom. As if this weren't the most crucial election in postwar German history.

See the lead articles of the *International* and *National* sections for important, breaking developments in the Palme murder case in Sweden, and in “Irangate” in the U.S.A. In both cases, events are vindicating the published analysis of this review and the series of *Special Reports* we've issued especially during the past year. These facts can be wielded to break the power of the Eastern Establishment and its allies, notably the Israeli Mossad. Have you gotten these publications into the hands of your congressmen and senators?

Nora Hamerman

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World trade collapse sets the stage for trade war

by David Goldman

It might be said in defense of the disastrous 1929 Hawley-Smoot tariff, that its framers were fighting for a greater share of a world trade volume then still at relatively high levels. Secretary of State George Shultz, Trade Representative Clayton Yeutter, and their correspondent trade-warriors on the European side, have no such excuse. Their policies have already collapsed world trade, and their emulation of Hawley-Smoot merely uses the trade collapse for political provocation.

The scale of the present disaster may be summarized in the following comparison:

During the world economy's last period of growth, between 1973 and 1979, total world trade *tripled*, from \$523 billion to \$1.5 trillion. Higher oil prices accounted for only \$70 billion of this growth; in contrast, the exports of industrial nations rose from \$387 billion to \$1,074 billion. In periods of growth, world trade grows much faster than economic growth as such, because the introduction of new technologies makes the world division of labor more complex.

That was during the 1970s, when the United States still produced 140 million tons of steel per year. Now, we produce fewer than 70 million tons of steel, and world trade is *lower* in absolute terms than it was in 1981.

In 1980, all the world's nations exported a grand total of \$1.9 trillion in physical goods. By 1983, the volume had fallen to \$1.67 trillion, or about 12% less than the 1980 total. At the height of the supposed "recovery," in 1985, world exports were only \$1.72 trillion, still 10% lower than the 1980 level. During the 1975-80 period, world trade had *grown* by 5% a year.

The true position of world trade is even worse than the numbers show. To start with, American imports rose from a total of \$256 billion in 1980, to \$361 billion in 1985. These

imports, bought at 40% to 70% below American producer prices, merely replaced production capacity we lost at home. In other words, the increase in U.S. imports reflects, not economic growth, but decay. Total world trade in 1985 minus the \$104 billion increase in U.S. imports was only \$1.663 trillion, lower than the supposed nadir of international trade in 1983, when exports fell to \$1.667 trillion.

Discounting the bloating of America's import bill, the fall in international trade since 1980 amounts to 19%—not quite as bad as the worst of the 1930s, but grim by any historical standards.

In fact, American imports grew from a steady 14% of total world imports between 1977 and 1981, to 19% of the total in 1986, corresponding to the collapse of American industrial capacity. In absolute terms, American imports more than tripled between 1977 and 1986, from \$120 billion per year, to \$380 billion per year.

During the same period, the United States lost:

- Half of its steel production;
- More than half of its non-ferrous metals production;
- Half of all construction expenditures for economic infrastructure;
- Nine-tenths of its expenditures for utilities construction;
- A fifth of its automobile output;
- A fifth of housing construction;
- More than half of farm-equipment production;
- More than half of machine-tool capacity.

And so forth. What this country can no longer produce, it imports from abroad.

Not only has the volume of world trade declined; as in 1930s, prices in world trade have collapsed along with volume. The International Monetary Fund's comprehensive in-

dex for commodity prices, which sets the 1980 value at 100, stood at less than 70 as of October 1986. That is, commodity prices have dropped by more than 30% since 1980, comparable to the worst of the 1929-35 period.

The end of the subsidy

American imports now amount to 20% of total domestic physical consumption, and 25% of new capital goods purchases. The financing of the subsidy depended upon two factors:

1) The enormous increase in the dollar's value between 1978 and 1984, when it rose from DM 1.80 at its low point to DM 3.30 at its peak. This permitted the United States to purchase foreign goods at 40% below the comparable cost of production.

2) The evolution of a captive "dollar bloc," comparable to the colonial "sterling bloc" of the 1930s, which then permitted Great Britain to purchase raw materials with a pound valued at artificially high levels with respect to the Empire, despite the pound's falling value against other industrial nations' currencies.

Of course, the dollar's fall to the neighborhood of DM 1.90 in the past several weeks underscores the difficulty of maintaining purchases from Japan and West Germany under present conditions. The enormous increase in the U.S. trade deficit, from about \$150 billion in 1985 to an annual rate of \$230 billion in November 1986, reflects not so much an increase of purchases, as the higher cost of these purchases.

However, as the Dallas Federal Reserve has pointed out, the dollar has fallen only by 6.4% against the average of its trading partners' currencies, and the weighted average of the fall is less than 10%—compared to the 40% declines against the German mark and the Japanese yen. That is because the "dollar bloc," including Taiwan, South Korea, Brazil, and other important developing-sector trading partners of the United States, has kept its currencies falling with the dollar.

That has led to some remarkable financial distortions, including the accumulation by Taiwan of \$25 billion of U.S. Treasury securities since January 1986. That reflects speculative purchases of the Taiwan dollar, which has lost so much value against the Japanese yen that it will soon have to leave the "dollar bloc."

In Ibero-America, exporters have had to accept prices for their manufactured goods at 70% below comparable U.S. cost of production, at the expense of 10% to 20% reductions in living standards each year, according to a study performed by *EIR* for our spring 1986 *Quarterly Economic Report*. This decline was measured between 1981 and 1983, based on comparison of price and unit data for a group of 35 major commodities. Surprisingly, exports of raw materials from Ibero-America to the United States declined, while exports of manufactured products rose spectacularly. International Monetary Fund programs forced devaluations of those nations' currencies against the dollar, producing declines in the

TABLE 1
Sources of U.S. Imports
(percent)

	1980	1983	1985
Industrial nations	49	57	65
Developing nations	51	43	35

export prices of their manufactured goods even larger than the fall in the prices for their commodities listed on international exchanges.

The problem is that the dollar-bloc countries do not have sufficient economic weight to provide the United States with the size of subsidy it requires.

Table 1 shows the increasing dependency of the United States on the industrial nations as sources of imports.

The fact that this marked shift took place during a period when developing-sector exports were to be had at a fraction of cost—at 70% less than 1980 prices, in the case of Ibero-America—underscores the point that America's industrial economy cannot exist without a subsidy from other industrial nations; the United States is too big, and the industrial sectors of the developing world too small, to carry the burden. All nations participated in this subsidy, but none so much as Japan.

The European data, in particular, underscore the miserable fraud involved in Yeutter's attacks on Western Europe. Yeutter's strike at selected European food exports was calculated to hit every European Community (EC) country, to score maximum political damage. According to European agriculture sources in Brussels, the list was drawn, "probably by U.S. Trade Representative Clayton Yeutter personally to hit select targets of European agriculture exports." According to estimates in Brussels, the tariff targets will mean loss of approximately \$400 million per year to Europe. Hardest hit will be French exports, almost 50% of which are affected, including cognac and certain white wines; Danish canned ham; German white wines and cheese; and Dutch cheeses. According to the terms set Dec. 31 by Yeutter's office, if the European Community does not satisfy U.S. administration demands by Jan. 30, the prohibitive 200% tariff system will go into effect.

These measures are irrelevant to the U.S. trade problem from the beginning. The deeper problem is that the collapsing American dollar, and the \$200 billion overhang of U.S. net foreign indebtedness, have shut off the means to finance the trade subsidy. The United States will begin to live on what it produces, that is, undergo the worst contraction of consumption in its history.

Treasonous Trilaterals organize trade war with U.S. European allies

by Lyndon H. LaRouche, Jr.

The respective U.S. and European branches of the Trilateral Commission, centered around attorney Lloyd Cutler, have brought the United States and its European allies to within weeks of the outbreak of war—trade war. The principal figures among the agents-provocateurs who have organized this political conflict, on both sides of the Atlantic, are members of the Trilateral Commission. Apart from Moscow itself, the principal beneficiary of such a trade war, is the Soviet empire. The financial interest which stands to gain the greatest financial profit from such a trade war, is a consortium of international food-cartels, including the Minnesota-based Cargill grain-monopoly interests of the United States strongly represented in the U.S. Department of Agriculture's officialdom since the early 1960s, and under Secretary Richard Lyng today.

The details of the current roles of the Trilateral Commission and Cargill interests are matters adequately documented in currently breaking news dispatches on both sides of the Atlantic. I wish to draw attention to two outstanding aspects of Cargill's background-role in this connection, and then to concentrate the remainder of my remarks on the strategic lunacy of the present eruption of trade war itself.

For about 20 years, the policies of the Cargill-steered U.S. Department of Agriculture have been moving the U.S. toward two very ugly end-results. Since the first butter giveaway to Moscow, under the Nixon administration, run under the cover of a U.S. subsidy to New Zealand dairy-export monopolies, U.S., Canadian, and Western European nations have been subsidizing the Soviet arms-build-up with a massive flow of food subsidies. The image of the Red Army, sliding into Afghanistan on a sea of U.S.-subsidized butter, is, symbolically, an accurate one. Meanwhile, the complex of Minnesota financial interests politically intertwined with Cargill, have been leaders, both in conducting U.S. technology to Moscow, and conducting Soviet peace propaganda into the U.S.

At the same time, the same combination of Cargill-centered food monopolies and the U.S. Department of Agriculture, have been developing the preconditions for a political dictatorship inside the United States: a dictatorship based upon "food control."

If we estimate the food-consumption requirements of the

U.S. population in terms of a standard market-basket of good nutrition, a growing food-production shortage is developing inside the United States, and a more savage food-shortage already exists worldwide. Yet, we are cutting back the food production of North America, Argentina, and Western Europe, the only regions within a starving world organized to produce a surplus for large volumes of export. More and more, control of dwindling food supplies, is falling into the hands of a handful of firms, representing a Switzerland-based international foodstuffs cartel. More and more U.S. households rely less and less on the family kitchen, and more and more on "fast food" operations. The independent farmer is being wiped out of existence, as production of food is concentrated under the direct control of the international cartel and vast chains under the control of that cartel's monopoly.

Compare wartime food rationing, the food-stamp program, and the methods by which food-control has been used by the Soviets in Eastern Europe, with the conditions of controlled food-shortages toward which the United States and Western Europe are being pushed today. We are not far from the potential circumstances under which politically-sensitive food-rationing could be introduced in North America and Western Europe. Those among us who have observed the way in which the world drifts these past decades, sometimes speak of "Murphy's Law": Whatever nonsense could potentially occur, usually does occur. Since there are those in the U.S. intelligence community who have been talking of a drift toward politically shaped food control for more than a dozen years so far, the likelihood that the conditions for food control will lead to food-control programs, is to be taken seriously.

The time might come, when the words which come out of your mouth, and the way your locality votes in elections, determine whether food goes in.

Apart from the potential for future would-be dictators of the United States, the increase in food-shortages is an immense source of super-profits for Cargill and other members of that wicked cartel. Since Cargill virtually runs the policies of the U.S. Department of Agriculture, and has for more than 20 years, the present drift of U.S. agriculture policy should not surprise anyone. Nor should we be surprised by the fact that foodstuffs are the leading issue of the trade war which

the Trilaterals are now organizing on both sides of the Atlantic.

True, something must be done about the skyrocketing U.S. balance of trade deficit. A 200% tariff on European wines and cheeses is not going to help that trade deficit one bit. The Europeans will simply impose matching tariff-walls against U.S. exports, at a time when those countries' markets for U.S. goods are being depressed rapidly in any case. Boycotting West German machine-tools isn't going to help one bit, since the U.S. no longer produces a significant amount of machine tools: The Nixon, Carter, and Reagan administrations have already succeeded in shutting down U.S. machine-tool production.

House Speaker Jim Wright is approximately correct, in reporting that during the past four years, the United States has been transformed from the world's largest creditor, to the world's biggest debtor—and, he might have added, the world's worst credit-risk among major nations. He should have added, that "four years ago" is the time that Treasury Secretary Donald T. Regan and Kissinger Associates, Inc. acted to shut down the import-markets of Central and South America. He should have added, that the reason the Reagan administration took such actions causing the spiraling of U.S. trade-deficits, was that President Reagan decided, during the spring of 1981, to continue the Federal Reserve policies which President Jimmy Carter and Paul Volcker had launched

during October 1979.

Up to 1982, what we call the developing sector was the market on which North America, Japan, and Western Europe depended for the net margin of export-balances of the industrialized nations as a whole. Those markets began to shrink under the new international monetary rules adopted at the 1972 Azores and 1975 Rambouillet monetary conferences. The 1979 actions of the Carter administration plunged the developing sector into an insoluble and worsening debt-crisis, which exploded as the 1982 "debt bomb." The Reagan administration responded to the 1982 crisis in the worst possible way, ordering debt-ridden nations to slash their imports from Europe and the United States, and forcing those nations to increase their exports into the United States.

At the same time, over the past 10 years, especially, the U.S. industrial and agricultural sectors have been gutted into a state of accelerating collapse by U.S. government policies aimed at helping us to become a "services"-oriented "post-industrial society." The idea was, that we should shut down chunk after chunk

with low-priced imports of food and manufactures, instead.

Then, in 1983, came the "economic recovery" which never happened. True, the rate of collapse during 1983 and 1984 was much slower than during the summer and fall of 1982. During the second half of 1982, the rate of collapse touched a 12% rate, and rebounded to a rate of collapse of

First shots fired in trans-Atlantic trade war

On Dec. 30, President Reagan announced, on recommendation from U.S. Trade Representative Clayton Yeutter, that Washington will impose tariffs of 200% on certain agricultural products of the European Community (EC), should a settlement not be reached by Jan. 31. The targeted items include French cognac and white wines, German cheeses and wines, Italian wines, Danish hams, and Dutch cheeses.

Immediately, the Trilateral Commission's networks on both sides of the Atlantic began to fuel the flames of trade war:

- Sources at the EC Agriculture Commission reported that the EC is drawing up a "retaliation" list, which would hit U.S. exports of corn gluten feed, rice, and other goods.

- Yeutter boasted that the U.S. sanctions were aimed

at "stopping the EC trade in its tracks." It was former Trilateral Yeutter who, in 1985, shortly before leaving the Chicago Mercantile Exchange to come to Washington, participated in a task force which drafted a "free market" program for European and U.S. farm policy, calling for removal of government subsidies to farmers.

- On Dec. 16, after meetings in Brussels with EC External Trade Commissioner Willy de Clerq (another Trilateral), Yeutter declared his intent to pressure European governments to stop state subsidies to its Airbus aircraft consortium, Europe's most important aircraft maker. Then on Dec. 30, Yeutter demanded that West Germany come up with "voluntary restraints" on machine-tool exports to the United States.

- On Jan. 5, EC Industry and Technology Commissioner Karl-Heinz Narjes (also a Trilateral) told the German daily *Bild Zeitung*, "We Europeans must remain firm in this war of nerves. We cannot accept that the Americans adjust world trade rules to their desires. What today is agriculture, tomorrow could be machine tools, cars, or airplanes." Narjes is calling for "professional crisis management" to step in, implying that the disputes will escalate.

nearly 5% during 1983 and 1984. Then, during 1986, we collapsed the physical-goods producing sector of our economy about 15%, much worse than 1982: but the President wishfully insists that this is a "wonderful economic recovery," even after the voters massively rejected his "recovery" in the November 1986 elections.

The Reagan administration is reacting as the Hoover administration reacted to the crises of 1929 and 1931. The administration has been drifting, over the past six months, toward a repetition of the same sort of trade war policies which set off the Great Depression of the 1930s, the infamous Smoot-Hawley tariff legislation. That is precisely what the trade war with Europe represents, a revival of the lunacy of Smoot-Hawley.

There is no solution, unless we face the cruel fact that the U.S. economy has been in a roller-coaster series of ups and downs, mostly down, over the entire period of the Reagan administration so far. Once Washington faces that fact, the solution is in sight. What we need, what Western Europe needs, and what our developing-sector markets need, is a genuine, old-fashioned sort of general economic recovery.

True, the GNP figures insist that a recovery has been in progress, although every major branch of the physical economy, basic economic infrastructure, national defense procurement, agriculture, manufacturing, and energy-production, has been collapsing over the past ten years. The GNP figures are partly faked, for political reasons, as most administrations of the past 20 years have faked their GNP and inflation-trend reports. Yet, faked figures are not the whole reason the government has been describing a slide into a depression as an "economic recovery." The level of purchases of the U.S. has been kept up significantly, by using more and more borrowing to buy goods and services way above our national income. That is how we were turned from the world's major creditor, into the world's biggest debtor. Subtract the increase of combined public and private debt from the GNP figures, and the result is a figure with some resemblance to the fact of collapsing infrastructure, agriculture, and manufacturing.

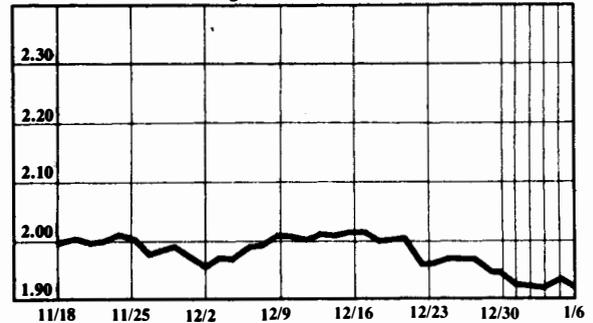
Very simply, we must earn more. On this point, Speaker Jim Wright is on the correct track in his thinking. We need an investment-boom in basic economic infrastructure, agriculture, and manufacturing, especially in high-technology capital-goods of competitive export-quality. We must study the success of Peru's economy under President Alan García, and recognize that similar reforms throughout Central and South America, for example, will reopen the precious export markets upon which we used to depend so much. Instead of squabbling with Japan and Western Europe, over shares of the world's worsening poverty, we ought to be negotiating fair shares of a world whose markets are expanding.

I find it not surprising that Cargill and the Trilaterals who are the softest on Moscow, should be leading in organizing trade wars which can help no one but Moscow.

Currency Rates

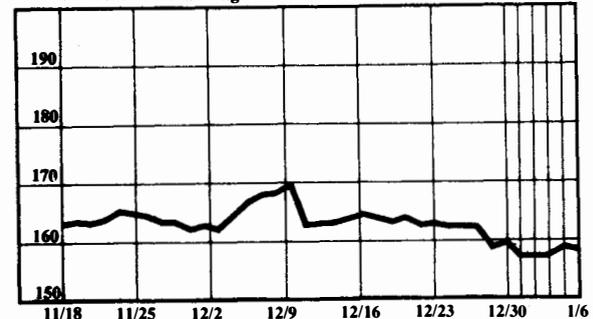
The dollar in deutschemarks

New York late afternoon fixing



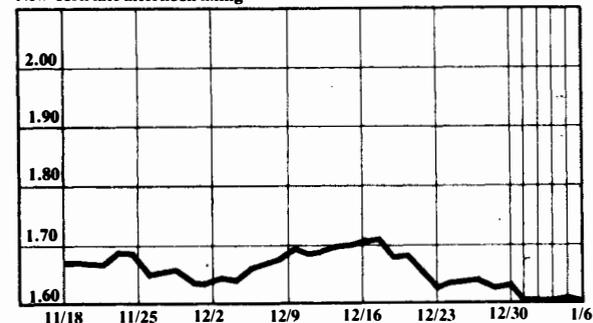
The dollar in yen

New York late afternoon fixing



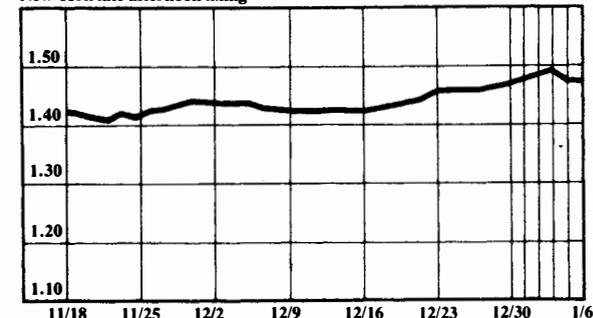
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



Cargill official admits plot to end family farms

American farming needs "a radical restructuring," but that would necessitate "undoing five decades of firmly entrenched developments in the U.S. since the Depression, and no one is willing to move so dramatically," a European official of the Cargill grain company stated on Jan. 9. Cargill is one of the leading companies of the international grain cartel, which is seeking to win a total monopoly on food production and distribution.

"We need fewer farms and farmers to feed the population," he went on, "but the problem is more fundamental: The heart and soul of the American perception of what its culture is all about is being changed by the farm crisis. It's the question of the independent family farm, the idea of the United States as a nation of gentlemen-farmers, an idea that has existed since the days of the Founding Fathers.

"The bedrock of American society has been farm values and traditions, it's part of the American fabric. Americans don't believe that every American has the God-given right to own a steel mill, but Americans do believe that every American has the right to run his own farm. So, while the reality is, that 20% of the farmers produce 80% of the food needed, the U.S. has 2.2 million farmers, and American politicians will fight to maintain the system of family farms. That is the political quandary everybody is in."

The Cargill official added, "Some U.S. government officials are saying that, within 10 years, the total of 1.2 million American farmers might be desirable. This is being said privately, because, obviously, moving 1 million people out of the farming sector is a very difficult thing to do. Nobody is willing to take to the public hustings and say something like this. . . . To get to a system that would enable market forces to work, is more than any political institution is capable of accepting. Just removing every farm-support program would be unacceptable to everyone. Economics is so intertwined with social and political factors that it becomes complicated. . . . Parity is an outmoded concept; what's really under attack is the pricing levels."

He continued: "The international farm economy is in an emergency situation in the minds of many people I talk to, to the point that no one I know is even focusing on questions

like debt-restructuring or debt-relief, to open up markets in the developing world. The whole Third World debt problem is too abstract. Anyway, who's going to loan money to Latin America to pay for grain, it's a problem of financing. . . . The real issue, is that we're in an emergency. First, farm prices are at record low levels. Second, at the same time, the world surplus is at record high levels, so supply and demand are completely out of whack. Third, American farm debt alone is over \$200 billion. Fourth, the only question for the European Community is when the CAP [Common Agricultural Policy] is going to run out of funds."

The Cargill spokesman said that very few people are thinking of the necessary fundamental reform that would be necessary to deal with the "emergency." One person he agrees with "very much" is former U.S. Agriculture Secretary Orville Freeman: "The Freeman approach of bringing in the IMF [International Monetary Fund] to help with a fundamental re-structuring of the farm problem, on a macro basis, is the kind of thing that addresses the problem, but there is no groundswell of support for this."

Another individual he praised is the University of Chicago's D. Gale Johnson. Johnson is the in-house international agro-economics expert of the Trilateral Commission.

Soviets gain from trade war

He expressed doubts about recent Soviet claims that the U.S.S.R. will be self-sufficient in grain production by the 1990s, since, he said, the Soviets are getting grain so cheap from the West, that they have no need, or reason, to develop their own grain production. He said: "To me, it makes very little sense for the Soviets to worry about grain self-sufficiency. They love the U.S.-European farm-trade war, they are literally eating it up. Why invest a billion rubles, to produce so much, that will only get you a million in return? To my way of thinking, a smart East bloc official would say, 'Let's put the money we're saving, by buying cheap grain, into other places in the economy.'"

Although U.S. sales of grain to the Russians have actually fallen off significantly in recent months, he noted, Western European sales of barley and other foodstuffs to the Soviets have gone up significantly, and that trend can be expected to continue.

"Everybody I talk to is holding his breath about the European-U.S. farm-trade war, but I'm pessimistic about it being resolved. If the EC goes through with the kind of retaliation we can expect, the list of commodities that will be affected will expand very dramatically. Now, we're talking about *basic* commodities, such as wheat, which are part and parcel of the U.S. economy. Consider the impact of losing the EC market on American farm interests, especially at a time when the U.S. sees its markets shrinking to the point that, whereas the U.S. used to have a 60% share in world trade of such basic commodities, it is now going down to 40%."

The tropical disease environment of the AIDS epidemic

Dr. Gacharna, the chief of epidemiology of the Colombian health ministry, was interviewed by Javier Almarío of EIR's Bogota bureau.

EIR: What is the main health problem Colombia now faces?

Gacharna: Colombia has a disease profile within which are the infectious-contagious diseases caused by poverty, and the diseases of development itself which affect those who have a slightly longer life expectancy, such as tumors and cancers, cerebrovascular diseases, hypertension, etc.

Of the infectious-contagious diseases, we have the diarrheic and acute respiratory illnesses. We clearly rely on methods for reducing the mortality of the acute diarrheic disease, and the best strategy is oral rehydration. This is effected by means of packets of oral rehydration salts distributed throughout the country. A first evaluation of the program for acute diarrheic disease has already been done, and there remains to be done a second such evaluation remains to be done, to find out the extent [of the disease], and how the health teams are handling it. These are the first causes.

The second is the acute respiratory diseases: An epidemiological study showed that in Colombia some 90% of children with acute respiratory infections die at home, because they are not brought to where they could receive medical attention in time.

In the malaria areas there can be no doubt that the primary cause of disease is malaria, of which some 11,000 cases are reported each year, but this is simply what is officially registered. The number of actual cases surpasses the figures regularly released by the official channels. Of the noncontagious diseases, such as tumors, we see them occupying—along with hypertension and cerebrovascular accidents—first place in Colombian statistics.

EIR: Regarding diseases transmitted by insects, such as malaria, is the health situation improving or worsening?

Gacharna: Regarding malaria, which is transmitted by anopheles [mosquitos], the situation can be said to be stabilized. That is, those sick with malaria are being treated, and deaths through its complications or cerebral malaria are being

avoided. There are serious forms of malaria. There are other diseases transmitted by mosquitos, such as dengue [and] yellow fever, and against these we are exercising vigilance and epidemiological control which so far has been effective. The serious risk facing the country at the moment is the introduction of hemorrhagic dengue fever, but for this too there is a strategy of epidemiological vigilance.

The Health Ministry, through its epidemiology division, brought three foreign consultants to the country—among them a Cuban, Dr. Pardo Dotres, and Dr. Zuchita Limanilla—with whom an evaluation of the dengue situation in the country was made. It was demonstrated, as is known, that there are four dengue viruses circulating in the country. It was also concluded that the conditioning factors for the emergence of hemorrhagic dengue fever exist. This team has formulated two hypotheses regarding this possibility:

The first is that it could appear as an explosive epidemic, similar to Cuba, which will affect half a million people and produce at least 150 deaths. But this could be the most remote hypothesis because of our geography, our population distribution, and a variety of other circumstances. Perhaps the second hypothesis comes closer to the problem; that if hemorrhagic dengue fever appears in Colombia, the risk is that it will establish itself as hyperendemic, an excess, a permanently high number of cases, but will not appear in the form of a single explosion, but that there will be several epidemics in several places, as people move and carry the virus from one place to another. In that case, we would have a situation similar to Thailand's, where several cases of hemorrhagic dengue fever appear daily.

Regarding other diseases such as ismeniasis, chagas, the situation is also being carefully watched and controlled to avoid an increase in frequency as occurred in years past. The epidemiology department has done a review of the strategies being utilized for these diseases, and has urged corrections and adjustments so that the services offered are more effective.

EIR: In controlling these diseases, there have been certain budget cuts that have had precisely to do with this adjustment

program. To what extent have the cuts affected control of these diseases?

Gacharna: The economic recession and the reduction of budget assistance and the cutbacks have generally been for all sectors of the national economy and within this there has also been a cutback in health. It is clear that in the past 10 years, the health sector no longer receives what it used to. We used to get 9.5% of the national budget, and today receive some 4.5%, i.e., it has been cut 100%. This has affected the services we can provide and is reflected in the efficiency of certain service centers. . . .

EIR: Has control of vectors been specifically affected?

Gacharna: Control of vectors is an international problem, not a national one. Take the example of the *Aedes aegypti*, which is the vector or mosquito which transmits dengue in the cities. Colombia is below 2,000 meters altitude, totally invaded by the *Aedes aegypti*, but Colombia, like other countries, is a signator to the international agreements at the level of the Panamerican Office and the World Health Organization for the eradication of *Aedes aegypti*. Nonetheless, while Colombia is a signator, so also are all the Antilles Islands, the southern United States, and even Venezuela, and none of these countries are carrying out actions to eradicate the mosquito. Therefore, even if we had many resources to expend to fumigate and kill all the mosquitos, if our stubborn neighbors did not carry out the same mosquito-control efforts, all of our actions would be useless. So, Colombia has localized strategies in which those areas of the cities, the neighborhoods, and marginal zones are identified where there is the greatest density of mosquitos, so as to have a disinfection strategy to prevent the spread of any disease like this.

This is how the vector fight is a problem of the international community and is not merely a problem of the national community.

EIR: Turning to the AIDS issue, some countries in Latin America, like Brazil, have been found to be seriously affected by the AIDS virus. What is the situation of this epidemic in Colombia?

Gacharna: In Colombia, the situation is just beginning to show an increase in the number of cases being reported, because we know that there is a large Colombian population in Europe, the United States, Brazil, and the greatest number of AIDS cases are Colombians resident abroad who were infected and returned, in effect, to die in Colombia.

. . . The other factors follow the pattern known in other countries. That is, the high-risk groups are similar, the symptoms that patients present are similar, the perspective of the victims is similar to that in other countries. . . .

Measures are slowly being taken. . . . We have in our major cities scientists capable of attending, diagnosing, and treating victims of this syndrome. When I say attend these victims, I am referring to making the diagnosis and treating

the opportunistic infections, because we all know that there does not yet exist a drug for treating this state of immunodeficiency. . . .

EIR: There is a difficult aspect to this disease, in that there are many people who carry it and don't know that it can develop, but are infecting others. Is anything being done about this?

Gacharna: This is true. Of 10 individuals who infect others, one or two have the disease, 10-20%. Those who don't, do have the virus, and are infecting others. This is being studied through investigation of contacts. But it is well to remember in what this strategy consists: The epidemiology division of the [Health] Ministry has formed an AIDS Information Center, which is made up of the leading scientists of the country, so that they can report on the victims and collaborate in watching over contacts. The vigilance of these contacts is not a repressive vigilance at all, but consists of simply locating all the contacts of these victims so that they themselves can be helped and, through medical examinations and consultation, the disease can be diagnosed in time. In such cases, the victims and the contacts are being given the relevant information so that they can be aware of the problem, the virus they are carrying, and of the possibility of transmitting it to other relatives and contacts, and so that within their environs or family, simple measures can be established to interrupt the transmission of this virus.

EIR: There is currently a change in thinking about this disease. It was always thought that it had to do with certain high-risk groups. But recently, the Pasteur Institute of France discovered the existence of the AIDS virus in certain African insects, such that insects which suck blood can transmit AIDS. Also, it has been transmitted by the bite of children at play. The World Health Organization recently said that in reality, the problem is much more serious than they had thought, and that an international effort to stop the disease and treat the problem more efficiently, had to be undertaken. Don't you think that this change in thinking will necessarily imply a change in the way the disease is being treated in Colombia?

Gacharna: There is no special bias or particular orientation in Colombia regarding the risk groups. We are aware that this is not an attribute or peculiarity of any particular group. We know that any human being, man or woman, adult, aged, can be victim of one of these diseases. What is being done, and what we see from the public-health viewpoint, is that any infectious-contagious disease or any disease caused by an agent transmitting it from one person or group of persons to another, that that transmission will be more rapid [where] there are more problems regarding habits and customs.

Every infectious-contagious disease increases its speed of transmission when there is overcrowding, when there is poverty, when there are bad habits, when there is filth, when there is lack of hygiene, when there is not enough food. So it

is not unusual and has been seen at the beginning of the century. When an infectious disease enters an environment like this, full of misery, poverty, filth, the disease is transmitted in an explosive way. There are many more cases of disease than when disease presents itself in an environment where, at least, there are certain hygienic habits, such as use of soap and water. . . . We have seen on television the images of African children where . . . they are covered by every kind of sore. These malnourished children are totally invaded by every type of insect; these insects in effect are feeding and drinking from the fluids given off by these children in any place. Obviously, we know that in these fluids—in the blood, in the lymph, in the urine, in the saliva, in all of these the virus can be found. Thus it is not strange that the virus can be found in these mosquitos. What is important is to establish what capacity these insects have to transmit the virus.

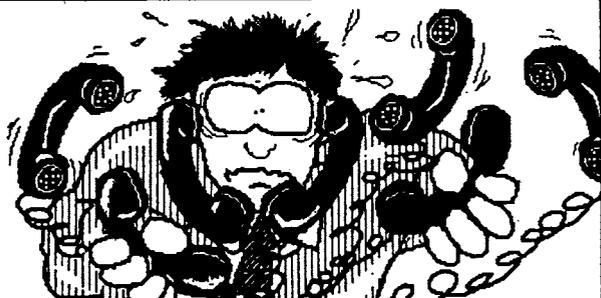
Therefore, it is a logical consequence of the conditions of hygiene, of housing, and of the economic and social conditions in which the community lives. A community that is well nourished, that has stable homes, a community with good hygiene, a community that does not have negative habits, is obviously a community that, we might say, is immune or at least resistant to this and other diseases, and will not be reached by them.

EIR: On the Pacific Coast, several communities are afflicted with a disease produced by the HTLV-I virus, similar to that which produces AIDS. What can you explain in regard to this illness and its incidence in Colombia?

Gacharna: This disease, spastic parapadecia of the Pacific, is called in other parts of the world tropical parapadecia. The lower parts of the affected person suffer, not a complete paralysis, but a semiparalysis, which could ultimately become completely debilitating. There can be problems of the organs, a problem of male hormones, for example.

This disease does not yet have a defined etiology. A further evolution of this disease has been found with the HTLV-I virus, which is related or first brother to HTLV-III, which is what produces AIDS, and that association has been found in a high percentage of these victims, in the cases where it has been studied. A high percentage show positive responses for HTLV-I, for the virus that you mention. But to test positive for a virus does not indicate that it is the cause of that disease. Thus a deeper investigation is now being conducted to see if that relation found implies causality. . . . In this a group of scientists, both Colombian and from the United States are involved, to advance the investigation of causality to see if tropical parapadecia can be attributed to HTLV-I.

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The first horseman rides again

With an estimated 10 million infected with tuberculosis in the United States, and about 2 billion worldwide, the hoofbeats are getting louder.

As the "Reagan recovery" sweeps across the United States, a mounted figure follows in its wake. It is tuberculosis, the white plague, known in its heyday as "the first of the horsemen of death." This infection, which is caused by the organism *Mycobacterium tuberculosis* and had been declining steadily over the last century, has been given a new lease on life in the developed nations by the invisible hand and is now on the rise again.

From 1981 to 1984, reported cases of tuberculosis declined at an average of 1,706 cases per year for an average annual rate of 6.7% per year. In 1985, a total of 22,201 cases of tuberculosis were reported to the Centers for Disease Control, only 54 cases less than the 22,255 reported in 1984 and a decline of only 0.2%.

Since May 24, 1986, the number of TB cases reported to CDC has exceeded the number for comparable periods in 1985, and as of Dec. 13, 1986, there were 21,047 cases reported in the United States, compared to 20,594 on Dec. 14, 1985, and 20,707 on Dec. 15, 1984.

The major areas of increase have been in California, New York, Texas, Florida, Massachusetts, Georgia, Arkansas, and Illinois. Two factors are dominant in these areas: AIDS and extensive urban collapse.

In Florida, where significant numbers of AIDS patients are poverty-stricken ghetto dwellers without the usual "risk factors," 10% of AIDS patients have been diagnosed with TB. Likewise in New York, the presence

of AIDS has been strongly linked to an epidemic of tuberculosis primarily affecting black and Hispanic males living in the most economically devastated areas of the city. While the New York City cases are also strongly linked to drug abuse, in other areas the most significant factor appears to be the grinding poverty classically associated with this disease.

One striking example of this problem was reported in the July 19, 1985, issue of the *Morbidity and Mortality Weekly Report*, the weekly publication of the Atlanta Centers for Disease Control. This report concerned 26 cases of tuberculosis associated with three large shelters for the homeless in Boston. The epidemic was first recognized because of reports of a number of cases of tuberculosis caused by multiple-drug-resistant organisms occurring among the homeless.

A screening program using Mantoux tuberculin skin tests, sputum examinations, and chest x-rays was begun in November 1984. In addition to detecting infected shelter inmates, it was discovered that 13 of 84 employees at one 350-bed shelter had skin-test conversions, indicating recent exposure to tuberculosis.

Since that time, a total of 49 cases of tuberculosis, associated primarily with the 350-bed shelter, have been reported, 22 of which are resistant to isoniazid and streptomycin, the first line anti-tuberculosis drugs. In an article in the Dec. 18, 1986, *New England Journal of Medicine*, researchers from the Massachusetts Department

of Public Health and Harvard Medical School reported on some implications of these drug-resistant cases.

The most significant finding is that a number of these cases show a pattern of disease considered uncommon in the developed countries, but more typical of depressed areas characterized by high exposure to infected individuals. This pattern is known as exogenous reinfection. It occurs when a person who has previously been infected by the TB bacteria is exposed to another load of these organisms from another patient. These reinfected patients had extensive lung cavitation and numerous tuberculosis organisms present in smears of their sputum—features associated with contagiousness.

As opposed to endogenous reinfection, in which a patient reactivates his own previous infection (considered to cause most tuberculosis in the United States), exogenous reinfection is important in developing countries where tuberculosis is epidemic and where immune response to previous exposure is compromised by malnutrition, poor sanitation, and other environmental stresses.

The Boston study indicates that, under conditions of crowding, poor general health, and malnutrition, rapid transmission may occur not only to previously uninfected individuals but also to previously infected individuals with impaired immunity. These exogenously reinfected individuals are highly contagious, much more than persons infected for the first time, and can rapidly spread the disease to other individuals. Since this form of tuberculosis is resistant to isoniazid, the usual method of prophylaxis using this drug is ineffective, and since reinfection cannot be prevented by BCG vaccination, two major strategies for tuberculosis control are useless.

U.S.-European trade war must be prevented, say Italian cattlemen

The following is an exclusive interview with Fortunato Tirelli, general secretary of the Associazione Italiana Allevatori (Italian Cattle Farmers Association) in Rome, which includes all cattle breeders associations nationwide. Fortunato Tirelli has a regular column on agriculture in the Italian daily La Stampa, and attended the Schiller Institute international conference on agricultural policy on Dec. 6 and 7, where he spoke on the Italian situation. EIR correspondent Liliana Celani interviewed him after the conference in Obernburg, West Germany.

EIR: Speaking at the international conference of the Schiller Institute in Obernburg you emphasized how Italy was forced by the European Community to slaughter 100,000 dairy cows in order to respect EC quotas, despite the fact that Italy has to import 40% of its meat consumption. How does such an absurdity reconcile with the thesis of "overproduction"?

Tirelli: Surpluses and deficits are two antithetical values, even if they do coexist inside the EC. The national plan to slaughter 100,000 cows was opposed by the Italian producers because for them it is unacceptable to reduce livestock production since, to cover the domestic demand, Italy has to import meat and milk for 10,000 million liras each year, corresponding to 40% of its consumption. More comforting were the conclusions of the recent EC agricultural summit, which acknowledged that Italy is a "deficit" country. The demand that Italy slaughter 900,000 more cows, however, was a bitter pill.

The measure will have no lasting effectiveness, by destroying those technical, technological, and genetic improvements which made it possible for the producers to increase their unit production, but also because the EC did not decide to stop importing the products in which Europe has a surplus. The EC silence on imitation production, on the fraud of reconstituted milk powders, which cause the expensive European surpluses, is not reassuring for the future.

EIR: In which way did these measures influence meat consumption in Italy, and are there other causes for the collapse in meat consumption which you indicated in *La Stampa*?

Tirelli: The collapse in consumption relates to beef, while there was a tendency to increase consumption of dairy products. The investigation into meat consumption by Eurisko indicated that one of the reasons was concerns about health. In other words, the cause was not the price, which has been stable for many years, or dietary choices, but health considerations. Some people have insinuated to consumers the suspicion that red meat consumption may lead to arteriosclerosis or that cattle breeders use substances which leave toxic residues in the meat which can provoke cancer.

EIR: How is the Associazione Italiana Allevatori (AIA) moving to relaunch meat production and consumption?

Tirelli: AIA is supporting those cattle breeders who are more sensitive to the needs of consumers, encouraging the creation of voluntary consortia among meat producers, with the aim of putting on the market "clean" meats, which means safe meats. Through such consortia, cattle designated for breeding are registered and marked, undergo a controlled feeding process, and receive from the veterinarian a certificate of their quality. This certificate accompanies the animal from the barn to the butcher shop, where the consumer can check where the meat comes from, and be reassured that it was not fed with substances which have a dubious effect on health.

In order to have the maximum effect from this initiative, promotional campaigns will be launched through mass media, conferences, panel discussions, promotional sales, and pamphlets to distribute, which put forward again the nutritional value of meat, and the importance of meat proteins for sustaining young people.

EIR: Which national and international measures do you think are necessary to end the present farm crisis?

Tirelli: Nationally, the most important measure is of a political character. The importance of the "primary" sector has to be reestablished, which today has nothing "primary" about it, since it has been surpassed by the secondary and tertiary sectors in number of employees, and also for the reduced attention it is getting.

We have to make sure that agriculture is not considered only a reserve, or that its role is thought important only for environmental and ecological reasons. Farm producers are convinced that by developing agriculture, and therefore agricultural production, they contribute concretely to upgrading the environment and safeguarding the ecological balance. We have to avoid having this order turned upside down, putting agriculture after the environment and ecology. This must be said to the public and to the "greenies," who often demonstrate that they do not know agriculture and its needs, by imposing limitations which are unacceptable for farmers or cattle breeders.

Sure, certain dangers derive from the uncontrolled use of pesticides or fertilizers, but the real ones to blame are not farmers, but the people who produce and sell these products without due experimentation.

EIR: At the last conference of Coldiretti, the biggest Italian farmers association, its president, Lobianco, proposed for Italy an anti-trust law like the one existing in Great Britain to prevent any power concentration in the hands of cartels. Do you think that an anti-trust law would help to solve the situation? What role do the big cartels in Italy, such as Ferruzzi, play in cattle breeding and food distribution?

Tirelli: Lobianco did take the lid off the pot, emphasizing how professional effort, and technical and genetic development, no longer assure a decent income to producers, because the effective advantages have gone from the production phase, to the processing and commercialization phase, because of cultural and organizing problems. The agricultural industry increased the problem by filling this gap with its presence, and risking the marginalization of agriculture, with an unacceptable division of labor.

The agricultural world showed that it understood this problem, and will hopefully find the men and the means to change this situation, by bringing about a significant and effective presence.

EIR: How do you judge the trade situation between Italy and Latin America? Are there potential markets there which Italy can develop?

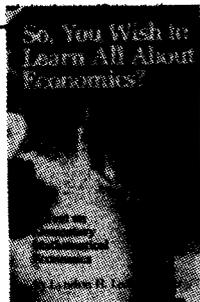
Tirelli: Trade relations between Italy and Latin America have never reached a consistent level. The creation of the European Community had as an obvious consequence the abandoning of traditional markets in favor of European markets. Despite this, exports to Latin America were maintained, particularly exports of semen and reproducers of special beef cattle breeds, such as the chianina breed or the romagnola

breed, which were used in Argentina and Brazil as cross-breeds, considered useful to produce finer-grained meat, which is more appreciated by consumers.

EIR: There is a lot of talk these days about a trade war between the United States and Europe in the agricultural market. Do you think such a trade war is justified, and how could it be avoided?

Tirelli: I think that a U.S.A.-EC "war" is something we should avoid, and the declarations of war which have been made already are not justified, and have no logic, since there is only one market, the world market. Trying to take over a market by developing artificial competition means paying out enormous compensations to farmers without any guarantee of continuity. It would be better to face the situation together and organize production, avoiding having the U.S.A. (grain) and the EC (soya-growing) bleed each other to sustain products which are abundant on the market. We always stated that autarchy does not pay off, and it would be absurd to make mistakes, which producers would pay for.

We should all sit down around a table, in a spirit of open cooperation, and find realistic solutions in order to use the so-called "surpluses" by fighting the anachronism of their destruction and the quota policy, and putting an end to the reduction of production.



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A cruel joke

That's the only description for Reagan's farm budget cuts, when farm communities around the country are disappearing.

How dumb can you get? That's all you can say about the latest farm policy budget proposal from President Reagan. It tells farmers, "Go jump in the lake," while telling consumers, "Let them eat cake." The proposals call for drastic cuts in the various farm income-support measures, mostly beginning in 1989, despite the fact that farms are shutting down in mass numbers, and farm community infrastructure is collapsing. If this keeps up, there will be no cake, no bread, no gruel.

On Jan. 5, the outline of President Reagan's planned farm income cuts were announced. The legislation sent to Capitol Hill would reduce farm commodity target prices—which determine income-subsidy levels—by 10% a year, beginning in fiscal 1989. Reagan told lawmakers that he wants subsidies to be cut by more than half over the next five years. He advocates a return to a "free market," where "competitive pricing" will prevail.

There is no "free market," and never could be. If the government doesn't order the market, then a handful of cartel companies, as now, dominate the market. They dominate over 90% of food commodities traded internationally, and significant amounts of domestic food processing and distribution. They set prices to their own advantage, through market control, and also through their channels into government and finance. For example, the USDA official in charge of the Agriculture Stabilization and Conservation Service, and U.S. foreign commodities trade, is a 15-year Cargill

man, USDA Undersecretary Daniel Amstutz. He has a few laughs over all this talk of "free trade." The cartel perspective is that food output capacity should be cut way back, and the cartels should have strategic control over world food production and stocks.

But poor President Reagan believes in the "magic of the marketplace." He plans big budget cuts to reduce Big Government, never thinking how farm income and government revenue both could increase if the real economy were restored to health and productivity with a timely bit of intervention.

Reagan simple-mindedly projects national farm program costs as follows: 1988—\$21.3 billion; 1989—\$17.8 billion; 1990—\$15.1 billion; 1991—\$11.9 billion; 1992—\$10.5 billion. Administration officials project farm exports to rise over this time period, and farm spending to decline. In other words, farmers will have to cultivate crops like air ferns.

The reality is that the farm sector is disintegrating, and the administration proposal is a mockery. Even a senator like Rudy Boschwitz, Republican from Cargill's home state of Minnesota, has had to come out against Reagan's proposal. On Jan. 6, Boschwitz said, "The administration has taken a good idea and started it down the wrong road." In 1985, Boschwitz co-sponsored a bill to sever price supports from crop production, but he calls the current administration proposal a "perversion" of his idea, "designed by the Office of Management and Budget, not the Department of Agriculture,

for the simple purpose of saving money, not to start agriculture on a road to recovery."

The combined effects of the lack of farm income, the shutdown in the farm supply system, and other industrial and commercial shutdowns is that entire farm communities must cease to exist. There is no means to support essential services such as education, health, roads, etc.

A report on this crisis, published in the December 1986 USDA journal, *Farmlife*, documents how local governments and school systems are "caught in a vise of rising costs and falling revenues."

USDA statistics place the value of an average acre of farmland at \$586, down from \$823 in 1982. Across much of the country, property taxes account for about one-quarter of local tax revenues, and go as high as 70% in some rural areas.

In addition to shrinking tax revenues, communities are suffering from Gramm-Rudman's elimination of federal revenue-sharing. At the same time, local residents have become more in need of public services in terms of health care, energy aid, and other forms of aid because of dispossession of farms and unemployment. The estimated amount of compensation needed to maintain vital service levels in the farm areas ranges from about \$13 to \$199 per person.

Between 1980 and 1985, tax delinquencies have gone up by 50-70% in the eight top farm states. Federal assistance to state and local governments over this period dropped 17%, down to \$180 billion. Rural communities depend on state aid for an average of 38% of their revenue base. Another 35% comes from federal aid, and miscellaneous taxes and user fees. Property taxes account for at least 27% or more.

Popping the off-balance-sheet bubble

U.S. and British regulators plan reserves against "off-balance-sheet" lending.

American and British bank regulators announced Jan. 8 that they would jointly require banks to put up capital against so-called "off-balance-sheet liabilities." *EIR* in September had projected the British move; the fact that the Federal Reserve went along with it indicates how terrified the regulators are of a banking crisis.

This obscure, and apparently technical measure, represents the most important decision by the central banks since Paul Volcker threw the world into reverse gear by raising interest rates sharply over the Columbus Day weekend in 1979. There are \$1.25 trillion of such "off-balance-sheet liabilities" on the books of the top 10 American banks alone, half-again more than those banks' total assets.

The bankers' capital was exhausted by bad debts no later than 1982, and commercial banking business as such disappeared. Instead, banks went over to loan guarantees and securities-peddling. That is the "off-balance-sheet" universe.

EIR warned in its Fall 1986 *Quarterly Economic Report*, "The banks can and have financed any amount of financial-market speculation they want. They did it on purpose. It is impossible to estimate how much interest the banks are really earning on their Third World, energy, and real-estate loans. The regulators have docilely granted them leeway to keep such bad loans on their books, writing off the capital value over whatever period of time suits their accounts. But if in-

terest isn't being paid, where is the money coming from to pay their depositors? Part of the answer is, simply, that the banks have made up the difference by soliciting fees and commissions by diving into whatever speculative markets are available.

"Reports issued in May and June by the world's highest financial authorities admit, in effect, that the world banking system is insolvent, by the standard used by every bankruptcy-court judge in the United States. The Bank for International Settlements (representing the industrial nations' central banks) and the Group of 10 (representing their governments) issued identical reports recently, warning that the banking system might run 'out of control,' because the banks' liabilities exceed their assets by about 250%."

The precise amount of reserves the banks will have to put up has not been specified, prior to a 90-day waiting period for banks' comments.

It does not really matter. Most of the banks are in no shape to put up capital, whatever happens, following the collapse of the "floating-rate Euro-note" market in December. On Dec. 4, trading was suspended on almost \$17 billion of floating-rate notes (FRNs) in London. One among many forms of "creative securities" which have proliferated during the past several years, the affected area involves so-called "Perpetual FRNs," a device through which the major banks have increased their capital.

Faced with a trillion dollars of bad Third World debt, and hundreds of billions of dollars of bad oil, commodity, shipping, real estate, and related loans, the major banks issued capital notes whose interest rate changes with the market, but whose capital will never be repaid—hence, "perpetual" notes.

The run against this offshore bank paper known as FRNs has not yet affected the banks' deposits. However, big international money, reportedly led by the Japanese banks, has unloaded paper issued by some of the world's top international institutions, fearing that "it may never be paid back," London's *Financial Times* warned Dec. 4.

London sources called the market collapse the worst-ever crisis of confidence in the 20-year-old Eurobond market, the \$200-billion-a-year offshore pool which turns international hot money into "legitimate" investments. This may have forced the regulators' hand. The financial system has been held together with mirrors; once this particular mirror cracked, the credibility of the entire arrangement had gone.

The implication is that a handful of banks will take over the overwhelming majority of banking business, and that the present merger trauma around Bank of America will become the order of the day for most of the international banks. The *New York Times* wrote Jan. 9, "A few of the biggest banks might benefit under the plan, since it rewards banks that hold liquid and secure assets, including cash. . . . Banking experts said that the Morgan Guaranty Trust Company and the Bankers Trust Company—which are known to hold higher levels of liquid assets than other major banks—would not be affected by the plan and might even be able to lower their capital levels."

The IMF's 'new cuisine'

Unless we recover adequate standards of economic growth, hamburgers and French fries will become the nightmare of every Italian.

The economic boom of the 1960s, thanks to the expansion of the productive base carried out by the state sector oil entrepreneur Enrico Mattei, bore some external marks demonstrating how Italy had finally embarked on the path of industrial growth. Families, just emerging from a peasant mentality, started to allow themselves to have refrigerators, home appliances, and, in a growing number of cases, a Fiat "600" car for Sunday outings.

But the real conquest of that period was on the tables: With almost daily frequency there was meat on the table, of good cut and quality, whereas previously this was a delicacy reserved for the rich. The Labor Code did not stipulate this, but to be able to eat meat every day was the tangible sign of a rise in living standards of the working class, a conquest worthy of pride.

Today, with food production concentrated in the hands of a few, this is all called into question, and the social conditions are being created in which, as in the Middle Ages, a small group of magnates controls food and uses it as a weapon against a population which cannot otherwise feed itself. Independent food producers are disappearing while the big international cartels are growing far out of proportion.

Even the Italian farmers' organization Coldiretti—with dozens of elected members of Parliament, the country's most ineffective lobby—became aware of this and sent up a cry of alarm. In Italy, the bulk of farm

production is now controlled by the Ferruzzi multinational and the Red co-operatives, which have spread into the insurance, construction, banking, and services sectors.

To eat meat every day is no status symbol, but just means the possibility of absorbing on a daily basis a high quantity of good protein as the basis for adequate nutrition. The attack on "traditional cuisine" by the young turks of the fast-food industry is no generational conflict between two ways of viewing food; it is a thinly disguised attempt to depress nutrition levels and to undermine protein intake, with the cover of moving to a more "modern" diet.

It is well known that Italian cuisine is among the finest in the world, not only because it is exceptionally varied and tasty, but also because it is nutritionally complete, representing a just proportion of proteins, carbohydrates, minerals, and vitamins. The protein content of a fast-food meal is almost negligible, as its only function is to fill the stomach. The basis of the traditional Italian meal is the second course of fish or meat (protein) accompanied by vegetables (vitamins and minerals), while the mainstay of fast food is potatoes, the basis of the diet of a poor farmer 50 years ago!

Fast food chains are spreading rapidly over the Italian peninsula, going from a few units in 1982, to 139 in 1986, with a massive increase (73%) in 1985 over the previous year. The

bulk of these places are concentrated in the north, and Milan is the city with the greatest number. The sociological justification given is that with 12 million people forced to eat out for work reasons, it is necessary to supply a quick, cheap meal, for which the traditional restaurant is too slow and too costly. Some have even been so brazen as to write that fast food joints are more democratic and egalitarian than the old restaurants, frequented by rich paunchy gentlemen, because the proletarians can afford them. Reality is unfortunately quite different.

Almost all restaurants of this type belong to big chains, which are run by political cronies; these places are supplied by major businesses. In Italy, a single concern, Cremonini, supplies 80% of the fast-food stores. Given that Italy is forced to import 50% of its meat needs and that this operation is in the hands of a few importers, it becomes obvious how food can be used as a weapon.

Socially marginal youth who go to fast-food places are not the flagbearers of a new social egalitarianism but fools exploited by a multinational apparatus which intends to permanently instill a philosophy of zero growth. This is the result of decades of austerity imposed on the world by the International Monetary Fund and the Swiss gnomes—who happen to own the main world food cartels.

Fast food has a destructive social effect because it tends to break up family units, which lose the custom of sitting around a table not only to eat, but to exchange ideas, proposals, solutions, and so forth. It is certainly no accident that the suppers of Renaissance humanists took place around richly laden tables. The basis of good cooking is not just simplicity, but economic development and the richest possible trade interchange.

**REALITY
CATCHES
UP WITH
THE
MYTH-
MAKERS**



- **“One-third of a nation,”** to use FDR’s famous phrase, “is ill-clothed, ill-housed, and ill-fed” again today, as in the 1930s. The good news about the “Reagan recovery” is that the official unemployment rate is way down. The bad news is that the figures are faked, and represent displacement of the workforce into low-pay, low-benefit jobs, or involuntary part-time jobs. It represents personal credit-card debt, jobless workers without unemployment benefits, hungry persons without food stamps, underemployed or unemployed workers seeking food charity, homeless persons, and rapidly growing poverty.
- **One year ago,** *EIR* warned that the U.S. physical economy would begin a 15-25% annual rate of decline sometime in 1986. We argued that such a decline could be slowed, by available political means, but even if slowed, would not be held back beyond the last quarter of the year. In June, the first evidence came in confirming our prediction. In December, again, we were right on the button.
- **The political climate** in which the administration has been able to peddle the lies that underpinned the recovery myth has itself changed. November’s mid-term elections were a crushing defeat for candidates, especially Republican Party senatorial candidates, who were identified by the electorate as supporters of the administration’s economic policies.

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Business Briefs

Usury

Western banks impose sanctions on Zaire

The Western nations, through the offices of the World Bank and other banking institutions, are imposing the equivalent of sanctions on the nation of Zaire, in retaliation for President Mobutu Sese Sekou's defiance of the conditionalities of the International Monetary Fund.

In December, President Mobutu, following in the footsteps of President Alan García of Peru, decided that Zaire would limit its debt service to 10% of its export earnings. "A young nation cannot go on indefinitely sacrificing everything merely for the sake of servicing its external debt," Mobutu said in announcing the decision.

In response to this action, the World Bank has suspended a loan slated for industrial development in Zaire, and supplies of foreign exchange in the market have fallen sharply, according to London's *Financial Times*.

Zaire's decision to challenge the IMF was its response to the AIDS threat. Zaire was the first nation in Africa to take the threat seriously, setting up a Project AIDS in 1984 to monitor the disease. But under IMF austerity, there is no hope for stopping the disease. In Kinshasa, the capital city of 4 million, 7% of the population is officially recorded as infected with the virus.

Research & Development

Israeli scientist scores funding cuts

Israeli scientists "are facing a very serious situation which must be remedied at once," Prof. Yehoshua Yortner, the new head of Israel's Academy of Sciences and Humanities, warned in a statement reported by the Jan. 1 *Jerusalem Post*.

Because of cutbacks in funding for basic research and university facilities, research-

ers are leaving for abroad, in what is becoming a form of "hidden emigration." Yortner stated: "What is happening now will be reflected in 10 to 15 years. How we will fare scientifically in the year 2000 is being decided at this moment."

Yortner noted that Israel's scientific successes in electronics, aircraft, and chemical industries has been the result of investment in basic research during the 1950s and 1960s: "Then we were pioneers in such things as computers and biotechnology. Now, I am sorry to say, the situation is very different."

Yortner made two recommendations: first, the establishment of a new scientific research fund, to provide grants of \$20 million a year for the next three years, to halt the "brain drain" of scientists; second, "We also need a change of atmosphere," back to the "kind of enthusiasm" about science that prevailed in the days of the late Prime Minister David Ben-Gurion.

Space

NASA budget cuts slow down space station

The NASA budget proposed by the President for FY88 will slow down development of the space station. Though the \$9.5 billion overall Reagan administration request for the space program is a moderate increase over this year's funding, the key project, the space station, which will determine whether or not the United States can return to the Moon and later go to Mars, suffered a serious cut.

NASA head James Fletcher stated in a UPI interview that NASA was requesting \$1.1 billion next year for the station. After the Office of Management and Budget slashed that to about \$550 million, Fletcher appealed directly to Reagan. In the budget released Jan. 5, the space station received only \$767 million.

Though spokesmen for NASA have stated that the station can still be kept on a schedule for initial operations in 1994, that is highly unlikely. Fletcher stated that a cur-

rent review will determine "if the program is consistent with the schedule of funding," rather than, what funding level is required to meet the current program.

The U.S. Budget

Mayors critical of Reagan spending cuts

The president of the National Conference of Mayors told a press conference in Washington Jan. 6 that President Reagan's proposed FY88 budget will wipe another \$21.4 billion out of programs to aid collapsing U.S. cities. "It is urban Darwinism," said Joseph P. Riley, mayor of Charleston, South Carolina, head of the mayors' organization.

He noted ironically that while President Reagan may have claimed he was launching a War on Drugs last year, this year's budget cuts \$575 million out of the Anti-Drug Abuse Appropriations Act.

He characterized AIDS as a "time bomb," noting that a \$1 billion cutback in Medicaid to the states and cities comes just when Medicaid is being hit with the burden of exponential growth in AIDS cases. Other major cuts include \$5.5 billion for education and \$4.7 billion for Medicare.

Austerity

Train wreck blamed on lack of repair funds

The wrecked Conrail train that crashed into two locomotives outside Baltimore lacked a modern safety device that might have prevented the Jan. 4 collision. In addition, one warning signal was in disrepair, according to W.W. Lauer, vice-president of the Brotherhood of Railroad Signalmen.

He emphasized that the lack of maintenance and funding are the key reasons for the failure of the railroad's signaling system.

The train lacked a device installed on modern train systems in Europe and Ja-

Briefly

pan—an automatic control system which would have slowed the train to a halt automatically. In the few seconds he had, the engineer could not stop the train manually. One automatic signal was actually taped up, awaiting repair. In addition, the need to shunt express and freight trains back and forth onto the same track is itself dangerous. European systems maintain separate tracks for freight and passenger trains.

Lauer cited studies from the Federal Railroad Agency proving that the industry lacks maintenance, materials, and supervision. In 1973, after years of lobbying, a much-needed Highway Crossing System Bill was passed, whereby 3,000 new systems were to be installed, and 50,000-60,000 more repaired. However, the government never provided maintenance funds on a consistent basis, and a \$3 billion repair program never got off the ground.

AIDS

Italy creates special commission on disease

As panic grew in the Italian population, the government announced the creation of a special commission empowered to carry out a "war plan against AIDS," the daily *Corriere della Sera* reported on Jan. 3.

The matter of whether children with AIDS will be allowed to go to school, is one subject to be investigated. Another will be powers for directors of hospitals to isolate AIDS cases from other patients. *Corriere* reports that in certain infectious-disease sections of hospitals in Milan, measures for the isolation of AIDS patients are already in effect.

The death of two children from AIDS in Milan, aged two and four, created shock in the population and front-page headlines. On Jan. 5, *Resto del Carlino* in Bologna entitled its article, "A Press Black Out is Not the Way to Fight AIDS."

"It is necessary to speak the truth with full voice in order to reach even the most deaf persons. Alarmism? No, a sacred alarm. That, today, for AIDS, is indispensable."

The editorial concludes with a comment about the role of a newspaper in reporting the truth.

Italy's Health Minister, Carlo Donat-Cattin, in an interview to the newspaper *Il Giorno* on Jan. 6, said that by Jan. 13 the central commission for the fight against AIDS will be operating effectively and that the AIDS test will be available to "everybody who wants to have the test. The test will be fast and free. . . . Scientists must continue their work without worrying about the financial resources that, given the exceptional nature of the problem, are guaranteed one hundred percent. I'm personally involved in finding the money."

Donat-Cattin refused to meet with "homosexual leaders." According to *La Stampa*, he explained: "Those guys are not only homosexual but also maniacs. My officials listen to them, but I have better things to do. Who cares about 'condoms.' I certainly cannot publicize anal coitus, as they would like, nor publicize condoms, which do not protect against AIDS because condoms overflow and break."

'Free Enterprise'

Pakistan called major opium poppy producer

Pakistan is reemerging as a major opium producer, the *Hindustan Times* reported Dec. 27. Last September, 2,000 more acres were planted in opium poppies, bringing the total to 5,000 acres. The rate of heroin addiction in Pakistan is higher than that of the United States. Pakistan has an estimated 400,000 addicts.

Afghan refugees brought their laboratories for processing heroin with them as they fled invading Soviet forces, and this, coupled with favorable weather for the past few years, has led to the recent bumper crops.

An effective law against illicit trade, trafficking, and chemical processing of poppies is soon to be presented in the Pakistani parliament, but some politicians are encouraging their constituents to plant poppies, the Indian newspaper reports from Islamabad.

● **DOV ZAKHEIM**, U.S. deputy undersecretary of defense, arrived in Tel Aviv, Israel on Jan. 3, to try to persuade Israel to ground the Lavi jet project in favor of less expensive aircraft. Zakheim, an ordained rabbi who speaks fluent Hebrew, is the author of a Pentagon study on alternatives to the Lavi. The Israeli newspaper *Ha'aretz* reported that he would propose that Israel manufacture F-16s.

● **THE JAPANESE** government increased the 1987 budget for AIDS prevention to 155 million yen, the *Japan Times* reported Dec. 31. AIDS was first discovered in Japan in 1985, and the government spent only 43 million yen in 1986. The budget on AIDS prevention will go up to 148 million in 1987, a 300% increase. Since November 1986, all blood donors have been screened for AIDS and imported blood and plasma products are also being tested. There were 21 cases of AIDS in Japan as of June, 13 of whom died.

● **TEXAS** leads the nation in bank failures. A post-Depression record of 138 banks failed in the United States during 1986, compared to 120 in 1985, 79 in 1984, 48 in 1983, 42 in 1982, and 10 in 1981. Texas led the nation with 26 failures in 1986, followed by Oklahoma with 16, Kansas with 14, Iowa with 10, and Missouri with 9. The FDIC reports that 1,484 of the nation's 14,948 FDIC-insured banks were on its "troubled" list as of December—almost 10%.

● **SEN. DURENBERGER** (R-Minn.) blasted the Reagan administration's proposed budget as insensitive to the needs of rural America and a contribution to the "decoupling of rural America from the rest of society." In remarks Jan. 6 at a Rural Revitalization Conference sponsored by the Universities of Minnesota and Wisconsin, Durenberger said it was "hard to conceive of a budget that could be more insensitive to the needs of rural America."

Exporting food irradiation plants: an interview

Dr. Martin Welt, who pioneered the technology in the United States, now sees the future of food irradiation to be overseas. Marjorie Mazel Hecht reports.

Dr. Martin Welt, founder of Radiation Technology, Inc., in New Jersey, has led the fight for U.S. commercialization of food irradiation for more than 20 years. It was his petition initiatives that led the U.S. Food and Drug Administration to issue regulations permitting the irradiation of spices, enzymes, herbs (up to 3 megarads), and fresh pork (up to 100 kilorads for trichina control). Another FDA regulation is expected later this year, as a result of a Radiation Technology petition, to permit high dose irradiation for sterilizing processed foods.

Welt recently founded a new company, Alpha Omega Technology, Inc., in Morris Plains, New Jersey, which will concentrate on the export market for food irradiation plants, especially in the developing sector. The company is now selling 20 shares of stock at \$25,000 per share and expects to split the stock in February at \$60,000 per share, going public sometime later in the year.

Although he pioneered the technology here, Welt now sees the future of food irradiation to be overseas. In part this is because of the pressing need for food preservation and the lack of inexpensive alternatives in developing countries. As he describes below, food irradiation is less than one-fourth the cost of conventional canning methods of preservation and less than one-third the cost of freezing.

The other reason Welt feels that food irradiation will be commercialized first abroad, is the ugly climate that has been created in this country by the anti-nuclear environmentalists and their friends in the regulatory agencies. "They wanted to emasculate the food irradiation industry, and so they tried to

chop off its head," Welt said of the vendetta carried out against him and his efforts to bring irradiation technology to commercialization.

In addition to exporting food irradiation plants, Alpha Omega Technology, Inc., will offer consulting services in the United States not only for radiation preservation of food, but also in the area of government regulations concerning radiation and other uses (as he describes this, leading others through the regulatory jungle). It will also promote other uses of the technology, such as irradiation treatment to turn raw sewage into fertilizer. An environmental audit division will offer training of health-care personnel who use radiation for diagnostic or therapeutic purposes and monitoring of the equipment involved. In addition, this division will be able to provide radon surveys for homes, offices, and land, and supply remedial measures if necessary. Welt also intends to market quality assurance procedures for the radiation field, as well as radiation-related medical software.

Welt holds three engineering degrees, a master's in chemical engineering from Iowa State, a master's in nuclear engineering from MIT, and a Ph.D. in plasma physics from North Carolina State. He began his career with the Atomic Energy Commission in the 1950s, and was one of the first formally trained physicists to license nuclear reactors, including the Indian Point plant in New York and the reactor on the Nautilus. In February 1986, he won the "Entrepreneur of the Year Award," an honor conferred by the R&D Managers Association based in Chicago.

He was interviewed Aug. 2, 1986.



Feeding the Third World with astronauts' food

The following are excerpts from an interview with Dr. Martin Welt, conducted Aug. 2, 1986 by Fusion magazine managing editor Marjorie Mazel Hecht. At the time of the interview, Dr. Welt was affiliated with Radiation Technology, Inc.

Hecht: Your company is one of the few in the world that is exporting food irradiation plants. What is the total cost for building a large-scale plant in West Africa, for example?

Welt: To build a very versatile pallet irradiator, like Radiation Technology's Model RT 4101, would take an investment of probably about \$4.5 million, depending on the amount of cobalt-60 put into the facility. Most of the initial work in a plant in West Africa, for example, would be for relatively low-dose application, requiring a relatively small amount of cobalt-60; you could probably have the entire turnkey operation, including money set aside for a warehouse, land acquisition, and site preparation, for approximately \$4.5 million. If the same site were built in the United States, it might be less, but shipping costs and other contingencies might move the cost up to \$5 million.

Hecht: How long would it take to build the plant?

Welt: Once a site has been chosen and all the permits are obtained, you could figure approximately 12 to 14 months to get it into operation. That is a little bit longer than in the United States.

Hopefully, we would be dealing with a nation that had a vested interest in getting the permits and everything else done. In some countries, we have to get special permits for bringing in even steel, since they want as much as they can to be indigenous. If the government gets behind the project, then they will give you exemptions, so you can bring in whatever is needed to get the project done.

We have done several firm proposals for West Africa, but building the first plant will tell a lot. One of the advantages is that during the last four or five months of construction we would bring over four or five people who would be trained to supervise the operations and we would train them in our plant in Salem, New Jersey, so that by the time the plant was built in West Africa, they would be able to go back and operate it.

Their plant would be a mirror image of what we have in Salem, the computer, the entire system. This is a big advan-

tage, because very often when you build a plant, it is basically doing nothing for four or five months while you are training your staff. This way they can get into operation immediately.

Hecht: What will the West African countries be processing?

Welt: We are doing a lot of exploratory work now on some of their indigenous crops, and we had excellent results. For example, on the yams, you could see how the tubers were able to be maintained in very good condition with a good starch to sugar ratio. The unirradiated yams started sprouting like the potato food crops do, and the product deteriorates as the starches are converted to sugar and the value of the product is lost. . . .

The facility I designed, and which Radiation Technology now operates, is the only irradiation facility in the world capable of irradiating pallet loads of food at the rate of up to 2,500 pounds per minute. Yet, it will permit the country, or user, to do any type of irradiation—sterilize food at very high doses or irradiate yams at very, very low levels—because the computer-controlled system allows the pallet to be positioned at some distance from the source so that you can develop either low dose rate or high dose rate processing and be able to get through the irradiation chamber with the required dose. . . .

This is a big advantage, because the other systems in the world today, by and large, only allow the product to go in one path by the source, at one distance, which means that the only way you can control the dose to the product is by adding or removing cobalt to the source or the speed of the product by the source.

Hecht: Could the irradiation plant also be used to provide fresh water?

Welt: Basically, if you are going to provide people with food, you also have to contemplate maintaining their health. And one of their biggest problems is dysentery. The irradiation processing of sanitary sewage is one of the things, in my view, that could be solved without a huge expenditure of money—just education and rather simple devices. Irradiation facilities can also serve to purify filtered water by irradiating it while the plant is doing something else, because so much radiation simply bypasses the target. You can intercept the leakage radiation with a pipe with water flowing at the

proper rates, and you can purify the water supply without using chlorination. . . .

We have taken the 4101 design and modified it for this purpose. You can simply put helical pipes, carrying water at a relatively low flow rate, going either above or below the conveyors that carry the pallets of food being processed. The water has to circulate until any unit volume of water gets a sufficient dose to give reasonable assurance that the water is going to be free of contamination.

What's happening now in the United States, unfortunately, is that, with our bent on overregulation, we've basically destroyed the nuclear industry.

Most of the contamination is due to coliform bacteria, and fortunately these organisms are extremely sensitive to radiation. . . . With just one-tenth of a megarad of radiation, you can reduce the original bacteria population by a factor of about 10^{-10} . So it doesn't take very much radiation to knock out the coliform. . . .

Hecht: Has there been any consideration of irradiating fish in Africa? The coastal countries certainly have an enormous source of protein in fish.

Welt: We have talked to several African nations about fish and of course they are interested. We try to encourage them to locate the plants in coastal ports so that shelf-life-extended product would be provided for their own use, and also for export. However, the food-producing areas tend to be in the central parts of these West African nations, away from the coast.

Their present thinking is to take care of the grain-producing areas or the root crops by providing insect disinfestation and sprout inhibition. If that is successful, then they would build a second plant on the coast. We are trying to encourage them to confederate somewhat, so that several smaller nations could make use of the technology on a larger, more efficient scale. We've proposed using the first plant as a training station for other African nations and are hoping to have that funded.

Hecht: What about the idea of a floating irradiator that could be moved around the coast from country to country?

Welt: Of course. The Russians supposedly have a fisheries irradiator at sea on some sort of a mother-ship type of thing. The United States had one years ago, a barge-mounted type

of affair, actually used by the Icelanders under contract with the U.S. Atomic Energy Commission back in the 1960s. (That mobile irradiator, by the way, ended up "lost" somewhere in California and the Israelis purchased it and shipped it to Israel. . . .)

Hecht: Could your plant design fit on a big barge?

Welt: Sure. The best results with shelf-life extension of fresh seafood occur if you can irradiate the seafood very soon after you catch it, and the way to do that is at sea.

These are all feasible things and I believe that in the future, if these countries take their resources and put them in the right place, the machines will basically be available to do that. In harvesting fresh fish, you gut it, ice it, and it goes down a conveyor line. You can design a materials handling system which would lend itself very nicely to running under either a bremsstrahlung x-ray type beam or an electron beam. . . .

The designs for ship-mounted irradiators exist; a lot of the design work goes back to the 1960s. In the Atoms for Peace days, we were thinking bigger than today, and perhaps rightly so. What's happening now in the United States, unfortunately, is that, with our bent on overregulation, we've basically destroyed the nuclear industry. . . . I can't believe that the nation that was so instrumental in getting nuclear power going and licensing our technology overseas, is now seeing foreign governments become so smart that they can do things much better than we! You know, we haven't had any new domestic reactor sales since 1978.

The food irradiation program has made some progress, but we haven't really gotten into the marketplace.

Hecht: The Food and Drug Administration (FDA) has accepted for filing in the Federal Register your petition for high-dose irradiation to sterilize food. What will this mean?

Welt: In my view, the culmination of the entire food-irradiation program is the production of the shelf-stable food item similar to the products we have been preparing for the U.S. Space Shuttle astronauts since about 1980-81. These products are whole meals that are prepackaged. We radiation-sterilized the food in such a manner that the meals could be kept at room temperature for extended periods—many years if need be—without freezing or refrigeration.

Radiation Technology worked on a petition to the Food and Drug Administration, which was submitted on Feb. 26, 1986. We were informed on July 8, that the data we had submitted had been deemed sufficient in depth and content to permit its being filed in the Federal Register as a formal petition. . . .

We feel reasonably confident that we have submitted a rather complete petition. Radiation Technology is the only company, the only group, that has succeeded in petitioning the FDA since 1964, and we've had five separate food-additive petitions that have been approved by the FDA and be-

come regulations. I think that our petition effort helped move the entire field forward—a process that culminated in the FDA's issuance of their own regulation on April 18, 1986. This now permits the 100 kilorad irradiation of fresh fruits and vegetables in the United States, and extends the maximum dose that we could sanitize spices or herbs or spice blends from the 1 megarad or 10 kilogray level up to 30 kilogray. This essentially will now permit us to provide a commercial, sterile spice or herb product that can be used in prepared food items such as sauces, salad dressing, or what have you. By providing an essentially commercially sterile

If you were to take broccoli from harvest to the table for consumption, it would take 6,500 kilowatt hours per ton for canning, 4,500 kilowatt hours for freezing, and approximately 1,400 kilowatt hours for radiation sterilization. That's a very significant energy saving.

spice, we provide a much healthier product because there is no bacteria entering into the food product which could cause food poisoning.

Now, back to the high dose issue: The United States and countries fortunate to have very rich reserves of food or agricultural potential, can have a problem of oversupply, such as we have now with our grain. Grain is not an item that necessarily has to be sterilized for long-term storage; it will store for long periods if it is kept free of insect infestation and mold. But, unfortunately, other types of products—vegetables, fruits, meat, poultry, seafoods, fish products—have a very short shelf life. They are extremely perishable, and to preserve them for long periods of time you have to either freeze the product—which takes a great deal of energy that is typically unavailable to Third World developing nations—or can the product. Canning again requires a great deal of energy. Also, the canning process uses high temperatures that essentially cook out the nutrients and change the taste and texture of the food. It is also very energy-intensive and expensive on a comparative basis.

Radiation sterilization is another, very efficient option. We have shown through our own experimentation and very successful work that we can use radiation sterilization to preserve a surplus of fresh vegetables—for example, cauliflower, broccoli, brussel sprouts, and carrots that are har-

vested after the farmer has been able to meet the demands of the fresh vegetable markets and that are an oversupply, which tends to depress the fresh product prices. Rather than wreaking havoc on the pricing structure and hurting the farmer himself who can hardly afford to harvest the crop at the low prices he gets for it, we have shown that we can take the surplus crop of fruit or vegetables, blanch them so that the enzymes are inactivated, vacuum pack them, and irradiate them at a high enough dose to permit long-term storage at room temperatures.

Blanching is a low-temperature heating process, also used before foods are frozen, that slows down but does not shut off the enzymatic process. That's why there is a shelf life of frozen foods of about nine months; because after that period, the enzyme breakdown—the degradation of the vegetable, fruit, or meat—tends to make the product lose a lot of nutrients, lose some of the wholesomeness in the process. Blanching is simply a low-temperature steaming or heating process well below the normal cooking temperatures, that does not cook out the nutrients. Typically it is a temperature of 65 to 70° Centigrade. To have something totally shelf stable, would require blanching it for about 2 minutes at 80° Centigrade. If you wanted something to have a six-month to a year shelf life, it might require a temperature of 65° Centigrade for perhaps 10 or 12 minutes. The time/temperature relationship determines the extent of the destruction of the enzyme activity that can break down the tissue.

Once the vegetables or fruits are blanched, they are vacuum packed. If we are talking about overseas shipment, the food would not necessarily be packaged in individual containers, which is expensive. Instead it would be put into 50-kilo plastic bags that would then be vacuum sealed. These bags could then be put into drums, and then the filled drums would be irradiated with doses high enough to assure a sterilization level, so that the probability of finding one viable clostridium botulinum organism would be 10^{-12} . This is the same safety margin normally used in canned foods.

This irradiation processing gives you a much better taste because the food is not cooked at high heat. Not only that, but the cost is very, very much lower than the cost of canning or freezing. It is difficult to say exactly what the cost is, but I've used some numbers that tend to give a reasonable approximation. For example, if you were to take broccoli from harvest to the table for consumption, it would take 6,500 kilowatt hours per ton for canning, 4,500 kilowatt hours for freezing, and approximately 1,400 kilowatt hours for radiation sterilization. That's a very significant energy saving.

If every other cost is the same—the packaging cost, the food cost, the transportation cost—then just in terms of energy alone there will be a very significant savings in cost to the recipient nation or the consumer. I proposed just such a methodology to the secretary of agriculture. . . . For example, you could take surplus strawberries or raspberries and preserve them with low cost, and then use them for bakery

products or sherbets or jams or what have you, months after their harvest season. We've done that also.

Hecht: This is the same method that's used to produce the food that the astronauts eat in space?

Welt: That is correct. For example, we would take a beef steak and cook it just the way the astronauts order it, rare, medium, or well-done. Then the steak is individually placed in a laminated, aluminum, polyester nylon, or polypropylene trilaminate pouch, which is vacuum sealed. That pouch is then radiation-sterilized, making the product shelf stable. We guarantee the space agency that the astronaut food has a shelf life of at least eight years, but there is really no reason

to believe that in eight years and a month or nine years or ten years the food is going to be bad. If you can eliminate the enzyme action, which we definitely do, and irradiate the food to eliminate all microbial contamination, and use packaging that assures elimination of oxygen permeation, then you have a shelf-stable food; there is nothing else that is going to break down the food.

Hecht: It seems to me that one of the advantages is that you bag the food first and then irradiate it, so you are ensuring that nothing will contaminate it after it is processed.

Welt: It is total sterilization. Years ago, the FDA had a problem with this. They felt that if such a technology became

Food irradiation: how it works

Food processed with gamma irradiation is perfectly safe, tastes good, and is as wholesome as it is when fresh. Irradiation processing can eliminate insect infestation, retard spoilage, prolong shelf life, kill trichina and salmonella in pork and chicken, ensure purity, and permit the shipping and storage of meats without refrigeration.

Cobalt-60 is the most frequent source for the ionizing radiation (or ionizing energy). The very short wavelength

gamma rays from the decaying radionuclide penetrate inside solid particles and kill microorganisms by breaking down the cell walls or destroying the metabolic pathways of the organism so that the cell dies. At higher doses, all microorganisms are killed, sterilizing the processed food.

There is no radioactivity induced in the processed food.

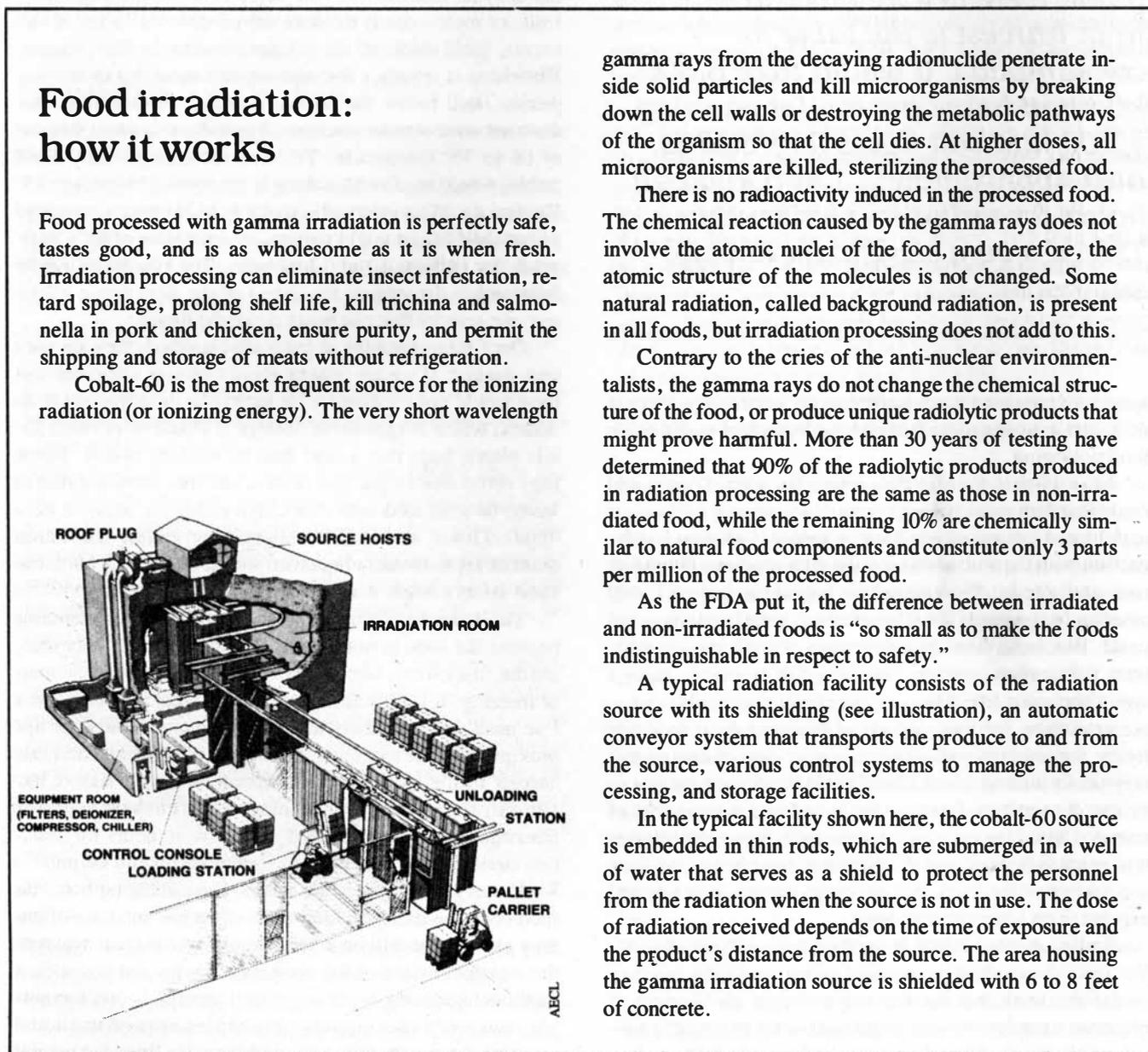
The chemical reaction caused by the gamma rays does not involve the atomic nuclei of the food, and therefore, the atomic structure of the molecules is not changed. Some natural radiation, called background radiation, is present in all foods, but irradiation processing does not add to this.

Contrary to the cries of the anti-nuclear environmentalists, the gamma rays do not change the chemical structure of the food, or produce unique radiolytic products that might prove harmful. More than 30 years of testing have determined that 90% of the radiolytic products produced in radiation processing are the same as those in non-irradiated food, while the remaining 10% are chemically similar to natural food components and constitute only 3 parts per million of the processed food.

As the FDA put it, the difference between irradiated and non-irradiated foods is "so small as to make the foods indistinguishable in respect to safety."

A typical radiation facility consists of the radiation source with its shielding (see illustration), an automatic conveyor system that transports the produce to and from the source, various control systems to manage the processing, and storage facilities.

In the typical facility shown here, the cobalt-60 source is embedded in thin rods, which are submerged in a well of water that serves as a shield to protect the personnel from the radiation when the source is not in use. The dose of radiation received depends on the time of exposure and the product's distance from the source. The area housing the gamma irradiation source is shielded with 6 to 8 feet of concrete.



commonplace, that the food industry would essentially be sterilizing filth, as they put it. I think they have come around over the years, and they have seen that by and large industry is not really out to package filth. The industry, in fact, tends to use very good manufacturing practice procedures. . . . The old saying is that if you put garbage in you get garbage out. Even though we sterilize the product and it is totally sterile, if you have dirt, insect parts, or whatnot in your product, these will all be sterile when it comes time to eat it, but it will still be a filthy product.

Hecht: One of the problems now in the food industry seems to be that they are not inspecting food producing plants the way they used to because of budget cuts, and so there is an increase in gastroenteric outbreaks of various sorts—from listeria in milk products to salmonella in meats. I would much rather eat irradiated food where you would be assured that there would not be that bacteria.

Welt: I agree 100% and I think so do most of the scientific community that has any knowledge or experience with irradiated food.

On the listeria question, the FDA issued a report in which it indicated that 29% of the listeriosis cases are fatal. The listeria organism is a very insidious organism. It gets into the casein in the milk, which protects it from the heat used in the pasteurization process, but not from the irradiation, which is at a high enough dosage to kill the bacteria.

And even going up a little bit higher with the dosage that we use would still not affect the quality of the product. A lot of people ask me about the irradiation of milk. One of the old wives' tales is that milk and dairy products are not good candidates for irradiation. Now that is true and false. It is true because when most people do their irradiation work, they tend to go in at a somewhat higher dosage based on a comparison with the work they have done on meat and poultry or fruit and vegetables. Therefore, you can get an off taste because of the high butterfat content and the radiation oxidation process. We have found that the dosages required to render the milk totally safe from listeria is extremely low, and at these dosages there is no off taste whatsoever.

I remind a lot of people that the first doctoral thesis done in the United States on the subject of food irradiation was done at Columbia University in 1950 . . . radiation sterilization of whole milk with 2 MeV x-ray. This dissertation reported good organoleptic results; they had no problems with what they did back in 1950.

Hecht: That is so amazing. After 35 years of research, the pessimists are still complaining that food irradiation won't work or is dangerous.

Welt: It is really unfortunate because the United States could really do wonders with this technology and really help people overseas. We're not doing it, and I don't know why it is not being done. We have the surplus, we have the food, we have

the technology, and we have the low-cost transportation.

I was once invited to a meeting with the former scientific adviser to the president, George Keyworth, to explore the use of this technology. . . . One of the questions discussed was the poor image of the United States in Third World nations. The administration was trying to say, look, we want to do the right thing, but it is not as simple as some people believe. Especially with food, we do want to get our farm surpluses to the Third World nations, but at the beginning of a budget process you don't simply set aside dollars for the transportation and handling of a product that is going to be shipped to wherever it is going. The question always comes up, not that we don't want to ship this surplus, but who is going to pay to ship it, because typically the surplus is perishable; it has to go in a refrigerated shipment.

Hecht: But radiation sterilization eliminates this problem.

Welt: That's what we discussed in Keyworth's office one evening several years ago. But as with many things, you can discuss something and nothing ever comes of it. We still had to go through all of the regulatory nightmares. As you know, we paid a terrible price, just trying to go through a minefield of regulations, with no beacons, no lights, no help. You do what you believe is right, and very often you get struck by lightning.

Hecht: With radiation sterilization, a developing country that has a good crop year could use this not only against spoilage, but to stockpile what it produces in good years. In those countries that have almost no transportation, very little infrastructure, and no means of refrigeration, an irradiator at the harvest site could save all that produce from spoiling or being eaten by insects and rodents.

Welt: This is correct. The only problem is from a technical point of view, using radioactive sources simply does not lend itself to any kind of an economically viable transportable device. It may be that in coming years one can set up a mobile device, an electron-beam device that could generate bremsstrahlung radiation, or an x-ray device in which the bremsstrahlung would be a form of an x-ray. That would have a reasonable chance of being viable and economically feasible as a portable device. Of course, in going to Third World nations you are not going to be able to plug your device into the 220 or 110 outlet; you are going to have to have your own diesel generator and everything else.

These things are certainly within the realm of today's technology. What really bothers me—and it has bothered me since years and years ago when I worked for the Atomic Energy Commission and spent time with nuclear reactors: We sometimes have the best resources of government but we don't use these resources on projects that really don't require huge sums of money, but that can accomplish a lot in a hurry. As a result, we never quite solve those simple, solvable problems. . . .

'Patriots' raise the real issues in German election

by Rainer Apel

The "hot phase" of the Jan. 25 elections for West German parliament, which began on the weekend of Jan. 3-4, is taking a shape quite different from what the three established political parties (Christian Democrats, Social Democrats, and Free Democrats) originally wanted the election campaign to look like.

Before the Christmas recess, a pact was reached among these parties to circumvent the real, alarming issues, like the state of the economy, the threat of trade war between the United States and Western Europe, the threat of terrorism and Soviet-sponsored irregular warfare, and, most of all, the threat of the lethal disease AIDS. The three parties agreed not to talk about the "gloomy" present, but to campaign around vague slogans about "Germany's future" and "optimism." The parties hoped to do the impossible: to gain votes without telling the voters why they should vote at all, and what for.

The new, rising party in West Germany, the Patriots for Germany, chaired by Mrs. Helga Zepp-LaRouche and Gen. (ret.) Friedrich Grunewald, had warned against this unprincipled pact of silence, demanding that the real issues be put on the table, so that the voter would be informed of the situation, before he decided which party to cast his vote for.

To the pronounced discomfort of the established parties, a cold shock of reality intervened on the side of the Patriots, right at the beginning of the election campaign. Dramatic developments involving the threat of trade war and of U.S. disengagement from Germany, the Soviet threat, and the AIDS question have suddenly become number-one items in the political debate. This places the Patriots for Germany in a good position to make their impact felt in the last phase of the election campaign.

Trade war builds

Following the bad example of the U.S. administration, Chancellor Helmut Kohl and his coalition government in Bonn (Christian Democrats and Free Democrats) have been spreading the line that the economic situation was "basically sound," that a "visible, though still slow upswing" could be observed. The pres-



Campaign posters of the Patriots for Germany. From left: "Stop AIDS!" "Only Patriots have a future," and "No to the empire of evil."

asures of the U.S. Gramm-Rudman budget-slashing amendment and the ongoing collapse of world trade have upset this rosy scenario, as the Trilateral Commission's networks on both sides of the Atlantic seek to launch a full-scale trade war between the United States and Europe.

The ultimatum which U.S. Special Trade Representative Clayton Yeutter posed to the West Germans concerning the export of machines and machine-tools to the United States, has exposed the foolishness of the Bonn talk about the "upswing." By Jan. 31, Yeutter announced, the Germans would either have signed a "voluntary" agreement with the United States to reduce machine exports to America, or they would feel the American import restrictions on machinery from West Germany.

For the Germans, this is a lot to swallow: 41% of all German machinery exports went to U.S. markets in 1985 and 1986, and in some categories of highly developed machinery, the percentage is even higher. The American market has been the main engine for keeping the German machine export

branch alive, in a situation which has otherwise seen only the collapse of clients in the Third World, and in Ibero-America especially, as a result of the austerity demands of the International Monetary Fund and the bankers' cartel.

Most politicians in Germany see only two false alternatives to meet this threat from the U.S. side: either to launch import restrictions on U.S. goods, or to look for new markets in the East bloc. Both alternatives lead to decoupling of the German economy from the United States—as the Trilateral Commissioners intend.

Yeutter, as well as his main "opponents" in the treasury and trade departments on the European side, are all current or former members of the same Trilateral Commission that has adopted the scenario for "controlled economic disintegration," which was worked out in the mid-'70s at the New York Council on Foreign Relations. This is the economic complement to similar scripts for U.S. military disengagement from Europe.

It comes as no surprise, therefore, that the current U.S.

ambassador to Bonn, Richard Burt, a proponent of military disengagement, warned the Germans, in an interview published on Dec. 27 in the daily *Bild Zeitung*, to play by Yeutter's rules, or face a trade war they could only lose.

Yeutter's ultimatum does not only affect the German machine branch, but also farmers. With the U.S. import restrictions on food products from Europe going into effect Feb. 1, Germany's agricultural export branch will lose \$500 million in 1987. Given the already catastrophic income losses of the German farmers, the loss of a major portion of the American markets cannot be tolerated. Pressure is building against the Bonn government's efforts to pacify the farmers, which the government is almost certain to channel into counter-restrictions on U.S. food exports to Germany.

The Bonn government, and the three established parties, reacted with frantic statements of appeasement toward the United States. The German politicians, smelling that their delicate agreement for an election campaign devoid of issues was being torn apart, decided to pursue a double-track policy: warning of a trade war in the most alarming terms, but telling the German population at the same time that there was no reason to feel "alarmed." The voters were, predictably enough, bewildered at the changing political weather report.

Posing such questions will lead many voters to the conclusion that the Patriots for Germany, who warned of this kind of economic disintegration throughout 1986, were right. The Patriots, since their founding at the end of 1985, have demanded the creation of a new international economic order which would settle the world debt crisis and launch a trade and industrial boom.

Especially German farmers, who for years have been treated as the underdogs of the German economy, are becoming enraged now, and many are looking back to the programs and pamphlets which the Patriots for Germany handed out during a nationwide campaign on agricultural policy between March and December 1986. The Patriots are calling for a return to productive farming and parity prices, an end to the European Community's restrictive production quota system, and a sizable contribution of Germany's farmers to future world food supply.

These are the ideas which are gaining popularity among farmers, as the institutions which have hitherto represented them crumble. Indeed, the latest reports from the election campaign indicate that whole sections of the traditional farm vote are deserting Kohl's Christian Democrats and becoming the new constituency of the Patriots.

The Christian Democrats are panicked: All of a sudden, Bonn Agriculture Minister Ignaz Kiechle promised new "subsidies" to the farmers, although he had just told them several weeks before that there was no money in the budget for new support payments. But the Christian Democrats will come to see that there are limits to such blatant pre-election bribes.

The Patriots against the decouplers

The economic policy of the Bonn government and the three established parliamentary parties has its complement in relations to the Soviet Union and to the tendency toward U.S. military disengagement from Germany, which is strengthened by the effect of the Gramm-Rudman law on the American defense budget.

For three years after the March 23, 1983 announcement of the Strategic Defense Initiative by President Reagan, the Bonn government almost hysterically refused to take any notice of the new strategy. The SDI did not fit into Chancellor Kohl's world outlook, which was ruled by the principle of "peace with fewer weapons."

Under the strong influence of his foreign minister, Hans-Dietrich Genscher (a liberal Free Democrat), Kohl even considered the SDI an obstacle to "good relations with the Soviet Union." The fact that the SDI, which would bolster the defense of Europe as well as of the United States, would thereby undercut the "decoupling" lobby on both sides of the Atlantic, escaped the chancellor's view.

It was particularly this blunder that led to the founding of the Patriots for Germany. At the end of 1985, concerned military, retired military, and other citizens worried about the future of the German-American alliance, took the initiative for founding the Patriots. It was conceived of as a movement to oppose the decoupling policy, to secure German-American cooperation on the SDI, and to reinstate, in view of the Soviet arms build-up, a policy of "peace with more weapons."

The initiative came just in time: At the end of 1985, the Social Democratic parliamentary opposition was about to form an alliance with the anti-NATO movement of the other opposition group, the Greens, and it was becoming clear that, at the same time, the pro-Soviet currents in the Christian Democratic Union (CDU) were about to take control of Chancellor Kohl's party.

From the start, the Patriots were in contact with the LaRouche wing of the U.S. Democrats and co-thinkers among the Republicans, which U.S. connection established them as the principal opponents of decoupling.

A forceful campaign by the Patriots, through mass leaflets, newspaper ads, and local rallies and conferences in many cities, calling for a strong defense and partnership with the United States in the SDI project, helped to stabilize the pro-defense current in the CDU, so that an agreement between Bonn and Washington on SDI cooperation could be signed shortly before Easter 1986. The agreement was limited in nature, reflecting the influence of the aforementioned opposition currents, but at least it was signed.

The Gorbachov question

Another key aspect of the Patriots' campaign involved the "Gorbachov question." It was generally believed among

the established parties in Bonn, that with the change of leadership to Mikhail Gorbachov, the Soviet regime would become more liberal, more favorable to reforms and disarmament. The Patriots were the first to warn against this image of Gorbachov, which could be traced back to massive Soviet disinformation in the West; instead, the Patriots insisted that the basic character of the Soviet regime as an "Empire of Evil" would not change in the least under Gorbachov; that the Red Army would not cease to exist, because politicians in the West wished not to take notice of Moscow's uninterrupted military build-up.

Especially following the Reykjavik summit in October 1986, the misevaluation of the Gorbachov question in Bonn was accentuated. Under the influence of Foreign Minister Genscher, Chancellor Kohl was showing signs of blaming President Reagan for the "failure of Reykjavik," instead of recognizing that Gorbachov went into the summit intending to force an American capitulation on the SDI and a U.S. nuclear withdrawal from Europe. To a growing part of the chancellor's own Christian Democratic constituency, it was apparent that the Bonn government had maneuvered itself into a policy trap. And worse, the pro-Soviet currents among the Christian Democrats, the "Moscow Faction of the CDU," saw their chance to exploit the post-Reykjavik disorientation and present proposals for U.S. military disengagement and strategic deals with the Soviets. This included a settlement of the "German Question," a deal with Gorbachov on some kind of German reunification. The Moscow Faction was gaining dominance in Bonn toward the end of 1986.

Sizeable sections of the pro-American constituencies of the Christian Democrats began to show interest in the policy of the Patriots for Germany, which were meeting for their national party convention on the "Reykjavik weekend" of Oct. 11-12. This was a warning signal to Chancellor Kohl, who was facing the threat of losing a larger section of pro-defense voters than he could afford.

After Kohl's meeting with President Reagan in Washington on Oct. 19, he decided to correct his public posture on Gorbachov, and made his famous remarks to *Newsweek* magazine, likening the Soviet leader to Josef Goebbels, the Nazi propagandist of the "big lie." It was an effort to co-opt the anti-Gorbachov campaign of the Patriots, but it had the inconvenient side effect for Kohl, that he embarrassed the Moscow Faction in his own party. All of a sudden, there was talk among Christian Democrats about Kohl's replacement sometime after the 1987 elections.

Caught in the middle, Kohl added on critical remarks about the system in East Germany, about Soviet genocide in Afghanistan, and about the need for "patriotism in Germany." All of this naturally increased the public recognition of the Patriots for Germany, and when Gorbachov reacted with a vicious black propaganda campaign against Kohl personally, the Soviet leader's carefully crafted image as "the

Kremlin's Mr. Nice Guy" was considerably tarnished. Since the Soviets canceled all diplomatic meetings with Bonn government officials between mid-November and Christmas, ostensibly in retaliation for Kohl's "Goebbels" remarks, the image of the "ugly Russian" returned to the minds of many Germans. Again, it looked like what the Patriots for Germany were saying was right.

The Patriots decided, in this situation, to issue a leaflet and poster depicting Josef Stalin and Mikhail Gorbachov together, under the warning headline "No to the Empire of Evil!" One million copies of the leaflet were distributed nationwide, and had a considerable impact on the political debate in Germany before the Christmas recess and beyond—as Chancellor Kohl and the three established parties recognized, when they returned to Parliament, to open the hot phase of the election campaign on Jan. 3.

It came as no surprise then, that it was the liberal pro-Soviet weekly magazine from Hamburg, *Der Spiegel*, which warned in no uncertain terms of the "danger of a new right-wing party," in a Jan. 5 cover story. Although the article did not name the Patriots for Germany, the target of *Der Spiegel's* warning was clear enough.

The AIDS threat

Already with their formation at the end of 1985, the Patriots for Germany began a public information campaign on the threat of AIDS, demanding emergency public-health measures and budget allocations to deal with the epidemic. Throughout 1986, the established political parties in West Germany, all of them subscribing to the idea of budgetary cuts in the public-health system, sought unsuccessfully to silence this campaign.

By the summer and fall of 1986, the German media began to cover the campaign in California to implement Proposition 64, the ballot referendum which would make AIDS a reportable disease. This, plus coverage of the March 1986 primary election victory of the LaRouche wing of the Democratic Party in Illinois, drew public attention to the Patriots, which ran its first electoral campaign in the June 15 state elections in Lower Saxony. The new party scored an official 0.3%—not an insignificant total, given the restrictive election system in West Germany, which seeks to discourage the formation of new parties, and given a near-total media blackout of the campaign. In terms of voter turnout, the Patriots were established, on June 15, as the fifth-largest party in West Germany.

This made its impact felt on the debate on AIDS.

When the Patriots held a national congress in Bonn on Nov. 9, demanding that AIDS be made a reportable disease under the national plague laws, the Bonn government was still confident that it could suppress public debate on the disease, because Proposition 64 had been voted down in California a few days before, on Nov. 4. The orders came

down for a general media blackout of the Patriots.

But again, reality intervened. Because of growing concern in the population, including among the medical and scientific professions, and because of the campaign of the Patriots, the government felt it necessary to co-opt at least part of the unwelcome ferment, by announcing the formation of a National Council on AIDS on Dec. 18. The council's first public statement was against mandatory registration of AIDS, and there was general agreement in Bonn not to make AIDS an issue in the election campaign, but to wait until *after* election day on Jan. 25.

But on Dec. 22, *Blick auf Hoechst*, a throw-away tabloid funded by Hoechst Chemical Corporation, went to the printer with a story on AIDS, "Reality and Hysteria." The paper, with 700,000 circulation, was distributed in the Rhine-Main area on Jan. 5, and dealt prominently with the role of the Patriots.

Reiterating the Bonn government's line that the population at-large was relatively safe from infection with AIDS, the tabloid admitted that people might get infected with "AIDS hysteria." Behind such hysteria, there were "Patriots for Germany, the German section of the European Labor Party of Helga Zepp-LaRouche, who wants to make the AIDS question the center of the coming election campaign." Not only that: The reader was also informed that behind all this was

"Lyndon LaRouche, who wants to succeed Ronald Reagan as President under the call for a 'Biological SDI against AIDS.'"

Blick auf Hoechst concluded with the exclamation, which can certainly also be heard in Bonn these days, that "worse things are yet to come!"

Two days after 700,000 Germans found *Blick auf Hoechst* in their mailboxes, on Jan. 7, the Patriots for Germany distributed 1 million leaflets on the AIDS question, encountering intense interest in the problem among the population and a general rejection of the government's do-nothing line. On Jan. 8, the Bonn ministry of public health felt compelled to announce that it would transmit two educational spots on AIDS over the two national television channels—on Feb. 5, *after* the elections.

This announcement highlights, more than any other recent development, the growing political influence of the Patriots for Germany, less than three weeks before the national elections.

Thus, contrary to what the three established parties originally intended, the "hot phase" of the West German election campaign seems to be everything but fixed. And, whether the parties and the government want it or not, the post-election period is not fixed either. The Patriots have more surprises in store.

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German reunification on Moscow's terms

by Konstantin George

Repeatedly during the postwar history of Europe, "trial balloons" have been launched by the Soviets and their interlocutors in West Germany, to reunify, demilitarize, and "neutralize" Germany—on Moscow's terms. From Stalin to Gorbachov, the Soviet intention has never changed: to expel U.S. influence from the heart of Europe. Those Germans who nourish the illusion that the Kremlin would ever allow their country to be a neutral buffer zone between the superpowers, or even an Austria or a Finland, are in for a cold shock.

In March 1952, Stalin commissioned a diplomatic note addressed to the three Western Occupation Powers in Germany, proposing a neutral and reunified Germany, under condition of a total withdrawal of all Western military forces from the Western zones. This unsuccessful attempt has gone down in history as the "Stalin Note."

Then, as now, it was the leadership of the German Evangelical Church (EKD—the Lutherans) which headed the Western appeasement faction, urging capitulation to Moscow's terms. In January 1952, two months before Stalin's Note, the EKD's Dr. Martin Niemöller journeyed to Moscow; upon his return, he gave a famous speech in Darmstadt, endorsing the idea of a neutral and unarmed Germany.

When a new reunification push began to emerge in the Federal Republic in the fall and winter of 1986, *EIR's* bureau in Wiesbaden determined that it was time the full story was told. In December 1986, we released a German-language *Special Report*, "The Stalin Note Then and Now: How the EKD Leadership Wants to Sell Out the Federal Republic to the Soviets." The 120-page dossier tells the story of that clerical elite which enthusiastically backed Adolf Hitler in 1933, hailed the Hitler-Stalin Pact in 1939, and emerged after the war, along with John Foster Dulles's World Council of Churches, as leading advocates of world federalism. It is important to distinguish between this faction, and the genuine patriots among the Protestants. Following the July 20, 1944 failed military coup attempt against Hitler, thousands of members of the German elite were wiped out—the vast majority of them Protestants.

On Sept. 28, 1986, the newspaper *Bild am Sonntag* reported that Moscow was preparing a "sensational offer" for West Germany—a re-introduction of the 1952 Stalin Note.

The paper quoted an unnamed Soviet Central Committee functionary: Germany "must abandon its role of obedience to the United States, and become a country with a friendly disposition towards the Soviet Union. Given its position, a reunified Germany can never be neutral."

The EKD and its assets in the political parties proceeded to generate a "debate" over the anticipated offer. In November, Bernhard Friedmann, a Christian Democratic (CDU) parliamentarian from the southern state of Baden-Württemberg, wrote an article in the daily *Die Welt* calling for a neutralized Germany, linking this idea to the withdrawal of Western military forces stationed on West German soil, and to "reunified Germany" playing a vital role in the modernization of Soviet industry.

Friedmann was writing as a stalking horse for a factional current which includes Baden-Württemberg CDU boss Lothar Späth, who is often rumored as a potential chancellor candidate. Most striking was the fact that Friedmann's proposal met with *no criticism* from any parliamentary leader. Clearly, the policymaking elite had made its decision.

The situation was developing along similar lines in the opposition Social Democratic Party (SPD). In August 1986, the SPD chose Johannes Rau as its chancellor candidate for the Jan. 25, 1987 elections. Rau, the son of a Protestant pastor, is the protégé and pupil of West Germany's late President Gustav Heinemann, a leading member of the EKD elite. *EIR's Report* uses Heinemann's speeches of the 1950s, and other primary documents, to show how he and Niemöller, then the head of the EKD's foreign office, were the core of the plot to pull West Germany out of the Western alliance.

Rau joined Heinemann's neutralist All-German People's Party (Gesamtdeutsche Volkspartei—GVP) in 1950, and when the GVP was dissolved in 1957, Heinemann and Rau entered the SPD. As recently as August 1986, Rau went on record lavishing praise on Heinemann and expressing regret that the "opportunities" for a "neutral" Germany did not succeed during the 1950s. Rau is married to Heinemann's granddaughter.

At its August convention, when the SPD chose Rau as its candidate, it also adopted the so-called von Bülow "non-aggressive" defense policy, named after the party's defense expert, Andreas von Bülow. The document called for the effective dismantling of the West German Army, by vastly reducing its size and removing its armored and other "provocative" components. The party also adopted the policy goal of successive American troop withdrawals from German soil.

In fact, *EIR's* investigators discovered, the draft of the von Bülow paper was *not* written by the SPD as such, but by a secretive, highly influential think-tank of the EKD, located in Heidelberg, called FEST (Research Station of the Evangelical Studies Society). The actual author was one of FEST's directors, Klaus von Schubert, scion of a Baltic German family from Estonia.

Infrastructure projects: canals and waterways

Part 17

Ibero-American integration

Infrastructure is not an industry that produces wealth directly, but it "produces" something more important: productivity. To become an economic superpower, Ibero-America will need 200,000 kilometers of new railroads, as well as ports, canals, hydraulic projects, nuclear energy, and a second inter-oceanic canal.

This installment continues Chapter 6 of our exclusive English-language serialization of the Schiller Institute's book, *Ibero-American Integration: 100 Million New Jobs by the Year 2000!* The book was published last September in Spanish. It was prepared by an international team of experts elaborating Lyndon LaRouche's proposal to free the continent of economic dependency and spark a worldwide economic recovery, "Operation Juárez."

Numbering of the figures, tables, and maps follows that of the book.



Ibero-America makes only very limited use of waterborne transport. Nearly the only countries that do so are Brazil and Argentina. What is urgently needed to achieve the physical integration of Ibero-America is the linkage of the Orinoco, Amazon, and La Plata river systems, through which a single, navigable inland water route could be created which would directly connect all the South American nations, with the sole exception of Chile.

As with the Pan-American Railroad proposal, this idea has a long republican tradition.

In 1799, Alexander von Humboldt stood at the mouth of the Casiquiare River, where the river divides and flows into both the Orinoco and Amazon basins, and identified the importance of this linking of the two water systems. Humboldt envisioned an inland and oceanic navigation system much as represented in **Map 6-2**, extending from the U.S.-Canadian Great Lakes, down the Mississippi River to the Gulf of Mexico, across the Caribbean, up the Orinoco and through the Amazon system to the La Plata river system.

The Orinoco-Amazon-La Plata river connections have been proven technically feasible in recent years, and engineering studies go back to 1840. Creating such an integrated inland navigation axis will actually be less difficult than that undertaken in most canals already built in the United States.

In fact, most of the South American portion of the system is composed of already navigable rivers. Out of a total direct route of 10,000 kilometers (Ciudad Guayana, Venezuela to Buenos Aires, Argentina), 6,800 kilometers, or 68%, are already navigable for ships or barges up to 6 meters draft. Another 28%, or 2,839 kilometers, requires relatively small

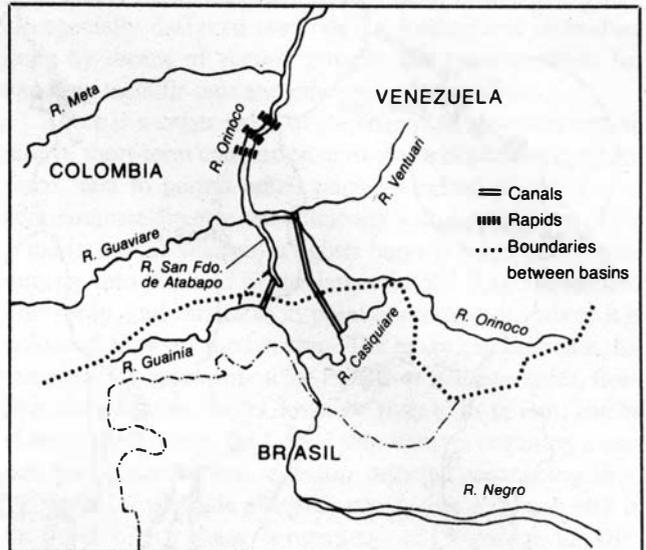
MAP 6-2

Integration of the Orinoco, Amazon, and Rio de La Plata basins



MAP 6-3

Integration projects in the Orinoco and Amazon basins



MAP 6-3

MAP 6-4

hydraulic works, such as minor dredging and channel widening and deepening, to be made similarly navigable. The problems of significance which merit our attention arise along a stretch of only a few hundred kilometers, where major infrastructural projects will be required to make the entire system navigable. The four main obstacles are:

1) On the Orinoco River, in the Puerto Ayacucho region on the Venezuela-Colombia border, there are a series of rapids that have to be overcome for an extension of approximately 60 kilometers (see **Map 6-3**). Several projects have already been proposed for the rapids, that will also utilize its hydroelectric potential (1,300 megawatts for one dam), and regulate the flow of the waters of the Orinoco River upstream above the rapids. The dams would have a system of locks, making river transportation feasible. On top of these benefits, this project will help open up the entire "Llanos" area of Colombia and Venezuela to agriculture.

2) A canal must be constructed to link the Orinoco with the Amazon systems at Casiquiare (see **Map 6-3**). Once the two rivers which it is determined will make the best junction point are selected, a series of dams are constructed on the

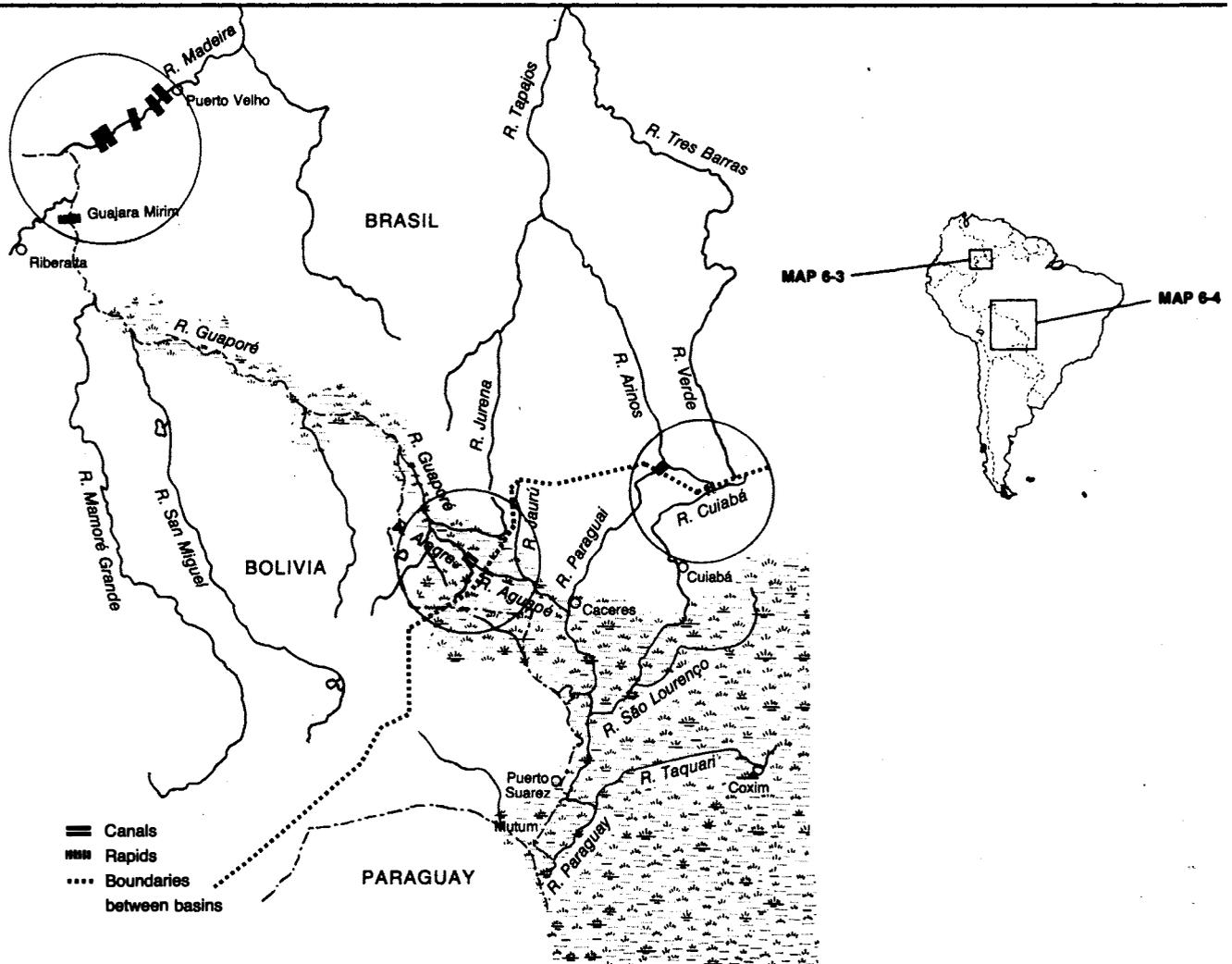
tributary with the lower elevation, creating a series of lakes, and locks are installed to elevate ships from one lake to the next. Some dredging is often necessary as well. As the tributary becomes smaller and smaller, the point comes at which a channel must be dug across the divide to the other river. This requires nothing more than standard channel-building techniques. Several alternative sites have been studied, including:

- Utilize the lowlands west of the Casiquiare River and the watercourses that run into the Guainia and Negro rivers, for the construction of a canal to be dug from the "Alto Orinoco," near the mouth of the Ventuari River. This canal would have a length of about 120 kilometers and end at the Casiquiare River. There would still be several rapids to deal with at both ends of the canal, however.

- A shorter canal could also be built to connect the San Fernando de Atabapo River to the Guainia River, which runs into the Negro River. Since the canal would run through level ground, mostly in swamps, this is a most feasible project.

3) The Madeira River (an Amazon tributary) is interrupted in Brazil between Porto Velho and Guajara Mirim by 22

Integration projects in the Amazon and Rio de La Plata basins



sets of rapids along a distance of 483 kilometers (see Map 6-4). As far back as 1846, the Bolivian engineer José Augusto Palacios prepared a study of the rapids with the required canals, locks, and removal of rocks to make the river fully navigable.

4) There are two main options for connection the Amazon and La Plata basins (Map 6-4). The first, and best known, can be built in Brazil between the Guapore and Paraguay rivers through their respective tributaries, the rivers Alegre and Aguape. This connection, of about 30 kilometers, is preferred because of the presence of Lake Rebeca and the surrounding swamps, which reach the Paraguay River.

The second possibility is at the eastern extreme of Brazil's Serra Dos Parecis and can be done through the swamps which give birth to the rivers Arinos and Cuiaba, which flow toward the Amazon and La Plata, respectively.

In addition to the 10,000-kilometer north-south route

which will be opened up by connecting the Orinoco, Amazon, and La Plata basins as indicated, there is a total of about 100,000 kilometers of navigable rivers and tributaries which can be easily connected to this basic system.

It is worth mentioning the several specific regions which will be opened up by this project. First, it is known that in Mutum, near the border with Brazil, Bolivia contains a vast iron ore and manganese deposit, possibly the largest and of the highest purity in the world. Some of the deposit extends into Brazil. Making the Parana fully navigable from Mutum south will permit the economic shipment of this iron ore to steel mills to be situated at many places along that waterway. With the connection to the Guapore, some iron can also be shipped out north. Moreover, there are believed to be large-scale alluvial, easily mined deposits of other minerals to the north of Mutum, which, if the Guapore connection is constructed, can be economically shipped south as well.

Second, the Peruvian jungle fringe region is suitable for major agricultural development, but economical transport must utilize the Amazon river system via the Ucayali. Rice, forestry products, some mining products, and probably vast quantities of petroleum, are only some of the products that would be shipped out by this route. With the interconnections indicated, these could move not only through the mouth of the Amazon, but directly to Venezuela, Colombia, Bolivia, Paraguay, or Argentina, greatly expanding its market. As the region develops, and industry also locates there (there will be very plentiful, low-cost hydropower as soon as some of the rivers are harnessed on the eastern slopes of the Andes), these waterway connections will grow in importance, as two-way arteries.

Ports, shipping and the inter-oceanic canal

Ibero-America will build new railroads and waterways to handle the expanded transportation requirements of the Common Market, but if it doesn't also dramatically upgrade its ports and general cargo-handling capabilities, the antiquated and inefficient system of most major ports in Ibero-America will prove a dangerous bottleneck to economic growth. Similarly, given the expected sharp rise in intraregional trade in particular, the entire structure of Ibero-America's shipping fleet must be revamped, and the urgent task of constructing a new inter-oceanic canal finally begun.

Thus, there are three areas which any shipping policy must address: port capacity and methods of cargo handling; the size and type of shipping fleet required; and the construction of a second inter-oceanic canal in Panama or in Colombia.

As in our examination of the railroads, roads, and canals, the ports must be studied as part of a total transportation grid. All major ports will be points of interface between ships, trains, trucks, and usually inland waterways. The weaknesses of the present ports are legion, including inefficient design, minimal use of containerization, and the interminable customs delays in clearing freight, even between neighboring countries. Required are a combination of short-term measures to increase port throughput capabilities to handle the expected cargo increases in the next five years, and longer term projects for the redesign of existing ports and the construction of selected new ports, including deep-water superports to handle the much larger volumes of cargo that must be accommodated by the year 2000, and 2015.

The central element of both the short-term and long-term solution must be the large-scale shift from "break-bulk" cargo carrying, where cargoes are just loaded directly into the holds of ships, and must be laboriously unloaded, often taking many days, to containerization, where all cargo is in standard-sized containers that can be quickly off-loaded by specially designed cranes, and stacked or placed directly on waiting trains or trucks for departure. Not only will the shift to containers double or triple cargo-capacity with the same number of berths, but the containers are the essential element

of efficient interface with the other modes of transport for all but bulk cargos.

Second, specialized terminals, either new ports or sections of existing ports, must be expanded to handle the specific bulk cargoes that each port imports or exports. There are specially designed methods for loading and unloading grain by means of suction pumps, and other methods for handling metallic ores and other bulk commodities.

There is another mode of shipment that promises both to relieve short-term congestion until major expansion can take place, and to permit small ports on inland waterways to communicate directly and efficiently with foreign ports. This is the technique whereby a lighter barge is hoisted by cranes directly into the hold of the larger LASH (Lighter Aboard Ship) ship, and carried to its point of destination, where it is unloaded from the mother ship. The barge can originate, for example, far upstream on the Parana or Amazon river, from Mutum or Iquitos, travel down the river to its mouth, and be directly loaded onto the LASH ship without requiring a seaport for offloading and reloading onto the oceangoing ship. This type of multiple shipping procedure, although still in the development phase, is internationally known as LASH.

Bottlenecks can also be avoided by using huge boats with ramps for the entrance and departure of vehicles, the Roll-on Roll-off ship, or—as it is known in shipping slang, the Ro-Ro ship. These ships, which are essentially huge ferry boats, carry cargo already loaded on trucks or freight cars, or cargo that is itself vehicles, that are simply driven on at one point and driven off at the other. Special ports need to be constructed to accommodate Ro-Ro ships. With these ships, a rail link could be established across the mouth of the Amazon River, by ferrying whole freight trains across the estuary.

Certain Ibero-American ports, by these methods, will be able to significantly expand the cargo they handle, as has occurred in recent years with the port of Rotterdam in Holland, and that of Singapore. But new ports will also have to be constructed, or where feasible, small ports with the potential for expansion must become major ones. The model for this approach is Mexico's program for creating four "superports." The budgetary restraints imposed by the International Monetary Fund have halted construction on two of the four, and slowed completion of the remaining two, but the concept remains valid, and all four projects must be completed as originally planned.

Sites for similar new ports must be identified and designed at strategic points along both coastlines of the continent. In most cases, it is likely that the chosen site will already be at least a small port, but one that can be reconstructed and expanded on the superport model. One such project will be the creation of major transshipment ports on either end of the new inter-oceanic canal. These ports will be capable of receiving the largest ships, and will serve as centers of cargo distribution to smaller ships, for transport to smaller ports throughout Central America, the Caribbean, and the contiguous coastline areas of Colombia and Venezuela.

Did Swedish regime stop arrest of Palme's killer?

by William Jones

New sensational leaks from security police sources, hitherto suppressed by Stockholm police chief Hans Holmér, indicate an attempt by the Swedish government to cover up key aspects of the investigation into the Feb. 28, 1986 assassination of Prime Minister Olof Palme—a cover-up involving the Swedish Ministry of Justice. A network overlapping the same corrupt circles in the United States, which have for months been conducting Soviet-style violations of the rights of associates of presidential candidate Lyndon LaRouche, is being implicated, not only in the Soviet disinformation campaign which tried to blame the Palme murder on the LaRouche associates, but in the murder itself.

The network includes William Weld, the man in the Justice Department who gave the orders for the raid on the businesses and offices of LaRouche collaborators in Leesburg, Virginia last October.

This network includes a group of Trotskyists working within the Swedish Social Democratic youth group, SSU, one of whom is being pinpointed by security sources as the actual perpetrator of the murder itself. Their contacts with the British Trotskyist organization Institute for Workers' Control (IWC), provides a direct link to Emma Rothschild, rumored to have been Olof Palme's lover and a possible key figure for solving the murder.

The investigation of a possible Rothschild connection to the Palme murder was also prevented by the Swedish government. Emma Rothschild's connection to Noam Chomsky and to the Boston *Real Paper*, with which William Weld was associated during his "student leftist" days, carries the mur-

der investigation across the Atlantic.

We quote here the full text of an article written by Roy S. Carson, an Australian free-lance journalist. The article, dated from London, was originally scheduled to run in the British newspaper *Sunday Express* on Sunday, Jan. 4, but was not published following a high-level decision by the paper's management. It was then made available by its author to this publication.

The Carson article

"A group of Swedish secret service agents claim they have been ordered off a line of inquiry in the investigation into the assassination of Prime Minister Olof Palme, for political reasons, just as they were on the verge of arresting the man they say pulled the trigger.

"We were ordered to drop what we were doing and told to take time off. . . . The orders came from the absolute top. . . . The government is scared of what would happen if the truth got out. . . . That the assassination of Olof Palme was the settling of an "internal" account between two socialist factions, . . . with the backing of the KGB and at least one international terrorist organization."

"Sweden's Justice Minister Sten Wickbom is already facing a constitutional inquiry into alleged interferences in the Palme murder inquiry, which is now into its 11th month, unsolved.

"Angered secret service sources claim they tracked the alleged killer back to the November 1976 purge of a covert Trotskyist faction within the Swedish Socialist Youth Orga-

nization, SSU.

“On the direct orders of the late prime minister, SSU chairman Lars Engqvist—now editor-in-chief of Sweden’s largest-circulation Socialist morning newspaper—had ‘hatched’ seven members of the Swedish Militant Tendency group TISA, demanding their immediate resignations because of ‘their declared revolutionary Trotskyist operations.’

“Engqvist had said, ‘We have a responsibility to all our members and can not accept any revolutionary operations in our association.’

“A Swedish secret service source said, ‘The purpose of the secret organization was to create a revolutionary Marxist party within the Swedish labor movement on ideas originated in Britain by the Labour Party’s youth section—already then (1976) seen as being of a revolutionary Trotsky tendency.

“‘The Militant Tendency group TISA, had been formed on direct orders from the revolutionary Committees for Workers International (CWI) in London, to infiltrate the SSU to become a militant communist fighting force.’

“Lars Engqvist, SSU chairman at the time (1976), said, ‘It is quite clear that the British organization CWI has infiltrated the SSU with its secret agents. Their plan has been to turn the SSU revolutionary.’

“Swedish secret service sources say the Committee for Workers International in Britain has since 1976 changed its name and streamlined its leftier-than-left direction to please KGB and GRU administrators. ‘It is now known as the Institute for Workers’ Control and is based in Nottingham.’

“Among its members are said to be Ken Coates, expelled from the British Labour Party as a Trotskyist, Ernest Mandel, a Belgian author published in Britain, and Mr. Ernie Roberts, Member of Parliament, representing Hackney North in Westminster.”

Links to Chomsky

“They are also linked to U.S.-based MIT activist Noam Chomsky—a close friend and colleague at Cambridge, Mass., of Olof Palme’s millionairess lover, Emma Rothschild—and to Ted Grant of U.K. Militant Tendency, expelled from the Labour Party, too.

“The man Swedish secret service agents had charted to be the ‘man who pulled the trigger,’ is known to be one of the original seven Swedish Militant Tendency Trotskyists expelled from the Swedish Socialist Youth Organization in November 1976.

“He is said to have harbored intense hatred for Swedish Social Democratic Party leader and Prime Minister Olof Palme, constantly criticizing the PM for having come from a bourgeois background alien to the working-class concepts of Trotsky-type socialism.

“He had quoted the CWI slogan that ‘violence is acceptable in the fight for the revolution,’ and in a June 1980 issue of the revolutionary Marxist magazine *Offensive* said the

Swedish model of socialism under Olof Palme would come to an abrupt end.

“At Palme murder inquiry headquarters in Stockholm, official press spokesman Leif Hallberg last night refused to discuss details. Investigators are said to be ‘shaken’ that the details were leaked to the foreign media.

“At the largest-circulation socialist daily newspaper, *Arbetet*, former SSU chairman Lars Engqvist confirmed details of the exclusion of seven SSU members in 1976 for revolutionary Trotsky activities and said they had been influenced strongly by the Militant Tendency in the British Labour Party.”

Bulgarian, Soviet connection

“The secret service revelations which implicate sacked SSU/Militant Tendency activist leader Anders Hjelm, are a further development on a line mentioned in the *Guardian*, of a Bulgarian connection to the investigation and claims that it was that which had led to the resignation of 12 top investigators last October in protest that their reports had ‘been tampered with.’

“A Bulgarian-Swede organized-crime boss, Roman Goutev, currently serving time at Kalmar prison on Sweden’s east coast, is claimed to be an aide to Alexander Balmages, a Russian-Swede said to be the ‘godfather’ of KGB-backed organized crime in the Swedish capital.

“The secret service claims Balmages and Goutev were the ‘executives’ who ordered the execution of Prime Minister Palme, using Trotsky-dissident Anders Hjelm for the kill.”

Other Soviet leads

The other element recently exposed as a possible factor in the Palme murder is a Soviet-controlled drug and prostitution ring based in Stockholm and in Malmö. Two people integral to that network are the Russian “émigré,” Balmagez, said to be the “godfather” of the Soviet crime network in Sweden, and Goutev, a Bulgarian, now in jail in Kalmar, Sweden, on a drug charge. Goutev was a kingpin in the Malmö-based drug ring. Goutev has been married to a former activist in the SSU.

Because of the sensitive nature of the material and the political arm-twisting being exerted on the Swedish government by the Soviets on this issue, only portions of the story are now circulating in the Swedish press. Earlier last year, the Malmö-based paper *Kvallsposten* revealed that 12 narcotics police assigned to the Holmér group, who were investigating a possible involvement of the Soviet-controlled drug and prostitution ring in the murder of Prime Minister Palme, were suddenly taken off the case by Holmér—ostensibly for having leaked sensitive information to the Stockholm-based paper *Aftonbladet*. *Aftonbladet* was the paper which in May of last year did an exposé on the Russian prostitution network in Stockholm under the control of Balmagez.

Shortly after this, the name of Emma Rothschild, widely rumored to have been Olof Palme's lover, began making the front pages in the British press, because of police suspicions that Miss Rothschild may have played a key role in the murder of Palme. Police suspected that a tap on Miss Rothschild's telephone by the murderers may have tipped them off as to Palme's whereabouts on that fatal evening. Police wanted to interrogate Miss Rothschild, but were stopped on orders from the government.

The role of Miss Rothschild became more interesting because of the allegations circulating in Great Britain that her father, Lord Victor Rothschild, may have been the fifth man in the Philby-Maclean-Burgess-Blunt Soviet espionage ring, which had infiltrated the British intelligence service MI5. At the same time, it was revealed that Hans Holmér had actually interrogated Mrs. Lisbeth Palme, Palme's widow, shortly after the murder, but had not made known the details of the interrogation to the prosecutors in the case.

Although the latest leaks concerning a possible Trotskyist-Soviet drug-linked connection to the murder have been too hot to handle directly for the highly controlled Swedish media, concerned individuals within the press and the intelligence community are slowly getting out key sections of the story. In an article in *Aftonbladet*, Jan Guillot attacked the political control of the Swedish press, referring to the suppressed Holmér interrogation of Lisbeth Palme and making a major item out of the Emma Rothschild story. Until then, the Rothschild story had been almost totally blacked out of the Swedish press.

'Reichstag fire'-style cover-up

In the German newspaper *Welt am Sonntag* of Jan. 4, Henning Sjöström, the lawyer who defended Victor Gunnarsson, the 33-year-old whom some authorities tried unsuccessfully to link to political associates of Lyndon LaRouche in Sweden, attacked Holmér for having manipulated the interrogations with Gunnarsson, comparing the investigation with the Reichstag fire of 1933, which the Nazis manipulated to consolidate their own power. The Swedish newspapers, although playing down Sjöström's accusations, were nevertheless forced to cover the *Welt am Sonntag* article.

The latest revelations concerning a possible British Trotskyist connection to the Palme murder bring together a number of otherwise loose strands of the investigation. First of all, the key role of Emma Rothschild, who was closely involved since the late 1960s in the Bertrand Russell peace networks in England, also served as an umbrella group for the Trotskyist operations in Great Britain. Rothschild's activities in the Boston area, when she was teaching at Harvard, put her into direct contact with certain individuals who for years have been involved in operations against presidential candidate LaRouche in the United States, and were associated with the Boston *Real Paper* of Bo Burlingham, Michael Vale, and associates. William Weld's previous connection

to the *Real Paper* provides an interesting link to this track of the Palme investigation.

The Burlingham-Vale connections to the East bloc, going back to their establishment of the American Deserters' Movement during the late 1960s, included contacts with Bulgarian networks which set up a public relations campaign for the deserters at the Soviet-controlled World Youth Festival held in 1969 in Sofia, Bulgaria.

Hans Gøran Franck

The same group had been in close touch with Swedish-based Soviet networks, which include the left-wing Social Democratic lawyer Hans Gøran Franck. Franck, a leading defender of terrorists in Sweden had come into a head-on collision with Olof Palme during his student days, when both were involved, during the 1950s, in the formation of an international student movement, under the auspices of Moscow.

At a founding conference in Prague, Palme had led a break-out from the Soviet-controlled conference, while Franck, also a member of the Swedish delegation, attacked Palme on behalf of the Soviets as a provocateur.

Franck was later closely linked to Andreas Papandreou, during the days of the Greek Junta, and was in touch with the Norwegian group around Arne Treholt (later convicted as a Soviet spy), which was also organizing support for the Papandreou opposition. Franck's wife was formerly a member of the Norwegian Communist Party.

Although all the details of the story, including the pinpointing of the actual murderer, are still not fully clarified, a possible Soviet involvement in the murder is becoming a matter of public speculation in Sweden. An *Expressen* journalist recently penned a fictional story in a magazine called *Euro World*, in which the murder of Olof Palme is presented as an initial phase of a Soviet *spetsnaz* (special forces) offensive against Sweden, which included a pre-invasion maneuver of the Soviet Baltic Fleet, ready to move for an invasion of Sweden proper.

In spite of the fictional nature of this article, the intent of its publication was anything but fictional. Under the terms of sophisticated political censorship of the Swedish press, indicated by Guillot, the truth is often approached in somewhat roundabout ways.

The breaking of that controlled environment by the October publication of *EIR's* Special Report on the Palme murder, *A Classical KGB Disinformation Operation*, is now leading the point where, in the coming weeks and months, the various pieces of the puzzle which comprise the Palme murder, will start falling into place. At that point, the same Boston crowd which has launched a no-holds-barred effort to shut down LaRouche's political influence in the United States, playing fast and hard the "Palme card" in its operations, will begin experiencing the boomerang effect of what it has set into motion.

New leads point to Lord Russell network

by Mark Burdman

Recent new findings by Australian and Swedish investigators, of Trotskyite/Fourth International responsibility for the assassination of Swedish Prime Minister Olof Palme, have reopened the dossier on one of the most important counter-intelligence files of this century: the network of the late Lord Bertrand Russell.

According to Australian investigator Roy S. Carson, Swedish murder-suspect Anders Hjelm has had ties, for several years, to a Nottingham, England-based entity called the Institute for Workers Control. Founded in 1968, the IWC shares the same office and telephone-switchboard number in Nottingham, as the Bertrand Russell Peace Foundation's international headquarters. The IWC and the Russell Foundation are basically interchangeable entities, the former with more direct responsibility for coordinating anarcho-syndicalist ferment under the rubric of "industrial democracy," and the latter with responsibility for overseeing the international "peace movements," and such "New Age" Jacobin insurgencies as the one that brought Ayatollah Khomeini to power in Iran. The "Russell House" publishing group in Nottingham publishes the Soviet KGB-front magazine *Searchlight*, which targets leaders found unfavorable to the Soviet dictatorship for assassination, and *World to Win*, the magazine of Bob Avakian's Revolutionary Communist Party and Revolutionary International Movement, which supports the murderous "Shining Path" narco-terrorists in Peru.

The "Russell File" takes the investigator into many dirty corners, for example, the 1920s-30s group at Cambridge University in Great Britain, known as the Cambridge Apostles, a secret, freemason-like society, out of which the Soviet Union recruited several of their top penetration agents in this century, including British homosexuals Guy Burgess and Anthony Blunt, and Russell himself. The Cambridge Apostles cultivated what one lover of Burgess called a "gay intellectual freemasonry," out of which the so-called "Homosexual International," or "Homintern," was spawned.

Second, Russell was the godfather of the 1950s "Pugwash" movement, which has played a key role as a special East-West back channel, through which the Soviets have been able to bring about the unilateral *démontage* of Western defense and industrial capabilities. "Pugwash" is the found-

ing institution behind what is today misnomered the "peace movement." Russell himself built upon the international opposition to the Vietnam War in the 1960s-70s, to build a global Jacobin movement, opposed to industrial progress and in favor of various "environmentalist" and "ecological" cults. Russell was one of the patrons of the rock-sex-drug counter-culture.

The main group behind the 1980s' European peace movement, European Nuclear Disarmament (END), was, in fact, founded by the Russell Foundation, on the basis of an international peace appeal, written in 1979, by peace-movement guru, E.P. Thompson of Great Britain, on behalf of the foundation. Thompson's decades-long ties to the Bulgarian secret services should be a matter of some interest to investigators.

Following the fifth annual END meeting in Perugia, Italy, in 1984, a special operation was established to coordinate "peace movement" ties into the East bloc. Based in West Berlin, this is called the "East-West Dialogue Network," and is headed by Euro-Green parliamentarian Dieter Esche. Esche works closely with the Pax Christi affiliate in Amsterdam, and with the Russell Foundation in Nottingham. The Russell-END complex has begun secret meetings on Jan. 8, 1987, in Brussels, Belgium, to plan the Seventh Annual END meeting, in Coventry, U.K., from July 15-19, 1987.

The Swedish case

It's no great surprise to see the Russellites turning up, in a terrorist context, on the Swedish front. Lord Russell was one of the patrons of the late 1960s/early 1970s "deserters movement" of American army-deserters, who based themselves out of Stockholm. While a certain percentage of these individuals acted on the basis of opposition to the Vietnam War, the "deserters movement," as such, became a group out of which various KGB-backed terrorist or proto-terrorist sects were created.

At a spring 1969 conference in Stockholm, pieced together with the included purpose of building an international support movement behind the deserters, IWC-Russell ideologue Noam Chomsky, of the Massachusetts Institute of Technology, first came into contact with Emma Rothschild, daughter of Britain's Lord Victor Rothschild. Then 21 years old, Emma had begun political association with a group of British peaceniks congregated in the late Peggy Duff's International Council for Disarmament and Peace (ICDP). Peggy Duff had been a co-founder in the 1950s, with Russell, of the so-called "Campaign for Nuclear Disarmament."

By the early 1980s, Miss Rothschild had become an important person on the Swedish peace-movement scene, appointed by Olof Palme to the Palme Commission on International Disarmament Issues and to the Stockholm International Peace Research Institute (SIPRI). In the interstices, so to speak, of such activities, she reportedly developed a love affair with Palme.

Book Review

On British spy scandals, the Homintern, and the House of Windsor

by Mark Burdman

Too Secret Too Long

by Chapman Pincher
St. Martin's Press, New York, 1984
638 pages, \$19.95

Conspiracy of Silence: The Secret Life of Anthony Blunt

by Barrie Penrose and Simon Freeman
Grafton Books, London, 1986
588 pages, \$14.95

"You have to understand that the gay world then had style which it doesn't now. There was a sort of gay intellectual freemasonry which you know nothing about. It was like the five concentric circles on the Olympic emblem."—Jack Hewit, homosexual lover of Guy Burgess, Anthony Blunt, and others, beginning in the late 1930s, quoted in Penrose and Freeman, *Conspiracy of Silence: The Secret Life of Anthony Blunt*, p. 205.

"The British Establishment has never accepted that it was, *en masse*, penetrated by the Russians. People mistakenly see the penetration problem as having been limited to a few colorful, often homosexual, Cambridge intellectuals. It went much further and deeper than that. It revealed a fundamental weakness in British society. The present state of Britain is in part due to the penetration of the establishment by the Russians and the subsequent cover-up. Unless we understand the scale of this penetration, nothing will be done to stop further penetration."—Peter Wright, former MI5 agent, speaking in his own behalf, in a Sydney, Australia legal case involving British government efforts to suppress his new book, Dec. 8.

"The royal family is the most well-shielded institution in the country. . . ."—Penrose and Freeman, p. 411ff.

For the last two months of 1986, the British scene was hit

by one political jolt after another, resulting from a legal case in Sydney, Australia, in which the British government was attempting to prevent former MI5 counterespionage officer Peter Wright from publishing his memoirs. As we enter 1987, the case is still ongoing, and the political and strategic ramifications of it are still being fought out.

Since the various 1950s-60s defections to Moscow of Kim Philby, Guy Burgess, and Donald MacLean, and the 1979 admission in the British Parliament by Prime Minister Margaret Thatcher that Anthony (formerly Sir Anthony) Blunt was a Soviet spy, there have been scores of books in Britain on the theme of Soviet secret agents penetrating British intelligence.

For readers who want a preview of what Peter Wright's book says—presuming it is eventually published, either as written, or slightly modified to meet certain British censorship demands—the 1984 Chapman Pincher volume, *Too Secret Too Long*, is recommended. Pincher updates his earlier, 1981, *Their Trade is Treachery*, which had rocked Britain with its contention that former head of MI5, Sir Roger Hollis, was a Soviet agent.

Pincher's book, in significant part, was written to counter Mrs. Thatcher's decision to exonerate Hollis, in a 1981 statement before the British Parliament. Revelations from the Australian case indicate that Pincher's main source was none other than Peter Wright, who was reportedly brought into contact with Pincher through the mediation of former MI5 agent Lord Victor Rothschild. Rothschild's motivations, in this affair, are a subject unto themselves.

The reader is invited to see how Pincher constructs his case. In its "bare bones," the case is very interesting. He claims that no one in the British power structure ever bothered to look into Hollis's pre-World War II activities in China, where he was friendly with individuals around Soviet intelligence operative Agnes Smedley, and with Smedley herself.

Pincher only skims the surface, but the fact is, that Smedley was the central figure in a Soviet-Chinese nest, in which would be included top officials of the U.S.S.R. itself, Soviet super-spy Richard Sorge, and many of the seminal names

behind the Canada-based Institute of Pacific Relations.

If Hollis was truly a deep-penetration agent for Soviet military intelligence (the GRU), coming from the Smedley circle, then indeed the consequences for Western security are devastating.

Pincher also claims that British officials ignored important evidence concerning Hollis's reputed relationship to Sonya Kueczynski, one of the most important Soviet GRU-East German intelligence agents in this century, and also part of the broader "Smedley circle," with experience in Asia. According to Pincher, no serious investigation was ever carried out about why Sonya Kueczynski moved her headquarters to Oxford, England, more or less simultaneously with the move of MI5 to Oxford, in the early 1940s. From this station, she was able to obtain key information that she then radio-transmitted to her Soviet controllers.

Penrose and Freeman are among those who argue that the case against Hollis is a construct based on circumstantial, not provable, evidence. Pincher's basic counter-argument to this is that it was precisely Hollis's constant cover-ups, on behalf of the Soviets, that destroyed, or rendered unusable, many of the important tracks, and, now that he is dead, some of the relevant potential material is gone forever.

Pincher points to one case as all-important in this: the granting of immunity from prosecution to Anthony Blunt, Keeper of the Queen's Pictures, when the latter was pinpointed as a Soviet agent in 1963-64, and then interrogated by British intelligence. Pincher claims that it was Hollis who raced through an immunity offer to let Blunt off the hook, so that the latter could make a hasty and *pro forma* confession, but not provide any real evidence that could have enabled British investigators to get to the bottom of the subversion.

Pincher provides some fascinating "teasers," about how Blunt performed special services, on at least two known occasions, for the Royal Family, once in Germany, and once involving a Palace-linked artist, Stephen Ward, who was a key figure in the famous 1963 "Profumo Affair." He implies, but never states, that Blunt had some potential, or actual, blackmail over the Palace, should certain details of his activities have come to light.

Blunt, Burgess, and the Homintern

Pincher's account is weak on the side of *subjective motivation*. If Hollis was a Soviet agent, why was he a Soviet agent? What was the causality, not only bringing him to such a giant betrayal of his country, but preventing others in Britain from having either, first, kept him out of the post of head of MI5, or, once in, having exposed him as an agent? What are the cultural "Achilles Heels" in Britain that would allow such a massive subversion to occur, over decades?

On this side, centering around the Anthony Blunt case, the Penrose-Freeman book, *Conspiracy of Silence*, is very useful. As they develop the case, the problem is more than just "the few colorful, often homosexual, Cambridge intel-

lectuals," as per Wright's above-cited formulation. As they say at the outset, "We realized . . . that if we were ever going to understand the motives of Burgess and Blunt, then first we had to understand the homosexual world they inhabited." Or, what Burgess-lover Hewitt calls the "Gay intellectual freemasonry" of the 1930s.

Penrose and Freeman are taking us closer to what *EIR* has identified as "The Homintern," the Homosexual International. And, if this has been a decisive factor in the Russian penetration of the West, then it has been, in turn, the Russians

It remains an enigma exactly what the relation of Blunt was to the Palace, at a deeper level than his art-historian role. Is there any truth to the contention made by certain British insiders, that the granting of immunity to Blunt was caused by the intervention of a Palace eager to keep the full story under wraps?

acting on behalf of Satan. As one ex-insider in the set of the Cambridge Apostles recently put it, "One became Communist in Cambridge more through the Homintern than through the Comintern, and Sodom and Gomorrah are even better than Moscow and Leningrad."

The Penrose-Freeman hypothesis, compiled in part from testimonies of numerous old Cambridge insiders and others, is that it was the evil, promiscuous homosexual Burgess who was the key to Blunt, especially after Burgess's early-1930s trip to Moscow. With Burgess, the disease was, indeed, worship of evil for evil's sake.

As Penrose and Freeman develop the case:

There was Burgess, in France, in 1940, with the homosexual chef du cabinet of French Prime Minister Daladier, "spending an evening together at a male brothel in Paris. Singing and laughing, they had danced around a table, lashing a naked boy, who was strapped to it, with leather whips." Or, Burgess, again in France, using a naked boy, laying on his side, as the "net" in a ping pong match. Or, in a third case, Burgess using the flat in Cambridge's Bentinck Street, subleased from Victor Rothschild, as a "high-class male brothel." Or, the testimony of British writer Malcolm Muggeridge, speaking of the Bentinck Street set of Burgess, Blunt, et al.: "It was the only time I ever met Burgess; and he gave me a feeling, such as I have never had from anyone else, of

being morally afflicted in some way. His very physical presence was to me, malodorous and sinister; as though he had some consuming illness."

What treason could not be known to such a circle, whether on behalf of Soviet Russia, or Soviet Russia as the Agent of Satan?

And again, Palacegate?

It remains an enigma, in the Penrose-Freeman account, exactly what the relation of Blunt was to the Palace, at a deeper level than his art-historian role. If he were a Soviet agent through the end of World War II, why did the Soviets release him, to accept an art-historian role in the Palace? What was the real story of his secret missions on behalf of the Palace? Why, in fact, did the Palace keep him in his position, long after it was known that he had been a Soviet agent? Did he serve as a regular channel between Palace and Kremlin? Is there any truth to the contention made by certain British insiders, that the granting of immunity to Blunt was caused by the intervention of a Palace eager to keep the full story under wraps?

These remain questions after one reads the Penrose-Freeman account. But the authors are hardly amateurs on such questions. Simon Freeman, after all, was the journalist-protagonist in the summer 1986 "Palacegate" affair, as he pub-

lished, in the London *Sunday Times*, a Palace spokesman's attacks on Prime Minister Thatcher, and came under heated attack himself by Windsor partisans.

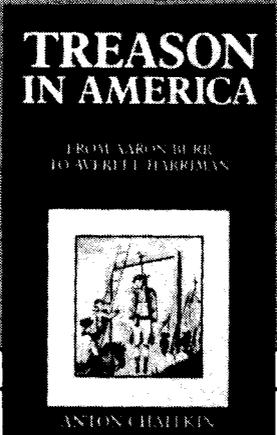
Penrose-Freeman point to the next areas that must be covered, if one is *really* to get to the bottom of Soviet subversion of the West in this century. And here, the workings and behavior of the House of Windsor cannot for much longer be "well-guarded" from public view. The late Lord Mountbatten was the key to the "Russian Party" in British elite circles until his death, and his protégé, Charles, Prince of Wales, heir to the throne, openly sympathizes with anti-Western, pro-Russian cultural values. This group seeks, on the cultural, political, and strategic planes, some form of Anglo-Soviet condominium, or trust, to manage world affairs.

In his book, Pincher repeatedly demands the institution of "oversight" in Britain, to prevent abuses and subversion. But the paradox is inescapable. If the House of Windsor remains shielded from public view, then "oversight" becomes an exercise in living theater. From different standpoints, Pincher and Penrose-Freeman point in the direction of the problem, but shy away from the solution: Without opening the dossier of the operations of the "Russian Party" in the House of Windsor, fighting against the Russian penetration of Great Britain is impossible.

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Libya-Chad conflict becomes regional

by Thierry Lalevée

In less than a month since Libya started its new offensive in Northern Chad, the military and political stakes have gone much higher. The military battles since Dec. 12, are not over control of a piece of desert, but once again over the political leadership of the Sahel and North African region.

For Muammar Qaddafi, Libya's terrorist dictator, the offensive in Chad has become his revenge for the American raid against Tripoli last April 15. If he wins his gambit, radical changes in his favor will occur in the Sahel and even North Africa. So far, he is on the road to victory.

Chad's two most outspoken allies, the United States and France, have all but remained passive. Despite the discussions in late November between U.S. Defense Secretary Caspar Weinberger, and France's President François Mitterrand and Premier Jacques Chirac, Washington has done little to make its commitment to defend Chad from a new Libyan aggression concrete. In mid-December, it promised a \$15 million military package; less than half has been delivered so far.

France's passivity is close to becoming utter betrayal. Paris had promised that once Libya crossed the 16th parallel, it would intervene. Qaddafi crossed it twice on Jan. 4, to bombard the towns of Oum Chalaba and Arada, and Paris has remained silent. Moreover, the very position, expressed repeatedly, according to which any military events north of the 16th parallel were mere internal matters between Chad and Libya, smacks of a dirty deal. It acknowledges Libya's claim that Chad is to be partitioned.

That is indeed what the November 1984 summit meeting in Crete between President Mitterrand and Libya's Qaddafi was about. In an interview on Jan. 6 with the daily *Libération*, Qaddafi stressed that according to what was "agreed on in Crete," "if the French troops intervene, I am entitled to intervene south of the 16th parallel." Whether the agreement was formulated in such a blunt way, remains to be seen; the substance is most likely correct.

Since the Dec. 12 offensive began, President Mitterrand underlined *ad nauseam* that the Libyan policy of annexation of Northern Chad, was no concern of Paris." There will be no intervention north of the 16th parallel," said Mitterrand to

then-visiting Egyptian President Hosni Mubarak. That statement, made only a few hours after Libyan tanks moved in, was aimed at preempting Premier Chirac's government from taking a different position: There is an obvious internal dimension in Mitterrand's declaration. However, Mitterrand is a leading member of the Socialist International. As already was true in November 1984, a deal with Qaddafi is a proxy deal with Moscow.

Moscow upgrades presence in Libya

It was only a few days after the visit to Moscow of Libya's Foreign Secretary Mohammed al Mansour, that Libya unleashed its offensive. With the appointment of Pogos Akopov as new Soviet ambassador to Tripoli in November, Libya has been upgraded in the mind of Moscow's rulers. Soviet ambassador to Kuwait until then, Akopov was regularly identified as one of Moscow's crucial envoys in the region, part of the Islamintern apparatus of Politburo member Geidar Aliyev. During Akopov's tenure, Kuwait became—together with Beirut and Damascus—one of the most important centers of Soviet intelligence operations.

Local observers have recently reported a doubling of Soviet and East German activities in Libya, while the Chad government warned that Soviet advisers were spotted in the Aouzou strip. They are involved in two crucial jobs. First is the completion under their control of a 1,850 kilometer coastal defense system aimed at preventing military landing, especially around Tripoli and Benghazi. Second, in the middle of Libya's desert close to the Zuweyah military base, they are building a radio transmission station which will be able to intercept all American and French military transmissions from the Sahel to Morocco and the Mediterranean. It is being coupled with more traditional radio and television broadcasting networks designed to jam the local broadcasts of neighboring countries, such as Mali or Niger. Particularly targeted is Tunisia, where the French maintain a communications listening post in the south, which intercepts all communications between Tripoli and Northern Chad.

Events of the last month have proved that Libyans are very poor fighters. On Jan. 2, the Chadian governmental forces of President Hissène Habré were able to take over the airport of Fada, north of the 16th parallel. It was later confirmed that more than 700 Libyan soldiers were killed in the fighting. The same day, a military column which had left the capital of Chad, N'jamena, some 10 days earlier reached the outskirts of Zouar in the Tibesti desert, seized by the Libyans on Dec. 28. Joining with the GUNT (former Chadian rebel) forces of Goukouni Weddei, who is still under house arrest in Tripoli, the government troops repelled the Libyans. Already in 1983 Habré had retaken the north of his country, but he was savagely driven out as Libya's flotilla of jet bombers and Tupolov 22's bombarded his troops to the ground, using then, as now, napalm and poison gas. That seems to be on the way to being repeated.

Colombia wages a military war on drug traffic

by Valerie Rush

Without fanfare or splashy press conferences, the Barco government in Colombia is prosecuting a full-scale war against the drug mafia which seeks its overthrow. In deploying the armed services as the only force capable of challenging the immense power of the mob, President Virgilio Barco has begun to tip the scales once again in favor of national, and perhaps continental, sovereignty.

In the short period since mid-December when that war was launched in earnest, the military has:

- captured Evaristo Porras Ardila, one of the country's top five drug kingpins, who reportedly runs a vast trafficking network spanning several countries.

- netted three important drug traffickers sought for extradition to the United States, as well as another dozen whose names appear on a military-prepared "black list" of wanted drug traffickers.

- conducted nearly 1,500 anti-drug raids from one Colombian coast to the other, detaining more than 500 suspects and seizing a substantial arsenal of illegal weapons.

In addition, the government has:

- imposed a tight monopoly on imports and exports of any chemicals which might be used in the processing of illegal narcotics.

- enforced strict vigilance over licensing of airlines, airports, airstrips, and aircraft, as well as of pharmaceutical and chemical companies involved in either the production or trade of controlled chemicals.

- placed 2,700 Colombian companies, both industrial and commercial, under its direct surveillance to prevent the drug mafia from gaining access to the products produced or imported by those firms, which include: textiles, plastics, paint, ink, glues, shoes, batteries, leather-tanning, dry-cleaning, and pharmaceuticals.

Retaliation mafia-style

The drug networks can hardly be expected to lose gracefully. In fact, the government has ordered the militarization of Bogotá in anticipation of violent mafia retaliation. Rumors of a pending narco-terrorist assault on the U.S. embassy compound in Bogotá were sufficiently reliable to prompt an

evacuation of all personnel on Jan. 6, and a shutdown of the embassy for two days. When it reopened, it was under a tripled internal guard, restricted hours, and the temporary protection of 30 anti-riot police armed with machine guns.

The first vice-president of Bogotá's city council, Alfonso Garzón Méndez, survived a mafia hit attempt Jan. 7. Garzón, who has been active in the campaign against drug addiction and who has recently used the council as a forum for several debates on how to defeat the drug trade, is a political disciple of Rodrigo Lara Bonilla, the anti-drug justice minister assassinated by the mafia in April of 1984. Garzón, who had received numerous threats prior to the assault, declared after his escape, "They will not intimidate me. I will continue using the Council to attack those involved in the criminal trafficking of cocaine."

But the mafia does not limit its counterattack to the weapon of terrorism alone. It has activated its political and "civilian" apparatus to campaign in its interest as well. It is no accident that, on Jan. 6, the same day that the U.S. embassy was forced to shut down under threat from the drug mob, the "liberal" *Washington Post* offered its editorial page to the West Coast correspondent for the pro-drug Colombian daily, *El Tiempo*. Cecilia Rodríguez writes that the violence and awesome power of the drug mafia has made any successful response from the population or government impossible, including the latest measures, which she dismisses as "too late."

Rodríguez concludes that: "For such a critical situation, new steps must be taken." Among those she recommends are: 1) government acceptance of a mafia offer to pay Colombia's foreign debt, repatriate its assets, and surrender its labs in exchange for protection from extradition; 2) church mediation of a truce between the government and the drug traffickers; and 3) legalization of production, trafficking, and consumption of illegal drugs, both in the United States and in Colombia.

It is these precise recommendations which the respected Colombian newspaper publisher Guillermo Cano had publicly fought, a stance which led to his murder by the mafia on Dec. 17. Cano had declared in a lead editorial of his news-

paper, *El Espectador*: "Colombia is lowering its guard against organized crime. Each day we are more shocked to learn that bills are being presented to Congress which favor the drug traffickers [i.e., anti-extradition]. That the miracle prescription is legalizing the drug trade. That the panacea is Church dialogue with the chiefs of the drug trade. We are on the verge of coexisting with organized crime, with accepting it. . . ."

Drugs and economics

The drug mafia is also getting lots of help from its assets inside the trade-union movement. The ruined shell of the Union of Colombian Workers (UTC), now abandoned by the majority of its base for the open identification of its leaders with the interests of the drug mafia, is nonetheless kept sufficiently afloat by the State Department-financed American Institute of Free Labor Development (AIFLD) to continue its services to the mob. The UTC has called for a general strike, allegedly against the government's anti-labor policies, with which it hopes to paralyze the country and divert the government's attention—militarily and otherwise—from the critical anti-drug war at hand.

That the UTC can attempt such a diversion operation is due, unfortunately, to the serious straits of the Colombian economy, made worse by President Barco's refusal to break from the dictates of the international banks in defining economic policy. An official unemployment rate of 15% is already the source of tremendous tension within the economy, and government approval of a cascade of New Year's price increases has already wiped out the 22% minimum wage increase fought for and won by organized labor. Barco's single-minded concern for eliminating what he has dubbed "absolute poverty" has offered no solutions, either for the jobless, the employed, or for an economy no longer able to rely on the upward fluctuations of international coffee prices as a substitute for genuine production domestically.

On the other hand, the newly formed Unified Workers Confederation (CUT), headed by former Labor Minister Jorge Carrillo, has been careful to present its opposition to the government's economic policies in the context of full support for a war on drugs, and a programmatic alternative which begins with the demand for reducing foreign debt-service payments to 10% of Colombia's total export earnings—the Peruvian model. The CUT also demands a lowering of interest rates, a halt to the endless "mini-devaluations" of the currency, and a general wage increase above the inflation level.

In his statements to the press, Carrillo has emphasized that the task is "to defeat those who believe that the development of the country lies solely in international loans. We must defeat the monetarist theory that calls for raising prices, devaluation, and increasing interest rates."

What the communist unions, formally committed to Carrillo's strategy, will do remains to be seen. Several of their

leaders have denounced the government's measures against the drug traffickers as "a war against the people," a position which puts them squarely in the camp of AIFLD and its mafia buddies in the UTC.

Setting an example

The arrest of 37-year-old Evaristo Porras presents dramatic proof of the seriousness of the government's anti-drug effort, and offers as well an interesting direction for it to take.

Porras was co-owner, along with drug kingpins Pablo Escobar and the Ochoa brothers, of "Tranquilandia," the infamous cocaine city of Colombia's southern jungle region which was dismantled in March 1984, under the Betancur government. Porras had earlier tried, and failed, to taint Rodrigo Lara Bonilla, Betancur's first justice minister, with public charges of taking bribes, charges which were ultimately dismissed as slander. It is also believed that Porras played a part in Lara's April 1984 slaying at the hands of mafia hit-men.

Porras escaped from a Peruvian jail in 1978, where he had been held on drug-trafficking charges, and his extradition to that country is sought by the Alan García government. Since that escape, Porras had built a vast empire out of the drug trade, controlling the strategically key jungle city of Leticia (on the Colombian-Brazilian-Peruvian border) as well as the "free zone" Caribbean island of San Andrés, where prostitution, drugs, gambling, and smuggling coexist with the terrible poverty of the island's largely black population. He is said to have extensive operations in neighboring Brazil, where a brother reportedly oversees his interests. He owns boats and airplanes as part of one of Colombia's largest fish-distribution companies, and is owner of 75% of the Suzuki operations in Colombia, both considered useful fronts for his drug trafficking activities.

Porras resided in the hotel Bahía Marina on San Andrés, one of several buildings he owned, and was quietly dining with his brother and confidants when the military surrounded the building and arrested him Jan. 3. The message to Porras's high-level partners in the drug trade—that they no longer had the protection upon which they have relied for years—was delivered loud and clear.

Proposals are now quietly beginning to circulate inside Colombia about what to do with San Andrés, which has also served as a playground and business center for the infamous Ochoa brothers and "El Mexicano" Rodríguez Gacha, all wanted in the United States as part of the "Medellín Cartel" of drug traffickers. According to one such proposal, it would only be fitting to take advantage of Porras's capture to transform that drug haven into a showcase of the war on drugs. To do so would require outfitting the island with the latest in radar and sonar equipment, and with an interdiction capability to match such advanced detection technology. The United States, of course, would be expected to play a key role in such an effort.

The Vietnam party congress: The power struggle continues

by Linda de Hoyos

Over the days of Dec. 15-20, the leadership of postwar Vietnam came together in its Sixth Communist Party Congress. The congress had been delayed for more than six weeks, indicating the intense factional debate in the Politburo, the highest policy-making body of the party. The Congress's results—including sweeping changes in the Politburo—and its inconclusive aftermath show that Vietnam's leaders are still locked in debate over the policies and personnel that will lead the nation in its second decade as a unified, independent country.

Vietnamese leaders met within a crucible of pressures imposed on the country and the region, pressures escalated by the July 28 Vladivostok speech of Soviet leader Mikhail Gorbachov. The "Vladivostok doctrine" featured at its center Moscow's bid for full normalization of relations with the People's Republic of China, Vietnam's giant neighbor to the north and major enemy since the Chinese-backed imposition of the Pol Pot Khmer Rouge regime in Kampuchea in 1975. Moscow has given assurances that a Sino-Soviet rapprochement is not to be gained at the expense of any "third" nation—such as Vietnam, but this has not forestalled a Soviet diplomatic offensive into Indochina, with the non-communist ASEAN (Association of Southeast Asian Nations), and with China to pave the way for a settlement that would end the seven-year Vietnamese occupation of Kampuchea begun with Vietnam's invasion and ouster of the genocidal Pol Pot.

Vietnam also faces its most serious postwar domestic crisis, sparked by the party's inability to consolidate control over the south and by an acute economic crisis exacerbated by natural disaster.

The alarm was sounded in an Oct. 19 speech by then party Secretary General Truong Chinh to the 10th party congress in Hanoi, immediately after a visit to Moscow where he met with Gorbachov. "Over the past 11 years," said Truong Chinh, "the entire country entered the first stage of the transitional period to socialism. . . . We have committed serious shortcomings and mistakes in economic leadership. . . . These shortcomings and mistakes have resulted in the productive forces being restrained, imbalances becoming ever more widespread, productivity, quality, and efficiency being steadily reduced, products and commodities becoming scarce, and circulation being choked. . . . Lands, labor, material-technical bases, capital, capability, experience, intelligence, and skills of the entire country . . . as well as the laboring

people's potentials, have not been exploited and put into full use. . . . It is obvious that the more we maintain the old ways of thinking . . . the more difficulties will pile up."

Changes—but not all the way

The Sixth Party Congress reorganized the Politburo in an attempt to deal with these challenges.

The Politburo changes appeared to have the strenuous backing of the Soviet Union, represented at the congress by the Kremlin's number-two man, Yegor Ligachov. In a speech on the congress's opening day, Ligachov stated Moscow's desires that Vietnam embark on a reform program to find new solutions to problems. "The world socialist system has reached a level in its development when the Communist Parties should find qualitatively new and non-standard solutions for complex problems." This calls for a "serious reorganization and renovation of all spheres of public life." Ligachov also called upon Vietnam to act in such a way toward China as to eliminate "unnecessary suspicions and mistrust."

The changes indicated the commitment to the reforms Ligachov demanded:

Three long-time leaders of Vietnam—the warhorses of Vietnam's 50-year national struggle against, first, French colonialist forces, and then, against the United States—were retired:

- Pham Van Dong, Vietnam's prime minister for the past 30 years;
- Le Duc Tho, who negotiated the Paris peace agreement with Henry Kissinger but refused a share of the Nobel Peace Prize with Kissinger; and
- Truong Chinh, who has held the party leadership for the six months since the death of long-time leader Le Duan.

In addition, three Politburo members were noticeably absent from the congress proceedings and appear to have been dishonorably dropped from the leadership: Defense Minister Vam Tien Dung, Political Commissioner for the Army Gen. Chu Huy Man, and Politburo member To Huu.

Gen. Vam Tien Dung led the first North Vietnamese forces into Saigon in 1975, and later wrote a controversial book about the war years. There has been speculation that Dung was a rival of Gen. Vo Nguyen Giap, Vietnam's foremost military strategist. Giap, who wrote in praise of the American Constitution and Declaration of Independence, reportedly opposed the occupation, although not the invasion,

of Kampuchea in 1979. Giap was summarily removed from powerful positions in the government in 1980. The sixth congress this week restored the general to the Central Committee; Dung was also retained on the Central Committee.

The new party secretary and top leader is **Nguyen Van Linh**, the former party secretary of Saigon. Before 1967, Van Linh was the head of chief of the COSVN, the operational headquarters of the Vietcong in south Vietnam. In 1982, at the fifth party congress, he was dropped from the Politburo and was reinstated in July 1985. Linh is considered a leader of the reform movement in Vietnam, and a rival of the ousted To Huu, who was removed as deputy prime minister in 1985.

Interior Minister **Pham Hung**, number-two in the new Politburo, is thought likely to be the next prime minister. The next three most important Vietnamese leaders in the Politburo are **Vo Chi Cong**, **Do Muoi**, and head of the State Planning Commission, **Vo Van Kiet**.

Vo Chi Cong and Vo Van Kiet are the two principal individuals identified with the economic reform movement in Vietnam, which, following the 1980-86 economic reforms in the People's Republic of China, has sought to loosen centralized planning and permit conditions in which private agriculture, in particular, might flourish.

Of the top five members of the Politburo, four are from the south. In addition, the current party secretary of Ho Chi Minh City (formerly Saigon) has been raised to the Politburo. This, in combination with the retiring of the North Vietnamese wartime leaders, has shifted the regional balance of Vietnam's leadership to the south.

Another individual rising on the scene is Foreign Minister **Nguyen Co Thach**, who was only an alternate on the Politburo last year and is now number 8 on the 14-person leadership body. Thach is considered to be a key representative of the younger set in Vietnam's leadership and has worked to award merit and achievement in the foreign ministry, rather than for war records.

The changes in the Politburo are the most dramatic in the party's history. However, they are not the end of the story. As of early January, those dropped from the Politburo who have government titles, remain in the government. Changes in the government may not occur until April, when elections will be held for the National Assembly. Even then, the elderly statesman honorably dropped will, like China's Deng Xiao Ping, likely hold on to the levers of power as "senior advisers."

Those still in government include Defense Minister Dung. The word from well-informed sources in the region is that the power struggle in Hanoi continues.

Among the issues of this power struggle is reported resistance from within the national police and the military to Soviet demands for Vietnamese concessions to China on the Kampuchea question. The military underlined the point with an outbreak of hostilities on the Sino-Vietnamese border. On

Jan. 6, Vietnam reported major clashes along the border, claiming that it had killed 500 Chinese soldiers. The fighting, considered to be the fiercest clash between the two countries since 1979, continued for three days.

The Laotian model

In his alarmist Oct. 19 speech, Truong Chinh had indicated that the nation's leadership had "squandered" Soviet aid to such an extent that such resources might "dry up." At the Sixth Party Congress, however, Ligachov indicated that the Soviet Union was prepared to double its amount of aid to Vietnam.

The price for this, however, may well be Vietnam's acquiescence in a Soviet-orchestrated deal on Indochina. The Soviet-staged dress rehearsal for the Vietnam Party Congress was the mid-November Communist Party Congress in Laos, headquarters for the Soviet KGB in Asia. According to some sources, there is already contention between Hanoi and Moscow over control of this subsidiary Indochinese state. The Laotian congress's results indicate Moscow has the upper hand in that tussle.

Present at Vientiane to deliver Moscow's demands was Geidar Aliyev of the Soviet Politburo, who was the first to inform the Vietnamese in late 1983 that the U.S.S.R. desired improved relations between Hanoi and Beijing. In Laos, the Soviet diplomatic offensive has met with maximum success. For the last two months, Laos has been improving relations with its neighbor, Thailand. On Dec. 20-25, Chinese Deputy Foreign Minister Liu Shuqing visited Vientiane, the first such high-level visit of a Chinese dignitary to Indochina since 1975. Liu stopped in Bangkok both before and after the trip, reporting that Laos-China relations were steadily improving.

The Soviets are also attempting to woo Thailand to an agreement on Kampuchea, and on Jan. 6, Thai Foreign Minister Siddhi Savestila, to the consternation of many of Thailand's policy makers, announced that he will be going to Moscow soon, on invitation of the Soviets.

For their part, the Vietnamese have repeatedly offered to begin talks with China "at any time, at any place, on any level." But Beijing has only one answer: no talks until Vietnam withdraws its troops from Kampuchea.

There is no question Vietnam needs the economic breathing space it might be afforded by withdrawal from Kampuchea. There are 1 million unemployed in Vietnam; inflation is running at an annual rate of 700%; food production is lagging 7-8% below target; exports are 30% behind, and industrial production 40% short of target. Vietnam also wants to end the diplomatic isolation that has been imposed on the country since it invaded Kampuchea, with hopes of reopening channels of financial aid and investment. However, aside from the question of possible loss of military prestige under a Kampuchea settlement, there must also be deep disquiet in Vietnam over the long-term implications of submission to terms set jointly by Beijing and Moscow.

Book Review

The suppressed story of Stalin's genocide against the Ukraine

by Laurent Murawiec and Luba George

Execution by Hunger, The Hidden Holocaust

by Miron Dolot

W.W. Norton, New York, 1985

\$16.95

Several million people were starved to death and several more million expelled, deported, and exterminated in Siberian concentration camps between 1929 and 1933, as most of the Western media and political leaders were busy extolling the "great leap forward" orchestrated by Josef Stalin in the form of the forced collectivization of Soviet agriculture. The Ukrainian holocaust of the early 1930s, at the expense of destroying Soviet agriculture and slaughtering millions, met the inner requirements of the Soviet Russian system of government.

Dolot's book, a soft-spoken narration of the facts and events as seen by the author, now a professor of Slavic languages in California, then a young teenager in a small Ukrainian village, sets the record straight on this deliberate genocide.

The tone is given by a party envoy descended upon the village, some 150 kilometers south of Kiev, in the district of Cherkassy: "A stray ant is worth nothing. It can get lost while looking for its food; it can be pitilessly crushed by someone it annoys, or be otherwise annihilated. Who cares for a lonely, stray ant? What really matters is the ant-hill, for it is it that ensures the protection and perpetuation of the ants' life. Ants only manage to survive because they live in a well-knit and well-organized society. You cannot imagine an ant without such a society. So it goes with human beings. By themselves, they are impotent; they can be exploited, persecuted, forgotten, and killed. The individual cannot find prosperity, happiness, and freedom but in Communist society. The collective farm is all. The collective farm is the first step toward this Communist society; all must therefore join in! Such are

the Party's orders, and the Party knows what is best for the farmers. There is no choice. He who is not with us is against us."

In the "collectivization" of Soviet agriculture which began in 1929, the Ukraine, breadbasket of Russia and the world, for centuries one of Europe's most productive farming areas, was to suffer even more than the other parts of Russia on its way to "prosperity, happiness, and freedom."

The collectivizers arrive

Unlike the Russian serf-peasant, the Ukrainian farmer had historically been a freer, land-owning producer. In the course of the 19th century, the vast expanses of "black earth" of the region, had become one of the prime sources of grain on the world markets. The great reforms launched from 1906 by Prime Minister Pyotr Stolypin, which aimed at turning the Russian Empire's liberated, but backward, serfs into modern farmers, had had a profound impact there, promoting the hard-working farmer with the help of cheap, long-term credit. A new layer of "American-style" farmers was emerging, to the horror of both the revolutionary left, Bolsheviks and Socialist-revolutionaries, and the orthodox-revolutionary right, the Black Hundreds. After the vagaries of the civil war, when Lenin & Co. were compelled by the collapse of their economic system to give some free room to the productive system, the farmers, under conditions far worse than before World War I, got back to work.

The village described by Dolot had 4,000 inhabitants and 800 houses. One fine morning in December 1929, a group of 10 members of the Communist Party arrived from town, who promptly installed a telephone line. The villagers had heard rumors about a "collectivization" but knew nothing more. The political police, the GPU, arrested 15 villagers in a dawn raid, the teacher, the secretary of the local Soviet (assembly), the shopkeeper, and a few farmers, who were immediately deported to the Arctic Circle camps, with their families, women, children and all, all expelled from their houses. The

CP-GPU group then explained that “our beloved party and government” had ordered agriculture to be made collective. Villagers had to regroup in groups of 5, 10, and 100, and farmers were designated to fulfill official functions. One out of six inhabitants was thus assigned; refusing was exposing one to immediate deportation, while the new positions could afford new powers. The village, as it were, was to “self-collectivize.”

Once the new atmosphere, and the new organization, had been created, Phase II began: “No mercy for the ‘kurkul’! Kill the rich! Murder is righteous!” the party envoys said—the “kurkul” being the Ukrainian equivalent of the Russian “kulak,” the sting-word used to verbally sentence to death the wealthier farmers. A few cows or horses, a nice house, sufficed to qualify one as “rich.” Dolot reports a ghastly general meeting, attendance compulsory, designed to produce a unanimous, voluntary joining in the collective farm, where inducement and perfunctory cajoling having failed to convince anyone, stage-managed and pre-arranged “decisions” to join having also failed to produce emulation, violent threats are thrown at the assembled peasants. “Is this a rebellion? Are you trying to disobey to Comrade Stalin? No one will leave this room until you have all joined. . . . We will exterminate the enemies of the people.” After endless hours, only one out of five has joined.

Troops come in, cavalry, infantry. Artillery shells are shot over the fields near the village for one week. Party brigades—city-dwellers indoctrinated that the peasant is the deadly enemy of the “proletariat”—are rushing in, invade every house. Next, the population is gathered, shown one tractor as a symbol of great expectations—and a riot started by the party officials who tear down the church, “a political orgy,” Dolot comments. One more week and troops surround the village, checking its people’s every move. And one more speech is held to the frozen villagers: “Exterminate the kurkul. The enemies of the people are here. Your least attempt to oppose the measures taken by our beloved party and the People’s Government will be ruthlessly repressed. We’ll crush you all as so much hateful vermin!” Unanimously, the liquidation of the “enemies of the people” is voted by the village.

Join the collective, or be eliminated. Those who resist are sent on endless marches through the snow, held captive in frozen barns for hours, “cold, humiliated, exhausted by the lack of sleep and harassment, the farmers had to wait for hours” and then listen to homilies and threats, “until they were physically exhausted and morally broken,” and joined. Families are decimated, people arrested under the flimsiest pretext, local party honchos exert unchecked tyrannical power. Groups are machine-gunned, others locked up, and mass-deportations effected.

Stalin hastily backtracked, tactically. “The true culprits,” the peasants were told by embarrassed but unrepentant party officials, “are those who have disfigured the party line, and those who have imposed so much suffering on your village,

are the Jews. Yes, the Jews did it, and not our dear party.” Attempts to incite pogroms, as in the good old days, failed . . . and mass-riots by the angered farmers resulted which targeted party and collective farm buildings, some of which were burnt down while the villagers rushed to retrieve a horse, a cow, an implement.

By early 1931, everything in the Ukrainian countryside had been collectivized.

Famine breaks out

This was the time of Stalin’s “great leap forward,” when collectivization, de-kulakization, and industrialization were going together under the hat of the First Five-Year Plan. To find the resources to buy his military-oriented industrial development, Stalin had to generate a surplus, which the mis-managed Soviet economy was plainly unable to provide. The obvious solution was to effect a “primitive accumulation” and get rid of large parts of the population, so many fewer eaters, so much expropriated assets, with the terrorization of all survivors a bonus. In order to force-feed the military assembly-lines, Stalin ordered the death of about 20 million.

By May 1932, as the famine was in full swing, the villagers were being compelled to send their greetings to the “beloved Party and the People’s Government” in thanksgiving for the new prosperity. When the time for the harvest came, more than one hundred thousand party members were mobilized—to detect, find, and confiscate the “hidden reserves of food,” the collection of which was imperative for the State, given the general collapse of output. Quotas of grain delivery were absurdly increased, reaching in 1931, 250% of the 1928 level.

Holocaust by design

The absurdity was, however, not over. Individuals and families that had not fulfilled their quotas were forbidden from buying anything from the State shop—by then the only remaining shop in the village. Salt and soap had become inaccessible—sugar had disappeared years ago. Members of the collectives were given one and a half pounds of bread *per month*, while two pounds a day were a vital minimum.

The winter 1932-33 was the last blow. All villages and communities that “sabotaged” the Five-Year Plan were placed on a black list by the government: those that had not fulfilled their grain delivery quotas were forbidden from taking part in the trade of any commodity or foodstuffs, old loans were called in and new ones denied. The true meaning of the measure: “Trade in foodstuffs and consumer goods was banned on the whole territory of the Ukraine, since there was not one village that had fulfilled its wheat delivery quota.”

The inventive Soviet authorities then informed the peasants that they could trade in their gold for cash. Wedding rings and family heirlooms were brought in by the dazed, starved survivors, to buy an overpriced loaf of bread or bar of soap. The Auschwitz model was at work—Stalin had

anticipated Hitler by many years. The Ukraine was one vast concentration camp. Corpses in heaps were piling up on the roads, in the streets, nobody strong enough or able to be concerned with burying them.

“ . . . In January [1933], it was learned that the Communist Party of the Soviet Union, after having charged the Ukraine with having deliberately sabotaged the production of the required quotas, had dispatched Postichev, a chauvinistic Russian of sadistic cruelty. His appointment played a crucial role in the life of the Ukrainians. He introduced and

The Auschwitz model was at work—Stalin had anticipated Hitler by many years. The Ukraine was one vast concentration camp.

implemented a new Soviet policy in the Ukraine, which openly advocated the destruction of everything Ukrainian. . . [His] campaign led to the destruction of the Central Government of the Ukraine as well as of all the cultural, educational, and social institutions of the Ukraine. It also led to arrests in our village.” As author Dolot points out, the surviving villagers had understood at long last that this annihilation was a key part of the answer to the question: Why had the absurdly puzzling policy been implemented?

Agricultural production, by 1929, had recovered from the strains and destructions of the war, revolution, and civil war, it had even recovered from “War Communism,” at the point when Stalin’s “collectivization” and “de-kulakization” policies hit it. It has never recovered since. Not only were the most efficient and diligent farmers slaughtered en masse, which removed the best chance of an efficient agricultural production, not only were the herds decimated, numberless buildings and implements destroyed, but the survivors, compelled to return to the serfdom that the Czar Liberator Alexander II had abolished in the 1860s, and now enslaved to the socialist kolkhoz instead of the noble landowner and the stultifying peasant commune, would never believe a word of what came from party and government, would never voluntarily do anything in the collective unless compelled to do so, and would resist, as they still do today, stubbornly, passively, anything coming from above, from the “Vlasti,” those in power.

What the civil war led against the productive farmers demonstrates, is the operative concept of acceptable losses as seen through the mind of Soviet Russia’s rulers: Rather destroy agriculture for decades than accept the existence of a class of independent farmers.

The restoration of rural slavery, primitive accumulation against an outlawed, and therefore exterminated part of the population which can then yield its “riches,” procuring produce that can be traded in for foreign exchange, consolidating tyrannical power over the rural masses, were integral parts of the design. The brutality of the holocaust in the Ukraine responded equally to a national, or rather supranational imperative of the Great Russian Empire: the destruction of one of the most Western-oriented parts of the Empire. Religiously, culturally, and linguistically, the Ukraine over a period of one thousand years linked up repeatedly with the West. The persistence of the Uniates (Catholic of Byzantine rite) in religion, of a language and a culture distinct from those of Russia, and of a national sentiment distinctly opposed to Moscow’s, is perceived by the Russian chauvinists as a threat to the Empire, whence the ferocious policy of Russification, the forcible “dissolution” of the Uniate Church in 1946 and its “reintegration” into the Russian Orthodox Church.

It is even reported that Stalin, shortly after World War II, entertained the thought of expelling the totality of the population of the Ukraine to Siberia, and only gave up in view of the unfeasibility of uprooting several dozen million people in the middle of a period of postwar reconstruction. Russia’s policy is the best explanation to the joyous welcome received in 1941 in the Ukraine by advancing German units—anything, anything at all was better than Soviet rule. Remarkably, while the population spontaneously dissolved the kolkhozes as soon as Soviet rule collapsed, it was Adolf Hitler who ordered their immediate reconstitution!

The virulence of Soviet attacks against Pope John Paul II’s stand concerning the Ukrainian Uniates is not surprising—over the long run of cultural warfare, the existence of an unassimilable, even embryonic or partial pro-Western outlook in such a large part of the Empire, and among 50 million Ukrainians, is unbearable to Moscow’s imperial planners. This also explains why official Soviet propaganda has always denied the very reality of the great famine described in Dolot’s book—“the so-called famine,” chief Party propagandist Yakovlev recently said, in full agreement with most of the West’s journalists, writers, academics, and experts who covered up its very existence at the time and later, from the *New York Times* to former French Premier Herriot, who praised the prosperity and plenty he had found during his trip through the Ukraine in 1932!

The Oriental tyrannies that have adopted the ideological mantle of “Communism” have since emulated the Soviet model of genocide, and even improved on it—be it in Cambodia, where one-third of the population was slaughtered within three years; in China, where perhaps up to 100 million died during the “Cultural Revolution”; or today in Ethiopia. The Ukrainian “experiment” had been the ground-breaker. What constitutes “acceptable losses” *within* the Empire should make people in the West think afresh of how *they* may figure in Soviet planning.

How the strikes can be stopped

A policy of economic growth through investment—not crisis management—is required to meet the labor unrest.

The strike movement that has shaken up France since mid-December, as well as the previous student revolts, can only be understood from the standpoint of the paradigm shift taking place in times of crisis. Fear of the future and of unemployment, even in relatively privileged categories such as railway personnel, causes a rejection of any new measures of “rationalization” or “modernization,” terms which, as in steel production or heavy industry, usually mean unemployment.

This fear, which the disastrous economic policy of both the former Socialist government and of the present one, led by Premier Jacques Chirac, legitimizes, is then exploited and manipulated by political forces seeking to undermine the government. These forces go well beyond French parties or institutions; they are run from Moscow as part of the new Gorbachov strategy for taking over Europe after softening it up by exploiting its political weaknesses rather than using Moscow’s own forces. Moreover, certain financial interests delight in seeing a public institution like the state railroad company (SNCF) collapse, and their own control over the economy then seems justified.

To stop the disaster, the government must adopt at long last a Gaullist and Colbertist social and economic policy.

The strike was not launched by the communist-linked CGT trade union nor by the French Communist Party, the PCF, but by the conjuncture of the rank and file who fear losing their jobs

and the meddling of Trotskyist agitators. As in the big strike movements of 1936 and 1947, Trotskyist groups are the detonators. One example: The strike coordination committee, the spearhead of the strikes, was set up by Daniel Vitry, a member of the leftist-Trotskyist “Workers’ Struggle” (*Lutte ouvrière*).

The wages of the mobile personnel (those working on the trains, as opposed to the ones in the stations) cannot explain why they are fed up. They earn somewhat above the average, 8,000-12,000 francs per month for a 33-hour work week, of which 18 hours are spent “on the road.” The average number of kilometers covered per year is 30,000, whereas truck drivers, for example, cover more than 100,000 kilometers. Working conditions are also not an explanation; although mediocre and demeaning, they alone would not have justified such a deep and strong wave.

Rather, the train drivers think—and correctly in the present circumstances—that layoffs will come about if the “Astrée Project” is applied. This project aims at centralized satellite control and regulation of all rail traffic and units. The relative autonomy of train driving would disappear in favor of centralized and automated junctions. Human intervention would be very slight.

In these conditions, especially given the recent tendency to lower safety conditions, increasing accidents, and generally putting only one driver per train, instead of the normal two, it is no surprise that the drivers

reacted to the decision to change their status—somewhat favoring merit over seniority—by considering it a first step toward “rationalization-layoffs.”

Likewise, the drivers of the Paris metro, also on strike, fear that full automation of the subways will do them out of their jobs.

This fear of “being modernized” is what gives the strike its “defensive” or “corporatist” character, especially in the state rail or Paris transit strikes—just as it was in the student movement of November-December, where the students were more afraid of the selection and elimination process implicit in the Devaquet law, rather than of the bill itself. These are movements of survival, not demands for a better life.

From there, the policial manipulation begins. The leadership of the Trotskyist groups are no innocent lambs from the left, but the latest Gorbachovian breed, out to reactivate France’s longstanding anarcho-syndicalism. The Communists and their CGT union intervene at this point, to try and generalize what was begun by others.

Even if Premier Chirac manages to break the strike, he will continue his austerity policy, which carries in itself the potential for new conflicts. The European Labor Party, Lyndon LaRouche’s associates in France, urges Mr. Chirac not to “manage” this crisis but to end it, with a program to: 1) take necessary sanctions against sabotage actions on the rails or power system, which could cause deaths; and 2) establish a productive investment policy.

That means the government must impose and apply a Colbertist reform of the economy, on the basis of an agreement between workers and industrialists against financial speculation. Without this alliance, the present government will have the same fate as the last one.

Labor and the presidency

Mexican labor promises a major intervention in the presidential election battle this year.

The slogans of the Mexican Workers Confederation (CTM)—“growth for development, not just to pay” and “paying the foreign debt should not be a national priority”—filled eight full columns of the Mexican daily *El Universal* Dec. 27, and represented the CTM’s strongest challenge yet to the International Monetary Fund-dictated economic policy being pursued by President Miguel de la Madrid’s regime.

Under the budget written by Planning and Budget Secretary Carlos Salinas de Gortari and approved by Congress, Mexico will allocate a whopping 56% of its national budget this year to interest payments on its onerous foreign debt.

The CTM, one of the most powerful constituencies within the ruling Mexican party, the Institutional Revolutionary Party (PRI), has insisted that Mexico not continue indebting itself to pay the debt. Nor would it consent to service that debt by handing over the assets of national companies. It has explicitly argued for suspending a significant portion of the principal owed to the banks and for reducing, in real terms, international interest rates which are strangling Third World economies. The CTM has warned that to give priority to payment of the debt would be to risk the very growth of the nation itself. Thus it calls for limiting debt service to what Mexico earns from its non-oil exports, a proposal not far from Peru’s limiting debt to 10% of exports. The CTM also calls for creating a fund to use oil revenues to pro-

mote Ibero-American development and integration.

In contrast to Alan García’s Peru, which grew at an unprecedented 8.5% rate in 1986, Mexico began 1987 by being sucked deeper into an economic maelstrom. “The great challenge” of 1986 was to create 400,000 new jobs; not only was that goal not met, but 200,000 workers were laid off, not counting the million workers waiting on the sidelines. The CTM insists that there were more than 3 million unemployed at the end of 1986. Further, the CTM has just warned of the danger of massive new layoffs in the immediate future, the result of huge industrial stockpiles building up due to the collapse of the internal economy.

From 1976 to now, real wages fell by 70%, while labor’s share of national income has fallen by more than 15 percentage points. The Mexican worker this year must work 85 hours a week to buy the same food basket which four years ago took 50 hours.

This is a “political year,” since the presidential nominee of the ruling PRI will be designated in the second half of 1987.

The CTM’s intervention may serve to shatter the controlled environment that the Eastern Establishment press and its Mexican spokesmen have created around the presidential succession. The Establishment’s trap is to limit succession options to four or five cabinet members. *Newsweek* of Jan. 12, for example, limits the choices to: Energy and Mines Secretary Alfredo del Mazo, Budget and Planning Sec-

retary Carlos Salinas de Gortari, and Interior Secretary Manuel Bartlett.

The CTM—and, in particular, the federation’s powerful secretary general Fidel Velázquez—was unceremoniously squeezed out of the presidential selection process that led to Miguel de la Madrid’s candidacy last time around. In retaliation, the CTM is now launching its counterattack against two of the Establishment’s “strong cards” for the next presidency, not surprisingly the same ministries—budget and government—which have been running a wrecking operation against the Mexican labor organization.

The first of these is Salinas de Gortari, the favorite of International Development Bank (IDB) president José Ortiz Mena, who was virtually expelled from the government from 1970 to 1982, during the administrations of Luis Echeverría and José López Portillo. The other is Manuel Bartlett, whose proposed political reform seeks to “modernize” Mexican political life through a parliamentary system which eliminates from the PRI the old nationalist forces, especially the powerful petroleum workers and teachers unions formed during the Lázaro Cárdenas period (1934-40)—today the strongholds of Velázquez.

The CTM does not want the choice of the PRI nominee to be restricted to de la Madrid’s cabinet. The CTM’s political action secretary, Sen. Rigoberto Ochoa Zaragoza, declared Jan. 6, “All you need to be considered is to be a Mexican. . . .” On Dec. 28, he said, “Although it may seem irrelevant, the 4 million workers affiliated to the CTM condition our support [for the PRI nominee to the presidency] on compliance with a program which fulfills the aspirations and demands of the labor movement.”

Bulls in glass houses . . .

Venezuelan leaders are outraged at Merrill Lynch's rather transparent blackmail efforts.

When Venezuelan Foreign Minister Simon Alberto Consalvi responded Jan. 2 to Merrill Lynch's latest anti-Venezuela spoutings with the threat that his country would not finance "the paradise of tricksters composed of speculative companies," he was putting the brokerage house on notice that people who live in glass houses shouldn't throw stones.

In particular, he was referring to a Jan. 2 *Wall Street Journal* feature that cited Merrill Lynch's Latin America economist Paul Levy calling Venezuela "a fool's paradise," where constituency-minded politicians threatened to win out over the bankers.

Were Consalvi to give a public airing to Merrill Lynch's dirty laundry, for example, *EIR's* exposure of the firm's links to drug-money laundering, it could prove quite embarrassing to the firm, whose former president is White House Chief of Staff Donald Regan.

Consalvi also stated Jan. 5, "For several weeks the *Wall Street Journal* has been systematically carrying out a negative campaign against Venezuela. . . ." The Levy article, in fact, got a furious reaction from Venezuela's political leaders. Interior Minister José Angel Ciliberto called it "a kind of softening-up operation" designed to block Venezuela's efforts to negotiate better conditions on its \$21.2 billion foreign debt. The banks were trying to "shore up" their position, he asserted.

Minister Consalvi's statement that Merrill Lynch is "a company whose speculative objectives we know," was no exaggeration. As the *Journal* itself admitted, the company has a division

devoted to managing the capital which "tricksters" have sucked out of Latin America. Venezuela has been looted of \$35 billion in flight capital.

What concerns all players in the Venezuelan finance game, is that the days are over when oil revenues were there for the grabbing. Foreign reserves have been spirited away by capital-flight artists and wily creditors. Venezuela paid \$6.326 billion in debt service in 1986, while its exports fell to a mere \$8.7 billion, from \$14.1 billion the previous year. No other Latin American debtor amortized over \$5 billion in foreign debt during the 1984-86 period, Finance Minister Manuel Azpúrua boasted Dec. 30.

Azpúrua claimed that by paying all debts on time and by reducing imports during the past year by 12%, he had won Venezuela the "moral right" to debt relief.

When Merrill Lynch's Levy pressed a Venezuelan central bank economist for more austerity, she responded that there are "a lot of political forces" at work. As paraphrased by the *Journal*, Levy concluded, "The central bank thinks austerity should be the order of the day, but the politicians want to spend to fuel economic growth; severe austerity measures are unlikely. . . . The last time I was here, politics was not such an issue. It's a more important variable."

Is budget-cutting what Merrill Lynch is really after? No. The *Journal* reports that Levy "wants to learn of any signs that Venezuela, like Mexico, plans to allow creditors to swap debt for equity in Venezuelan entities to reduce the country's \$35 billion debt

burden." With the oil money gone, the leeches want to take possession of the state companies which own Venezuela's fabulous underground resources, its oil, its Cerro Bolívar mountain of iron ore, its bauxite, and the facilities which process them.

As with Mexico, austerity enforced under International Monetary Fund conditionalities is designed to decapitalize productive enterprises and engender so much political desperation that surrendering the nation's patrimony appears to be a "pragmatic" solution.

To propitiate its creditors, Venezuela has started on such an austerity path. On Dec. 6, President Jaime Lusinchi announced a new exchange-rate structure which will decapitalize the state oil company. It will receive 7.5 bolívares for each dollar it makes on oil exports, but will have to pay 14.5 bolívares for each dollar worth of services and inputs it contracts. Venezuelan Petroleum Council president, Romero Nava, observed Dec. 30, that this would "negatively affect its cash flow, affecting, sooner or later, its capacity and autonomy to finance all of its projects and programs. . . ."

"The government preferred to grab bolívares from Venezuelans, instead of grabbing dollars from the creditor banks with a new strategy for paying the debt," charged an opposition economist.

On Dec. 29, the creditor advisory committee headed by Chase Manhattan awarded Venezuela a 90-day moratorium on public sector principal payments. The debt is to be renegotiated within that period. To further please the banks, Azpúrua announced that Venezuela is dismantling the agencies which keep tabs on foreign investments and would give foreign speculators wider latitude in its domestic market.

International Intelligence

Japan exceeds postwar limit on defense budget

The Japanese government of Prime Minister Yasuhiro Nakasone on Dec. 30 organized an extraordinary session of the national security council, which formally decided to abandon the postwar policy which limited defense spending to 1% of GNP.

U.S. Defense Secretary Caspar Weinberger welcomed the move, telling a Washington press conference: "We greet this with great pleasure from every point of view. . . . We're very pleased about it and that will enable all of us to do the job more of protecting freedom."

Negotiations with the finance ministry, which wanted to maintain the spending limit, involved top-level members of the ruling Liberal Democratic Party (LDP) late into the night of Dec. 29. The Nakasone cabinet will work out a new policy on defense spending for the opening of the Diet session at the end of January, after Prime Minister Nakasone returns from a tour of Eastern Europe.

Foreign Minister Tadashi Kuranari announced on Dec. 30 that Japan would soon dispatch diplomats to South Korea, the People's Republic of China, and Southeast Asian nations, to explain to its Asian neighbors that the increase in defense spending does not mean that Japan intends to become a military "threat" to them.

Israeli 'Marshall Plan' stalled by Iran scandal

Israeli Labor Party leader and Foreign Minister Shimon Peres has made a deal with an opposition group in the Israeli elite, and has agreed to accept Israel's current policy of arming Iran, according to informed U.S. sources. The deal reflects a decision to "close ranks," in the face of U.S. criticism of the Israeli role in gun-running to Iran.

Israeli sources emphasize that the deal has stalled action on crucial policy issues in Israel, notably on Peres's concept of a "Mar-

shall Plan" for Mideast development.

Under the terms of the deal, Peres brought former counterterror adviser Amiram Nir and former Foreign Ministry Director General David Kimche—a leading figure in "Irangate"—into his policy group. Sources report that one reason Peres and his associates have agreed to support the Kimche arms-trafficking policy, is that a U.S. intelligence group has targeted for attack any Israeli leader who advocates a policy of regional economic development. The group is led by Leo Cherne, vice-president of the President's Foreign Intelligence Advisory Board, who recently traveled to Israel.

Soviet hits SDI's role as a 'science driver'

A senior Soviet space scientist has attacked the idea, widely identified with Lyndon LaRouche and often elaborated in *EIR*, that the Strategic Defense Initiative can act as a science-driver, promoting the high-technology growth of the whole economy. In *Izvestia* of Jan. 3, under the headline "Star Peace," Academician B. V. Raushenbakh advocated a program for "a number of flights to Mars" and the establishment of "a permanent base on the Moon, manned in shifts," for scientific exploration.

Raushenbakh added, "I would like to touch on another important question. The advocates of SDI—the American Star Wars program—assert that its implementation will provide a new impulse for the development of technology and the creation of new materials, and they give examples from the past, when wars advanced science and industry. There is nothing more monstrous than such arguments. To say that military preparations stimulate some area of science, achievements in which can subsequently be used for peaceful purposes, is just a banal argument. It is just as obvious, that the achievements of peaceful science can find use for military purposes. But the defenders of the SDI try to pose the question, as if this were virtually the main program for the development of science in the next five-year period, and they

talk about possible discoveries, which will then be used for peaceful purposes. This is absolute nonsense, and one could only argue in this way, out of impotence, being unable to find reasonable arguments in favor of SDI."

Nazi-communist army formed in Mexico

Leaders of the "right-wing free enterprise" National Action Party (PAN) of Mexico announced on Jan. 3 that they have joined with Mexican communists to form a new "democratic army," to spread "civil disobedience" against the Mexican government.

This is not the first time the PAN has allied itself with the shock troops of the Soviet secret police: Back in 1940, when PAN leaders were backing Hitler, U.S. intelligence classified the party as a security threat under the rubric "Nazi-Communist." Mexican patriots charge that the goal of today's "PANSUM" coalition, as the PAN's alliance with the communist PSUM is dubbed, is not electoral reform, but the overthrow of the Mexican state.

According to the PANSUM's press bulletin, the new army is an outgrowth of the Forum for Democracy grouping founded on Nov. 24, 1986. United under the Forum's umbrella, are the Moscow-run PSUM, the PAN, and various Trotskyite parties and legal fronts used by terrorist groups.

Mexican businessman Rogelio Sada Zambrano, a leader of the Vitro business empire in Monterrey, now negotiating to hand over its assets to Western bankers in payment for its debts, will preside over the army, the PANSUM announced.

Moscow plugs Afghan 'national reconciliation'

The communist chief of Afghanistan, Najibullah, marked the New Year and the seventh anniversary of Soviet occupation of the country, with a call for cease-fire and an

appeal to all forces in Afghanistan to enter into "national reconciliation" talks aimed at the formation of a new coalition government by mid-January. On Jan. 5, a top-level Soviet delegation, consisting of Foreign Minister Eduard Shevardnadze and Central Committee Secretary Anatoli Dobrynin, arrived in Kabul to give the stamp of approval to Najibullah's overture.

By the next day, Radio Moscow claimed that "commissions of national reconciliation" were being formed "everywhere in Afghanistan," and that this was a demonstration that "the Afghan people have responded to the Revolutionary Council's declaration which calls for peace."

Several European-based observers, who have closely monitored Soviet signals about an impending pull-back of most of their forces from Afghanistan, believe that Moscow is preparing a new satrapy-status for its southern neighbor. Fewer Soviet forces would be committed in Afghanistan and, having undergone intense live-fire training in the war there, the units presently in Afghanistan would become available for use elsewhere—possibly in crises to explode in the Middle East and Africa.

On Jan. 6, Mohammad Nabi Mohammadi, chairman of the seven-party Afghan resistance alliance, expressed skepticism about talks with Najibullah, but interest in direct negotiations with the U.S.S.R.

Contras linked to Panamanian narcotics

U.S. networks running the Nicaraguan Contras were caught in a new drug scandal on Jan. 8, when the *Wall Street Journal* blew the lid off the Contras' links to one of Panama's biggest drug-money launderers, Steven Samos.

Samos's role as a bagman for a marijuana syndicate run by leading members of Panama's "democratic opposition" movement, is documented in *EIR's White Paper on the Panama Crisis*, published in June 1986. Also reported there, is how that syn-

diccate, based out of *La Prensa* newspaper, repeatedly used a Panamanian bank, Banco de Iberoamerica, to launder some of the \$750 million in dope profits.

Samos's specialty was forming shell companies, a service he provided for a Colombo-Gambino family scam which robbed \$40 million in taxes. Apparently, the same services were provided for the Contras. According to the *Journal's* sources, a Panamanian registered company associated with the Samos empire, Amalgamated Commercial Enterprises, served as "an important link in the private network resupplying Nicaraguan insurgents." Amalgamated "helped administer an extensive airlift operation from [El Salvador's] Ilopango military base." Samos "also had extensive dealings with Banco de Iberoamerica, a Panama bank that sources believe may have been used in the Contra money trail," the *Journal* states.

The Ilopango resupply route, exposed when American pilot Eugene Hasenfus was shot down over Nicaragua on Oct. 6, 1986, was run by retired U.S. Air Force Maj. Gen. Richard Secord and several CIA agents, in conjunction with the now-fired National Security Council official Lt. Col. Oliver North.

India buys arms from U.S.S.R. and U.S.A.

India received a shipment of MiG-29 jets on Jan. 3, in the first delivery of the U.S.S.R.'s most advanced fighter aircraft to a non-Warsaw Pact nation. New Delhi has said that it plans to establish two 20-plane squadrons of the aircraft. The armament includes eight medium-range air-to-air missiles, with a weapons configuration similar to that of the U.S. F-18 Hornet.

At the same time, India has announced its largest-ever purchase of American military technology: 11 U.S.-built F-404 jet engines for prototypes of an advanced combat aircraft. The engines will be used in prototypes of a light combat aircraft, which will be India's first domestically produced warplane.

Briefly

● **THE TRILATERAL** Commission has chosen San Francisco as the site for its next international meeting, to take place in March.

● **RICHARD BURT**, the U.S. ambassador to Bonn, spent a day on the campaign train of Social Democratic Chancellor candidate Johannes Rau early in January. Burt recently proclaimed himself "a political left-winger."

● **DMITRI LIKHACHOV**, a Soviet academician and prominent member of Raisa Gorbachova's Soviet Culture Fund, received the Order of Lenin and the Golden Hammer and Sickle on Dec. 26, 1986. Likhachov, a member of the "Russian Party" of national chauvinists, is an expert on the pagan roots of Russian culture.

● **'A SOVIET OFFICIAL** revealed to a Western diplomat . . . that several people were killed and many injured in the Alma Ata riots" in Soviet Kazakhstan at the end of 1986, *Le Monde* reported on Dec. 21-22.

● **HOMOSEXUAL GROUPS** from across Europe will be meeting in Cologne, West Germany, Jan. 23-25, to discuss problems in launching a new homosexual-dominated European AIDS Foundation.

● **EUROPEAN NUCLEAR** Disarmament (END) leaders met confidentially in Brussels, Belgium, beginning Jan. 8, to map out plans for the seventh annual END conference, to take place in Coventry, Great Britain, July 15-19.

● **ANATOLI DOBRYNIN**, secretary of the CPSU Central Committee, on Jan. 4 received in Moscow Laurence Tisch, chief executive officer of the Columbia Broadcasting System. They discussed Soviet-U.S. cooperation in mass media work, according to the Soviet news agency TASS.

Hulan Jack fought for the inalienable rights of man

The world suffered an immense loss last Dec. 19, when Hulan Jack, the former Borough President of Manhattan, died at the age of 80 after a long battle with cancer. Mr. Jack, one of the early heroes of the American civil rights movement, came out of semi-retirement in 1980 to lead the fight on a world scale for the values enshrined in the American Declaration of Independence.

EIR is proud to present here a capsule-summary of his life and particularly those last, heroic years:

1905: Birth on Dec. 29 on the Caribbean island of Santa Lucia (West Indies).

1923: Immigration to United States.

1930: Becomes Democratic Party member and organizer.

1940: Elected to New York State Assembly; serves 1941-54.

1946: Elected District Leader in 14th Assembly District, an office he holds until 1972.

1954: Becomes Borough President of Manhattan, the highest office to which a black American had been elected since Reconstruction.

1960: Driven from Borough presidency by a scandal manufactured by "reform" interests around Mayor Robert Wagner, seeking to destroy Borough President's powers.

1968: Reelected to State Assembly, takes responsible positions on several committees; "reform" interests see his political comeback as potential threat.

1972: A second "white-collar" scandal, later proven totally bogus, is used to drive Jack out of political office and jail him for three months in 1973.

1980: Dropping his support for Jimmy Carter, he endorses Lyndon LaRouche for President in August on national TV. Becomes chairman of Ad Hoc Committee for a New Africa Policy to spread a national "alert" on African emergency. In

September, helps to found, and becomes advisory board member of, National Democratic Policy Committee, after disaster of Carter nomination.

1980-81: Meets with officials of about 40 African embassies and consulates to organize advanced agricultural and industrial programs for Africa.

1981: Encourages Mel Klenetsky to run for mayor of New York, and plays key advisory role in campaign, as well as in Klenetsky's 1982 race against Pat "Benign Neglect" Moynihan for U.S. senator from New York State.

1981-82: Campaigns vigorously to defend Sen. Harrison Williams (D-N.J.) from illegal "Abscam" political inquisition.

1982: Helps to found Club of Life, initiated by Helga Zepp-LaRouche, which subsumes Committee for New Africa Policy.

1984: Co-founder and Executive Board member, Schiller Institute. In September, makes first trip to Europe; leads "Benjamin Franklin Brigade" of 100 American citizens. Visits Berlin Wall and Federal Parliament, pledging not to allow U.S. withdrawal from Europe's defense. In November, becomes leading signator of Declaration of Inalienable Rights of Man at 3rd Schiller Institute conference, Washington, D.C.

1985: Addresses rally of 10,000 on bitter cold January (Martin Luther King) day march organized by Schiller Institute in Washington, D.C., calling for the SDI and use of American technology to feed Africa. In November, gives stirring address at Schiller Institute conference dedicated to St. Augustine in Rome, Italy.

1986: Interviewed on radio in the wake of "LaRouche Democrats" primary victory in Illinois in March, he refutes libels of "racism" and "anti-Semitism" against LaRouche.

Tributes to Hulan E. Jack

Below is a sampling of statements which were sent to the family of Hulan E. Jack from the United States, Western Europe, and Ibero-America, after his death on Dec. 19, 1986. Most of the statements have been excerpted.

Lyndon H. LaRouche, Jr.

Founder and contributing editor, *Executive Intelligence Review*; candidate for the Democratic Party nomination for the U.S. presidency. His statement, "A great civil rights hero dies," was written on Dec. 20.

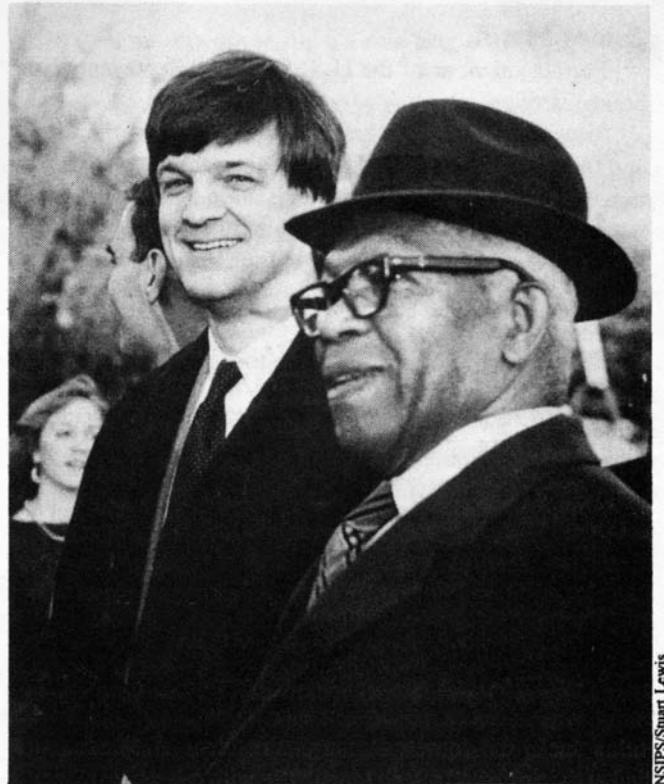
"I was stricken with grief to be informed of the death of my dear friend and collaborator, former Manhattan Borough President Hulan Jack, last night.

"My grief is beyond words, a sense of loss as deep as I have not experienced since the assassination of the beloved Prime Minister Indira Gandhi.

"Hulan Jack was the first black American to be elected to major office in the United States since Reconstruction. He was a leader of the civil rights movement, and also a victim of those greedy New York financial interests who saw him as an obstacle to their profits at the expense of the people of New York City. I have been privileged to work arm-in-arm with this great man since our first meeting during the New Hampshire presidential primary campaign of 1980. He was a founder of the National Democratic Policy Committee we both participated in establishing during the closing hours of the 1980 Democratic National Convention. He was for us, 'Mr. Democrat,' whose advice usually prevailed in discussions of policy among NDPC leaders. During recent years, he demonstrated repeatedly that the same qualities which had made him a leading figure of the Democratic Party, were also the qualities of an international leader. We saw this at conferences in Rome, in work with leading figures of South America, and in his leading role in our common efforts to bring justice to black Africa.

"He was a man, stricken with the painful illness which killed him after several years of a brave fight, who rose repeatedly from his sickbed, to give inspiring leadership with that beautiful resonant voice of his.

"He lived to the last as a man should live. He lived in



Hulan Jack (right), shown here with Uwe Friesecke, at a demonstration in November 1983 demanding urgent food aid for Africa.

such a manner, that his having lived is now a necessary part of whatever good is afforded to present and future generations, both within the United States and in the world more generally. He was also a devout Catholic, so that Catholics throughout the world may rejoice with just pride that such a man has lived.

"At this time, I can but extend my love to his family, to those of my friends who loved him more or less as much as did my dear friend Dennis Speed, and to that doctor to whom I have so deep a gratitude, that he gave so much of himself in service of our beloved Hulan's fight for the sacredness of his often pain-wracked, few continued months of life. I rejoice, that Hulan knew we loved him deeply. Let us weep and rejoice together; he was a great, eminently lovable man. I pledge that I shall not fail in the mission which he entrusted to me."

Milton Croom

Former chairman of Peace Through Strength, North Carolina; recent candidate for Democratic U.S. Senate nomination.

"I met Hulan Jack on several occasions. I was highly impressed by his accomplishments, patriotism, support for a strong national defense, including the SDI. He was a real patriot, a real human being whose vision and accomplishment were an inspiration for all people."

James Mann

Former member of the U.S. House of Representatives, South Carolina.

"I would like to express my condolences to the family and friends of Hulan Jack. I had the opportunity to work with him on Capitol Hill promoting legislation fighting drugs and money laundering. The country has suffered a great loss. Hulan Jack never stopped his fight for a better society."

Mrs. Enolia McMillen

National President, National Association for the Advancement of Colored People (NAACP).

"Hulan Jack was one of the first black leaders elected to high office as Manhattan Borough President. He served with distinction, and was an inspiration to many who had been shut out by the political system. He was a true fighter for social justice."

Clarence Davis

Maryland State Delegate.

"Hulan was one of the great leaders, and an inspiration to young people who are now in politics. He was a great man, and I was fortunate to be able to work with him on a number of occasions. He will be missed by us all."

Rev. Wade Watts

Past president, Oklahoma State NAACP.

"If there was one man whose life I would pattern my life after, it would be the life of Hulan Jack. . . ."

Fred Huenefeld

President, National Organization of Raw Materials; Member, Louisiana Democratic Party State Executive Committee.

"I was grieved to hear of the passing of my friend Hulan Jack, who once came to Monroe and joined me in the battle for a more perfect world. He was a man who laid a challenge to people to do what was right, based on principles of natural law. I join with others continuing the battle to defend our Western civilization, which Hulan loved and cherished, and battled to his last breath, to make this world better for all mankind."

Amelia Boynton Robinson

Civil rights leader, Tuskegee Institute, Alabama.

"Hulan has been an asset to people. He has opened doors which have been closed for the poor, the underprivileged, and people of all walks of life. He has been able to implant in others the idea of Democracy in its fullness. Let us rejoice for he will live forever."

Gordon Walgren

Former majority leader, Washington State Senate.

"My acquaintance with Hulan Jack was, unfortunately, limited to one meeting a few years ago. Yet, I knew him to

be a dedicated citizen and public servant; dedicated to New York City and to the United States.

"He was a champion for the ideas he embraced, and willing to step out in front for causes that sometimes were not popular. His willingness to commit himself wholly to his ideas, is, and will be, of lasting benefit to us all.

"I am always sorry to see a good leader, who has contributed greatly to his people and nation, pass on. With Hulan, whom I knew, the sorrow is more personal.

"I know the legacy which he leaves to all his friends, and which embodied his character, is that perseverance in pursuit of one's principles will eventually result in victory."

Juan Rebaza

President of the Board of Pesca Peru, the Peruvian state sector fishing industry.

"His exemplary conduct in the battle against drugs, and his unequalled effort to aid the development of Africa and Ibero-America, will always be remembered by the people of Peru, and we will always continue until we have eradicated these evils which threaten humanity.

"Now with greater impetus, we must follow his example."

Josmell Muñoz

Senator of the Republic of Peru.

"Let me say that his life in the service of humanity, comforts and inspires us in this hour of deep sorrow, and calls upon us to follow his example in the war against drugs, against violation of human rights, and in favor of development, and in search for happiness for all humanity. We Peruvians will remain firmly resolved to follow his good teachings."

Patricio Estévez Nenninger

Local Deputy, the State of Sonora, Mexico.

"From Mexico, we deeply grieve the death of Hulan Jack, whom with his dedication to and passion for the inalienable rights of man, ennobled the people of the United States, in particular, regarding the civil rights of minorities. His participation in the democratic movement inspired by Lyndon H. LaRouche, offers hope to all those of us who live south of the border. I am sure that his death will spur on many other Hulan Jacks to take his place."

Jacques Cheminade

Secretary General, European Labor Party of France; president of Schiller Institute, France.

"I once had the opportunity to rejoice in both my heart and mind on hearing one of Hulan Jack's impassioned speeches.

"When, now, I sometimes despair of the moral quality of leadership in America, then, it is his voice that I hear again, and again, as a promise of a better and brighter future."

'A special kind of moral authority'

West German political figure Uwe Friesecke is a long-standing associate of Helga Zepp-LaRouche and Lyndon LaRouche. Since the early 1980s he has worked intensively on the problems of fighting genocide and for the industrial development of the African continent, leading this work in the Club of Life which was founded in 1982, and later in the context of the Schiller Institute.

Mr. Friesecke is also an expert on agricultural problems, both within West Germany and internationally. He was present in September 1984 when the germ of the "Inalienable Rights" movement began during Hulan Jack's visit to West Germany; this later became the Declaration of the Inalienable Rights of Man and the theme of a global sequel to the U.S. civil rights movement.

He was interviewed by Nora Hamerman on Jan. 6.

EIR: How did you come to know Hulan Jack?

Friesecke: I knew Hulan from various meetings since he helped initiate the National Democratic Policy Committee (NDPC) in August 1980. But the most lasting experience in my collaboration with Hulan Jack was an event we gave jointly in January 1983 in Houston, Texas. I had just returned from a trip to Colombia and Mexico promoting the idea of the New World Economic Order. That evening in Houston, Hulan and I were the guest speakers at a meeting of about 100 members and supporters of the NDPC. What impressed me then and what I would experience numerous times afterwards was the absolutely unchallengeable authority with which Hulan would speak about American politics. He laid out the principles of the American dream in a way which I have not heard since from anybody else. The idea of freedom and of government "by the people, for the people" was represented by Hulan in person. In that, he transmitted the full authority of the struggle of his life and everybody in the audience was stunned and deeply moved. For me, that evening marked the beginning of a very fruitful collaboration with Hulan during which I think I understood the ideals of the American civil rights movement in a very fundamental way.

EIR: What was Hulan Jack's role in the formation of the Inalienable Rights movement?

Friesecke: Hulan would always call people to arms for the cause of the Inalienable Rights of Man. Wherever he spoke, he would mobilize people for that moral task. Hulan gave this movement a special kind of convincing authority. After Hulan spoke, there was no room anymore for silly arguments. He always forced people to face up to the moral task of furthering the happiness of mankind in a very direct and concrete way. Hulan gave the movement a special kind of authority, that of the most noble aspects of the American civil rights movement of the 1950s and 1960s. At the same time, I think he always reminded his fellow Americans of their noble experiment. Hulan Jack contributed a lot to the credibility of that movement inside and outside the United States.

EIR: What did you think was the most important aspect of Mr. Jack's trip to Europe in 1984?

Friesecke: There were three aspects to his trip to Europe. He first of all brought a very powerful message from American citizens to West Germany that they would not allow the withdrawal of American troops from Europe in face of an all-out Soviet assault on the freedom of Western Europe. Hulan demonstrated that commitment of American guarantees for West Germany's freedom during his visit to the wall in Berlin. He assured the people of Germany as a representative of the American people at a critical time when voices in the American government and establishment increasingly were calling for the decoupling of Europe from the United States.

Secondly, Hulan visited the Vatican in Rome and explained the principles and aims of the Schiller Institute to them. Thirdly, he met more than a dozen African diplomats and discussed at length the principles of the New World Economic Order. Hulan was totally committed to finding a way to end the starvation catastrophe in Africa. And I think he was more than anybody deeply angered and frustrated that the official institutions such as the United Nations and Western governments would not pick up on the Schiller Institute/Club of Life proposal for emergency action to save Africa. Hulan was always met with the greatest respect by those African diplomats, and he helped establish significant channels of discussions with African governments for the Schiller Institute.

EIR: Mr. Jack was involved in an attempt to intervene, in 1986, into South Africa. Can you describe that?

Friesecke: In February '86 Hulan held a meeting with two ministers of Chief Minister Buthelezi's government from Kwazulu, who were guests of the Schiller Institute in Washington. As a result of that meeting, Hulan initiated discussion among a number of American political circles for a constructive approach to the problem of overcoming apartheid in South Africa, but at the same time not destroying the nation in the process. This work is going on.

Words of an American statesman: excerpts from Hulan Jack's writings

The following citations were selected by Dennis Speed from Mr. Jack's many published speeches and writings since 1980. Mr. Jack was a stirring orator in the old style, who, despite his illness, kept up a strenuous public-speaking schedule in the last years of his life.

On Lyndon LaRouche

From 50 Years a Democrat, by Hulan E. Jack (1982), pp. 201, 204-205:

. . . In February 1980 I was invited and accepted an opportunity to meet Lyndon LaRouche in New Hampshire, where he was campaigning full time in the nation's first primary. I spent over three hours with this knowledgeable personality in his home. We discussed every issue of importance to the American people, covering all of the topics that Mr. LaRouche had placed at the head of his agenda for the campaign. . . .

. . . Lyndon LaRouche had the distinction of being the only Democratic presidential candidate to put forward a concise platform in favor of the increase of industrial productivity through cheap credit, nuclear fission and fusion power development, price parity for the American farmer, increased training and educational opportunities for our youth, a decent standard of living for our senior citizens, and the expansion of the housing stock in which our new families would be raised through a lowering of interest rates and a revitalization of the building trades industry. . . .

. . . On the basis of my discussions with Lyndon LaRouche in New Hampshire, I made the decision to lend my support to his campaign for the White House. On the evening of August 25, 1980, I appeared on national television during a LaRouche campaign address to the American people and endorsed Lyndon H. LaRouche, Jr. for the Democratic Party's presidential nomination.

My collaboration with the LaRouche campaign gave a tremendous impetus to my effort to bring the plight of the African continent to the attention of our national leaders and to the voters, an effort which up until that time I had carried out largely on an individual basis. . . .

On Africa

From Save Africa from Volcker's Genocide, by the Committee for a New Africa Policy (1981):

The Committee for a New Africa Policy is the product of a campaign begun during the 1980 Democratic presidential primaries, and promoted at the August National Democratic Convention. This campaign was initiated by Lyndon H. LaRouche, Jr., the only Democratic presidential candidate who demonstrated a true spirit of concern for the more than 10 million human beings dying of starvation in Zaire and the countless millions who are threatened with death by starvation in the near future on the continent of Africa. . . .

It is for us, the United States, to open up avenues of long-term credit to the nations of Africa and the Third World at preferential interest rates. We must clearly distinguish our national policies for trade and transfer of advanced technologies from the policies of such agencies as the International Monetary Fund, which sets economic austerity "conditionalities" that cannot be met by the developing nations. It is credit for industrial expansion, used to emulate the "American System" of producing food, commodities, and services of the greatest quantity and best quality possible, that these countries need. We should be generous enough to extend these capabilities to them, so that they may make themselves great and independent, as America made itself great and independent 200 years ago. . . .

On Europe and the Western Alliance

From Schiller Institute Proceedings, Third International Conference (1984), page 12:

The Schiller Institute speaks through its official body that there will be no decoupling of the United States from West Germany, or of the United States from Europe. Our nation's very existence was due to the influence of the greatest ideas of European civilization. No matter how hard Henry Kissinger tries, even he cannot make the rest of the world hate the achievements of European civilization. Henry Kissinger is living in the twilight of his misguided loyalty to the British

Empire. He has shamelessly sought to sell himself to the Soviet Union as the agent of influence who can convince President Ronald Reagan to walk away from his commitment to space defense and leave Europe up for grabs. The Schiller Institute executive board says in no uncertain terms to Europe: "America shall not abandon you."

On Alan García

From St. Augustine, Father of African and European Civilization, by the Schiller Institute (1985), page 78:

. . . When Alan García, President of Peru, arrived in the United States in September to appear before the United Nations, it was a day hailed by the Schiller Institute. As his entourage rode up First Avenue to the entrance of the United Nations, President García was greeted by a cheering Schiller Institute rally of just under one thousand people.

I could visualize at that moment Lyndon LaRouche beaming with pride, for his dream, called Operation Juárez, his program to unite Ibero-America, was implicit in the program of economic controls against the International Monetary Fund, which President García, with dignity and clarity, hurled from the rostrum of the United Nations that afternoon.

In a ringing voice he declared, "We will not be massacred by the International Monetary Fund. We will not pay you what you demand as our debt obligation. We, the nation of Peru, will dictate the terms."

Many of the other Ibero-American nations now contemplate joining Peru in this revolt, and the International Monetary Fund is now perplexed, while Henry Kissinger, that master plotter against the Third World, has lost much of his luster. . . .

On protectionism

From Rescue the Western Alliance! by the Schiller Institute (1984), page 331:

Let us think positively of West Germany's substantial contribution to the onward march of technology and development worldwide. It is the austerity of the International Monetary Fund which is destroying Western Europe's export markets in the developing sector, and is plunging all of our European allies into the arms of the Soviet Union in search of new trading partners.

Consider Russia's ultimate goal as you ponder this problem. Jealous of America's superior productive capacity, recognizing our achievements in high technology, unhappy with the growth since World War II, Moscow directs its efforts toward splitting us from our first and most important allies, the nations of Western Europe. The Russians are now engaged in a strenuous attempt to intimidate West Germany and France on issues of trade and strategic defense, and the present policies of the U.S. Administration toward our European allies are aiding Moscow's campaign of intimidation.

We must say, together with our European allies: "Russia, your unquenchable greed, unless contained, will condemn you to your own destruction in the community of nations." The Schiller Institute has pledged that American congressional capitulation to your designs, will meet with obstinate defeat by the vast majority of the voters of the great land of America. And the citizenry of America will join with that of the nations of Western Europe to hold intact our historic alliance, built on a centuries-old republican principle, as a model and inspiration for all peoples of the world. . . .

On the Catholic Church

From St. Augustine, Father of African and European Civilization, by the Schiller Institute (1985), page 76:

Helga LaRouche and the Schiller Institute have sought to offer to mankind the same sort of courageous leadership, under the banner of the Inalienable Rights of Man, that was offered by the great architects of the Italian Renaissance and by the fathers of the Roman Catholic Church 2,000 years ago.

Let me take this opportunity to salute the work of Pope John Paul II in his crusade against the injustices of our time, and may we pray that God will grant him the vision, courage, and determination to continue to act to free mankind from the horrors of poverty and injustice.

Today, as we meet in international conclave, we offer up thanks to God, that the continent of Africa produced a religious son, St. Augustine, who was converted to Christianity in the fourth century by St. Ambrose. Working incessantly with his associates, St. Augustine struggled to develop and defend the early Church against the plethora of gnostic cults pervading the crumbling Roman Empire. St. Augustine's conception of Man made in the image of God, won him victory over the cults, which counterposed to this idea a bestial conception of man. St. Augustine's conception of man, as embodied in the *Filioque* doctrine, that the Son of God is as Divine as is God the Father, defines the common basis for European and African culture. . . .

On voting

From 50 Years a Democrat, by Hulan E. Jack (1982), Foreword:

. . . I offer you my hand in friendship, and I accept yours in return. I accept your pledge to face the serious situation in which our nation finds itself today with courage and sobriety. Together, we will educate each other and our fellow voters. We will once again establish the institution of universal suffrage and the ballot box as a means to bring forward as our elected leaders men and women with the depth of knowledge, experience, and understanding necessary to rescue America from its current perils and restore our nation to greatness once again.

Irangate gambits wrecking Mossad's Fifth Column

by Webster G. Tarpley

At the outset of the New Year, a series of explosive turns in the Irangate scandal have once more focused attention on the unique instigating, initiating, and mediating role of the Israeli Mossad in U.S. arms shipments to Iran. The new revelations strike at the guts of the so-called U.S.-Israeli "special relationship," that outrageous, and often treasonous, subservience of official Washington to Tel Aviv machinations which has been the hallmark of Kissinger-Brzezinski-Trilateral management of U.S. foreign affairs. With 1987 just getting under way, the Mossad agents of influence have suffered a series of signal reverses.

A look at how the Israeli tail wags the U.S. dog was provided at the White House morning briefing session of Jan. 9, with the distribution of photocopies of a top secret "action memorandum" to President Reagan that had been dictated at Israeli behest on Jan. 17, 1986, by the then NSC chief, Adm. John Poindexter, to Col. Oliver North, and then presented orally to the President at a meeting also attended by Vice-President Bush, White House Chief of Staff Don Regan, and the late Don Fortier, also an NSC official. This memorandum and an accompanying "Finding" dated that same day and signed by the President were released by the White House in response to the televising of parts of the Senate Intelligence Committee's report on Irangate.

The Poindexter memorandum shows the "special relationship" at work, and underlines that Poindexter, North, and other NSC officials like Howard Teicher had been functioning as a virtual Mossad cell. In reading the following excerpts from the memo, one seems to hear the satanic laughter of Mossad controllers like the infamous "Dirty" Rafi Eytan as they play the government of the United States of America like the proverbial yo-yo: "Prime Minister Peres of Israel secretly dispatched his special adviser on terrorism [probably

Amiran Nir—WGT] with instructions to propose a plan by which Israel, with limited assistance from the U.S., can create conditions to help bring about a more moderate government in Iran. The Israelis are very concerned that Iran's deteriorating position in the war with Iraq, the potential for further radicalization in Iran, and the possibility of enhanced Soviet influence in the Gulf all pose significant threats to the security of Israel. They believe it is essential that they act to at least preserve a balance of power in the region.

"The Israeli plan is premised on the assumption that moderate elements in Iran can come to power if these factions demonstrate their credibility in defending Iran against Iraq and in deterring Soviet intervention. To achieve the strategic goal of a more moderate Iranian government, the Israelis are prepared to unilaterally commence selling military material to Western-oriented Iranian factions. It is their belief that by so doing they can achieve a heretofore unobtainable penetration of the Iranian governing hierarchy. . . ."

The memo then suggests that the arms shipments be kept secret from Congress, citing a previous opinion of former Attorney General William French Smith to argue that a Presidential Finding would make it possible for the CIA to ship 4,000 TOW missiles for launchers already in the hands of the Iranians.

Media coverage of this memo has fixated on the issue of the President's explicitly exchanging arms for hostages, a matter that has long been obvious to any observer. But it should be stressed that in the memo the hostage question is a sweetener added as an afterthought following the long string of considerations premised explicitly on Israeli national security interest. The point is to elicit U.S. aid for our deadly enemy, Iran.

The memo reminds the President that while Defense Sec-

retary Weinberger and Secretary of State Shultz are opposed to this plan, Attorney General Meese and CIA Director Casey are for it. The CIA is frequently mentioned as the lead agency in transferring the arms. The conclusions to be drawn on Casey are clear enough.

The entire memo is a tissue of lies, since the moderate anti-Soviet mullahs never existed, and the Israeli and U.S. shipments of war materiel to Iran had started under the Carter administration. Poindexter was simply repeating Mossad lies to the President. These lies served the Ariel Sharon policy of supporting the Khomeini regime for reasons of geopolitics, hostility to Arab states, and out of a deep ideological affinity for what Khomeini and his associates represent. The Mossad resold the President that policy.

In addition to dictating such suicidal policies to the White House, the Mossad is also engaged in direct espionage against this country. This has been demonstrated in the case of Jonathan Jay Pollard and his wife, who have been convicted of spying for Israel, specifically for Dirty Rafi Eytan of the Sharon faction of the Mossad, and who are now awaiting sentencing. U.S. prosecutors, led by Joseph E. DiGenova, have forwarded sentencing memoranda for both Pollards to the federal bench, urging the judge to throw the book at both defendants. The sentencing memoranda stress that the Pollards provided Israel with thousands of classified U.S. documents, more than 800 of them top secret, with many documents running into hundreds of pages. Of these, the Israeli government has returned copies of a mere 163.

Pollard, who worked at the Navy's Anti-Terrorist Alert Center, was told by the Mossad to concentrate on obtaining material on U.S. weapons systems as well as cable traffic regarding U.S. ships, aircraft stations, tactics, and training operations, plus analysis of Soviet missile systems. Pollard's controllers were adamant that they had no interest whatsoever in classified U.S. intelligence on terrorism. The sentencing memoranda point out that the Soviet intelligence sold by the sybaritic Pollards to the Mossad could "reveal much about the way the United States collects information, including information from human sources whose identity could be inferred by a reasonably competent intelligence analyst." It goes without saying that some secrets Pollard stole were traded by Sharon to his Soviet partners, compromising U.S. security and wiping out U.S. intelligence networks in the Soviet bloc.

Sources close to the ongoing investigation suggest that the government will seek to revoke immunity and indict the Pollards' Israeli co-conspirators, including covert operations specialist Eytan, Israeli Air Force Gen. Aviem Sella (who led the Israeli strike on the Iraqi nuclear reactor in 1981, and who was promoted for his role in the Pollard affair), Joseph Yagur of the Israeli consulate in New York, and Irit Erb, a secretary at the Israeli embassy in Washington. Pollard has shown no contrition for his spying for "the Brothers," Rafi, Avi, Yossi, and Uzi. In an interview with Wolf Blitzer of the

Jerusalem Post of last Nov. 21, he says, "I feel the same way one of Israel's pilots would feel if after he was shot down, nobody made an effort to get him out."

Hashemi revelations at center-stage

On Jan. 6, Edward Spannaus, the Law Editor of *EIR*, appeared at a press conference in this magazine's Washington offices to announce his delivery to Special Prosecutor Lawrence Walsh of a memorandum detailing the Department of Justice-FBI role in the cover-up of Iran arms shipments over many years, especially in regard to the case of the late Cyrus Hashemi. On that same day, some of the "major media" offered belated confirmation of what the *EIR* had revealed years before about Hashemi. In the New York case of Israeli General Bar-Am on charges of running guns to Iran, lawyers for co-defendant Samuel Evans are reportedly prepared to argue that Lloyd Cutler, the legal counsel of the Carter White House, and Assistant Secretary of State Harold Saunders authorized secret U.S. arms shipments to Iran during the 1979-81 hostage crisis, and that these shipments were mediated by Hashemi. In court papers, the Evans defense describes a July 1985 meeting to discuss arms smuggling to Iran attended by the then Israeli Prime Minister Shimon Peres, Saudi magnate Adnan Kashoggi, and Cyrus Hashemi.

As for Special Prosecutor Walsh, he spent the week of Jan. 5 recruiting a staff, several of whom come from the office of U.S. Attorney Rudolph Giuliani in New York, and setting up his Washington and New York offices. Walsh met with Stephen Trott and William Weld, both of them deeply incriminated in the Department of Justice Irangate cover-up, to take over virtually all of the ongoing investigations on the affair. "At the moment, I have them all," said Walsh after the meeting. Walsh overruled resistance by Justice as he assumed control of a Miami probe into drug smuggling by the Nicaraguan Contras. One witness had seen bags of cocaine loaded on board a plane owned by Ted Shackley's Southern Air Transport on a Colombian airstrip, and the plane turned out to be the same one shot down in Nicaragua on Oct. 5 with Eugene Hasenfus among the crew. Walsh also took over the internal Justice examination of Stephen Trott's stalling of an FBI inquiry into Southern Air Transport. Trott is described by Justice Department insiders as being "in deep trouble." Weld is awaiting with some trepidation the testimony of U.S. Ambassador to Switzerland Faith Whittlesey, a pal of North for whom Weld covered.

The House and Senate set up their select Irangate committees the week of Jan. 5, with instructions to report by the end of October at the latest. Sen. Daniel Inouye (D-Ha.), the chairman of the Senate panel, says he wants to arrange testimony by the heads of foreign governments, including Israel. The Pentagon is souring on Israel's Lavi jet, which had been touted as a trapping of "superpower" status, and in which the United States had sunk a cool billion. The day of reckoning for the Mossad's U.S. caper is approaching.

Kissinger Watch by M.T. Upharsin

Not another China card!

Henry Kissinger and his friends would do well to remember what the Chinese themselves undoubtedly have not forgotten, that the 19th-century "China traders" did that country great evil. Some of the punishments inflicted by outraged Chinese upon traders and missionaries who actively promoted the "free trade" policies that brought the opium plague to China were hideous—but then, so was the opium trade.

China has been fighting internally for almost 150 years about how to open to the West. The conflict has taken a heavy toll. One big reason for the problem is that the Chinese have consistently been met with some of the nastiest creatures the West has produced during that time. The fact that Henry Kissinger appears to be plumping himself up to get in on the China circuit once again, will do China no good.

Kissinger began his current round on the China trade circuit by addressing the 20th anniversary celebration of the National Committee on U.S.-China Relations in New York Nov. 18. He proclaimed that the prosperity, territorial integrity, and independence of China is as important to the United States as the territorial integrity and independence of any nation in Europe. Of course, Kissinger and his "New Yalta" crowd are very willing to sacrifice the integrity and independence of Europe to the Soviet Empire-builders.

Kissinger spoke for 30 minutes to about 400 former U.S. government officials and dignitaries, at this gala at the Waldorf Astoria in New York City,

the *China Daily* reported Nov. 22. The committee is the latter-day organization of the Boston families that grew rich shipping opium to China, the "Old Families," as a Canadian public-relations executive in Peking called them, which controlled all relations with China up to—and through—the Cultural Revolution. Its membership includes Robert McNamara, Armand Hammer, Cyrus Vance, Adlai Stevenson, and Paul Warnke, a who's who of Soviet appeasers.

Two other leaders of this group are David Rockefeller, Jr., a past business partner in Asia ventures with William Weld, crime-linked head of the Criminal Division of the U.S. Justice Department; and Harvard China expert Jerome Cohen, a sidekick of Weld and adviser on China affairs to Kissinger. Cohen, who spent 1978-81 in China, loves to convey the legendary—and always disastrous—"China market." He was a key speaker at a Dec. 1-2 conference in Paris, on "Reassessing the China Market," at which he described his special talent for writing watertight business contracts, protected against any new Chinese laws that might make things difficult for the foreign investor.

Some in the national committee crew would love to be on the inside of a new global Chinese-Soviet deal. Also in early December, soon after Henry's speech, committee bigshot Armand Hammer was in China, and then flew to the Soviet Union for meetings with the Soviet leadership. A source usually reliable on such matters, told *Kissinger Watch* that Hammer was trying to be "the mediator of a global Chinese-Soviet deal," in which he would make a financial killing in bilateral coal, and other, deals.

"Our relationship with China has always been more complex than our relationship with, say, Europe," Kis-

singer said at the Waldorf. He praised the economic reform program led by Deng Xiaoping. "The Chinese people will again, as they always have, set an example," for other countries, especially developing countries, "of how the aspirations for development and the aspirations for social justice can be combined," he said.

In China itself, the terrible disaster of the Cultural Revolution launched by Mao Zedong, is now officially known as the "decade of chaos."

Directly to the people

Early in this year, some of the 200 million Chinese television viewers will see Kissinger presenting his economic expertise. Kissinger proclaimed that the Chinese economic model is an unprecedented experiment, in his interview with Doris Wan Cheng, producer of the "Global View" TV series, from his office in Manhattan Nov. 27. "The Global View" is a Sino-U.S. cooperative television series introducing to Chinese audiences "the development strategy and management experience of advanced American Enterprises," the *China Daily* reported Nov. 29.

A new Sino-U.S. friendship organization will soon be established, Kissinger said at the graduation of the 33 Chinese students from an MBA program at New York State University in Buffalo, as the *China Daily* reported Dec. 20. But by Kissinger's own confession, this looks to be another one of those "Has-Been" organizations that plague world affairs. The committee, for which Cyrus Vance helped draft the proposal, will include former U.S. Presidents and secretaries of state, Kissinger said. Considering what's available in those categories, once again, it seems the Chinese are getting a bum deal.

Speakes urges press to read *EIR*

In the midst of an intense factional struggle within the Reagan administration, between those committed to cleaning out those responsible for the Iran/Contra scandal and those who want to simply cover it over, White House press spokesman Larry Speakes on Jan. 6 advised the entire White House press corps, ABC loudmouth Sam Donaldson included, to read *Executive Intelligence Review* for the truth on the subject.

His statement came in the context of a situation in which political organizers promoting *EIR* organize almost daily in front of the White House, with signs calling for the resignation of White House Chief of Staff Don Regan, in particular. *EIR*'s exposés of the Justice Department's role in covering up the gun-running activities of the late Iranian arms merchant Cyrus Hashemi, have received wide circulation.

Speakes was giving the regular noon press briefing at the White House. I asked him, "What comment do you have, Larry, on the fact that it has at last broken into the so-called major press—the *New York Times*, the *Washington Post*, and *Baltimore Sun* in greatest detail—today that the Carter administration had approved illegal arms shipments to Iran in 1980, when 44 U.S. hostages were being held?"

Speakes replied, "Interesting! That it would now show up those other papers. It has been alluded to, but not in

minute detail."

I responded, "Some of us have reported on it extensively for many years."

Speakes replied, "That's right. Better read Nick's publication!"

Administration fumbles on budget

The Reagan budget proposal was released for the 1988 fiscal year on Jan. 5. The \$1.024 trillion monstrosity is so riddled with lies, false assumptions, and murderous implications that even the administration's top economic spokesmen were exposed as evasive liars, during a series of major press briefings held around town to lay out different components of the budget.

Three cases, that had most all of the press shaking their heads, stood out:

'What protectionism?'

Treasury Secretary James Baker III introduced the budget by giving a rosy economic picture for this year, and warned against "raising the flag of protectionism" to overcome the record trade deficit, which is the key to the projected economic growth for 1987.

He was asked how this squared with the fact that the United States had just taken protectionist measures against its European allies.

Baker replied that the moves to place prohibitive duties on \$400 million in European Community goods were "not protectionism."

Debt crisis ignored

Office of Management and Budget Director James Miller also painted a glowing picture of future economic growth based on the lying assertion in the budget that it reduces the deficit to \$108 billion, within Gramm-Rudman

guidelines. He noted that one new source of revenue of the government would be the selling of both old and new debt.

I asked him about the catastrophic debt and banking situation, with 145 failures in 1986, and the shift from industry to a "service-oriented economy."

Miller categorically refused to answer the question. "That's not a question. That's a thesis topic," he said. "It would take too long, I can't answer it here."

AIDS? 'No comment!'

Assistant Secretary for Health and Human Services S. Anthony McCann delivered a statement by HHS Secretary Otis Bowen, who was out of town. HHS has the largest budget, almost \$400 billion, of any agency of the government, half of which is Social Security.

In its proposed budget for FY88, the administration proposed a paltry \$118 million increase in funding for AIDS research, and proposed to cut \$7 billion from Medicare and \$1.6 billion from Medicaid.

When I asked McCann how the small increase in the AIDS figure was arrived at, "given that by 1991 as many people will be dying annually in the United States from AIDS as died in the entire Vietnam war, and given that there are 4 million infectious people walking around right now," McCann, instead of answering the question, demanded to know who I was.

Later, I asked him if he could state categorically that the cost-saving method used to cut Medicare expenses (called "prospective pay") does not reduce the quality of care to Medicare patients. Rather than try to defend the murderous policy, he simply blurted out, "I am not a physician, so I am not qualified to answer that question."

Wright stresses economic issues, offers bipartisanship

Members of the 100th Congress met on Jan. 6 and were sworn into office. The House elected Rep. James C. Wright, a Democrat from Texas, as the new Speaker replacing the retiring Thomas "Tip" O'Neill, potentially the most significant change in the new Congress.

Among the first order of business in both houses is the creation of select committees to probe the Iran/Contra scandal, passage of the clean water bill, trade legislation, and, as always, consideration of the budget.

In his acceptance speech as Speaker, Wright focused on the economic crises facing the nation, and offered congressional cooperation to the President.

"We enter the third century with serious problems," Wright said. "In the past six years, this government has doubled the national debt. . . . Unless we make dramatic changes, the public's debt will triple in the short span of this one decade."

Wright continued: "We have witnessed the growth of a staggering trade deficit," which is "closing our factories, drying up American jobs, eroding our industrial base, [and] making us dangerously dependent upon foreign countries." "Just four years ago," he added, "we were the world's largest creditor Nation. Today we are the world's largest debtor Nation." Wright also cited the "plight of the family farm, the state of America's banking and credit systems, the need to rehabilitate our aging public infrastructure, [and] our still unsatisfied thirst for true excellence in public education. . . ."

The "unaccustomed phenomenon" we now face, Wright said, is that

Americans today are not doing as well as their parents, that it is more difficult to buy a car or a home. "We are not ready to accept downward mobility. Our future is not behind us."

Wright offered Reagan bipartisan cooperation: "[We] seek not confrontation, but cooperation. . . . Just as the nation does not want an imperial presidency, neither does it want or need an enfeebled presidency. It deserves a Congress that is thoughtful, helpful, creative. We present ourselves to the President not as a rival center of power . . . but as a full and equal partner."

Wright cited legislation "designed to combat terrorism and deadly drugs" as examples of bipartisan cooperation. He obviously hopes it will extend into efforts to revitalize the economy.

Clean water bill on the fast track

The Water Quality Act of 1987, reintroduced in the new 100th Congress, is headed for quick passage in both House and Senate with enough support to override any presidential veto.

This clean water bill, which appropriates \$18 billion for, mainly, construction grants for new sewage treatment facilities, passed both houses of the 99th Congress unanimously before being pocket vetoed by President Reagan after the Congress adjourned. On Jan. 8, the House again passed the measure by a vote of 406 to 8.

In the Senate, Quentin Burdick (D-N.D.) the new chairman of the Environment and Public Works Committee, introduced S. 1 with over 70 cosponsors. Minority Leader Robert Dole has introduced a cheaper, \$12-billion substitute on behalf of the administra-

tion, but this has so little support that such Reagan stalwarts as Strom Thurmond (R-S.C.), and Steve Symms (R-Idaho) are backing the \$18 billion version.

Dodd moves to cut off Contra funding

Christopher Dodd (D-Conn.), the new chairman of the Senate Foreign Relations Western Hemisphere subcommittee, introduced S. 184 on Jan. 6, the most far-reaching of several bills introduced in the new Congress to end aid to the Contras.

The bill, upon Senate passage, would cut off all military and humanitarian aid and channel it into relocation and settlement of the Contras, and into the "civilian democratic forces inside Nicaragua."

It would cut off U.S. assistance to any third country that aided the Contras, giving the "Government of Israel or the Government of South Korea" good reason to reject any such administration request, Dodd said.

The bill would also reestablish a \$300 million economic assistance fund for other Central American nations, which had been promised and passed in the 99th Congress.

Dodd said that he had just completed a visit with the leaders of Guatemala, El Salvador, Costa Rica, Honduras, Mexico, and with Daniel Ortega of Nicaragua, and said that the Sandinistas were prepared to enter into agreements banning foreign military bases in the region and placing limitations on the "size and force structures of the military organizations in each of the Central American states."

Dodd, who has been openly sympathetic to the Sandinistas, is expected to take the point in opposition to

the administration's Central American policy. On this basis, House Democrats allowed the even more radical Rep. George Crockett (D-Mich.), who has old ties with the Communist Party USA, to chair the Western Hemisphere subcommittee in the House.

Select committees to probe 'Irangate'

In its first order of business, the Senate on Jan. 6 and the House on Jan. 7 voted 88 to 4, and 416 to 2, respectively, to create special select committees to probe the issues of arms shipments to Iran and diversion of profits to the Contras.

The resolutions authorizing the committees in both houses are broad enough to investigate both the Reagan and Carter administrations. It also authorizes a probe into the role of foreign governments.

The purpose of the select committee is "to conduct an investigation into . . . all matters which have any tendency to reveal the full facts about" the National Security Council, any other department, agency, official or employee of the U.S. government, "any foreign government," or any individual or corporation which were involved in the "direct or indirect sale of arms or . . . provision of materiel, funds, or other assistance to Iran."

Sen. Daniel Inouye (D-Hawaii), who will chair the Senate committee, has already indicated that he will ask officials of Israel to testify. Inouye has already made one private visit to Israel since the scandal broke.

The date that the committee would conclude its inquiry and issue its report was the most partisanly contested point in both houses. Minority Leader Robert Dole (R-Kan.) and other Re-

publicans, fearing that the scandal would continue until the 1988 presidential election year, strenuously fought to end the committee by April 15.

Majority Leader Robert Byrd (D-W. Va.) said that the committee would not be rushed. The Senate said that the committee would finish on or before Aug. 1, but included a provision that could extend the work until Oct. 31. The House committee ends its work on Oct. 31.

The House panel's chairman, Rep. Lee Hamilton (D-Ind.), said: "At this point, [we] simply cannot determine where the trail of evidence might lead. There are a lot of things we don't know . . . and therefore the scope has to be broad enough to take into account where that evidence might lead."

In a related move on Jan. 5, the Senate Intelligence Committee rejected an administration plea and voted 7 to 6 not to release its findings. Sen. William Cohen (R-Me.), who will also sit on the select committee, voted with Democrats who argued that a release of preliminary findings could jeopardize the work of the independent counsel.

Aspin dumped from House Armed Services

In a stunning reversal for the KGB gaggle in Congress, Rep. Les Aspin (D-Wis.) was ousted as chairman of the House Armed Services Committee. The House Democratic Caucus unceremoniously dumped the former McNamara whiz-kid by a razor-close 130-124 vote Jan. 7.

Aspin was reportedly shaken and upset at his unexpected defeat. "We were stunned," wailed Pat Schroeder, an ultraliberal Democrat from Colo-

rado. An Aspin aide, asked by a reporter to confirm reports that he had been "dumped," started shrieking: "Dumped! Dumped! What do you mean, dumped!" The aide paused and then said: "Well, I guess you could say he was dumped."

Earlier in the day, the Democratic Steering and Policy Committee had handily endorsed Aspin and the congressmen's supporters predicted his reappointment. But liberals, who said Aspin had misled them on the MX and Contras, joined conservatives in defeating him.

Controlled by the Center for Strategic and International Studies and the Aspen Institute, Aspin has used his image as a "military thinker" to undermine the Strategic Defense Initiative, cut defense spending, and ready a withdrawal of American troops from Western Europe. His removal from the chairmanship tends to confirm reports received by *EIR* that a factional consensus has been reached in U.S. policy-making circles concerning Moscow's war-winning objectives.

The more conservative Rep. Marvin Leath (D-Tex.), and Rep. Charles Bennett (D-Fla.), have been running a tough campaign to unseat Aspin. Liberal Rep. Nicholas Mavroules (D-Mass.) has also entered the race.

Leath has received the public endorsement of 5 of the 7 Armed Service subcommittee chairmen, plus 12 other committee members. As a "courtesy," the Steering Committee has now voted 16-11 in favor of the senior Bennett, who was narrowly defeated by Aspin in 1984, when Aspin ran a successful coup against longtime Armed Services Committee chairman Mel Price (D-Ill.)

Aspin is frantically trying to call in chits in an attempt to wrest the chairmanship back.

National News

Spannaus exposes Hashemi cover-up

On Jan. 6, Edward Spannaus, law editor of *EIR*, submitted to Independent Counsel Lawrence E. Walsh massive documentation that the Department of Justice and FBI had covered up Iran-Contra gun-running dating back to 1980. Spannaus held a press conference in Washington to report on the contents of the dossier, centering on court documents describing activities surrounding the late gun-dealer Cyrus Hashemi.

Spannaus presented essentially the same documentation at a press conference over a month earlier, on Dec. 3, when he demanded that charges of obstruction of justice be brought against Justice Department officials Stephen Trott, William Weld, and the FBI's Oliver "Buck" Revell.

Spannaus was rewarded for that exposé by a federal warrant for his arrest and that of his colleague, Robert Greenberg, who participated in the same press conference. They were charged with obstruction of justice. The charges stemmed from the giant Oct. 6 police raid on *EIR* and other offices operated by associates of Lyndon H. LaRouche, to whom Spannaus serves as legal adviser.

The two spent 16 days in jail before being granted bail.

This time, however, Spannaus's press conference was being held the same day that important parts of the Hashemi story were breaking in the *New York Times*, *Washington Post*, and *Baltimore Sun*.

U.S. News says it's time to act on AIDS

U.S. News and World Report editor-in-chief Mortimer Zuckerman gave a tentative endorsement to mandatory AIDS screening in the magazine's Jan. 12 issue. Its cover story is devoted to the deadly pandemic.

One week earlier, the magazine (circulation 8 million) had published the results of a poll which showed that 67% of those queried believe that AIDS will become an "extremely urgent" problem in 1987.

The latest editorial, entitled "AIDS: A Crisis Ignored," states: "AIDS may be on the verge of 'breaking out,'" and, says Zuckerman, "There may well be panic. . . . Now . . . is the time for political leadership to form public policy."

Arguing, "We have to go further than education," Zuckerman asserts: "There is a serious case for blood testing to identify carriers of the AIDS virus. . . . What about mandatory testing?"

"Does government responsibility for the public welfare carry with it an obligation to alert the infected and the uninfected populations about the presence of the disease? There is precedence for mandatory testing to detect venereal disease that is nowhere near as deadly as AIDS—for example, to secure marriage licenses.

"Opponents would argue that mandatory testing carries with it Orwellian overtones of government intrusion into an individual's most intimate privacy. So it does. But consider the opposition position: Has anyone a right to a privacy that menaces public health?"

Massachusetts judge doubled welfare payments

A Superior Court judge in Massachusetts has ordered that state to double its welfare payments. In his ruling, the judge stated that nearly doubling welfare benefits would permit recipients to pay their rents and not be counted among the homeless.

Superior Court Judge Charles M. Grabau ordered state Welfare Commissioner Charles Atkins to implement a new "standard of assistance" that would boost benefits for a family of three from the current \$476 a month to as much as \$926 a month, including food stamps.

Last year, Grabau had ruled that the Welfare Commissioner was violating a 1913 state law requiring a standard of assistance generous enough to allow recipients to raise their children in their own homes.

Massachusetts Gov. Michael Dukakis (D), a potential 1988 presidential candidate who boasts of the state's economic progress, said the ruling would be appealed.

According to Massachusetts Senate

Ways and Means Chairman Pat McGovern, (D-Lawrence), there is no way the state can afford the ruling, nor is the ruling binding. "It flies in the face of 300 years of legislative history," he insisted.

Solarz meets with Philippine rebels

Rep. Steven Solarz (D-N.Y.) met secretly with top communist rebel officials on Jan. 4 in the Philippines, U.S. government and Filipino rebel spokesmen both revealed the following day. It is the first known contact between Philippines' communist insurgents and American officials.

Solarz played a spearheading role in the Reagan administration's overthrow of President Ferdinand Marcos in February 1986.

National Democratic Front spokesman Antonio Zumel indicated that Solarz was told during the two-hour meeting that the communists are committed to the removal of strategic U.S. air and naval bases in the Philippines and to armed struggle to take government power. He said that Solarz had requested the meeting, and asked that it be "off the record."

Brzezinski wants new 'policy-shapers'

"The United States needs to change the current shapers of U.S. foreign policy, replacing them with a new machine that gives an impression of renewal and demonstrates the renewed capabilities of the President in steering the country," Zbigniew Brzezinski told the Italian financial weekly *Il Mondo* on Jan. 5. "If this is not done, the alternative is that within six months there will be a change of President in the United States.

"I believe that this eventuality is not to be excluded because of the health condition of the President. . . . The accumulation of different factors could bring the resignation of Ronald Reagan and the naming of George Bush. . . ."

Brzezinski, who as national security adviser to Jimmy Carter was the architect of

the U.S. "Islamic fundamentalist card" policy, says such a change in foreign policy would create the preconditions for a partial arms-control agreement with the Soviets and a more active mediation in the Middle East (modeled on the Kissinger Sinai negotiations). Brzezinski also welcomes the possibility of naming Howard Baker or James Baker as new secretary of state, and he proposes replacing Paul Volcker at the Federal Reserve.

Weinberger: We will deploy the SDI

"SDI should be deployed as soon as research shows its feasibility and its ability to carry out the goals the President has set forth from the beginning," Defense Secretary Caspar Weinberger said Jan. 5.

His statement affirmed that the anti-missile program has made great progress. Speaking at a press conference where he disclosed details of the Pentagon's proposed budgets for fiscal years 1988 and 1989, Weinberger also warned Congress:

"Negative growth in defense funding levels, as experienced in the last few years, will place at risk not only the military improvements achieved with prior-year funding investments, but our future security as well."

U.S. asks heavy jail term for Israeli spy

Prosecutors for the U. S. Justice Department have asked a federal judge to impose a "substantial" jail sentence and a fine on Jonathan Jay Pollard, convicted last year of spying for Israel. "This is a case wherein the facts are so compelling as to warrant the imposition of a substantial period of incarceration and a monetary fine," court papers filed on Jan. 6 stated.

The document detailed Pollard's contacts with Israeli Col. Aviem Sella, who, prosecutors said, recruited Pollard to "exploit, on behalf of Israel, the 'holes' in the U.S. intelligence system."

The prosecutors also told the court that Pollard's initial refusal to cooperate with U.S. authorities had enabled his co-conspirators to escape, that he has "expressed no remorse," and that his actions had done untold damage to U.S. national security.

Byrd says he backs the SDI

New Senate Majority Leader Robert Byrd (D-W. Va.) hinted in a television interview Jan. 4 that the U.S. House of Representatives may be willing to give stronger backing to the Strategic Defense Initiative than it has in the past.

Appearing on ABC's "This Week with David Brinkley," Byrd was asked whether he would support the administration's SDI funding request for fiscal year 1988—62% higher than the amount Congress allocated in the current fiscal year.

"I'm a supporter of the Strategic Defense Initiative," was Byrd's response.

Pressed on how the Pentagon's request for \$500 million in supplemental SDI funds is likely to fare on Capitol Hill, Byrd answered: "I'm for whatever is needed. I'm not saying that we will cut it, or that we won't."

Weinberger hits Congress on defense spending

Secretary of Defense Caspar Weinberger attacked congressional critics of the administration's proposed FY88 defense budget, saying they "haven't even got the slightest idea of what's in it."

"It's kind of an automatic knee-jerk reaction," Weinberger said in an interview on the CBS "Morning News" Jan. 5. "If we had gone in with a 5% reduction, I'm sure there would be those who would say it ought to be 10%."

The administration is seeking a \$312 billion for defense, down \$8 billion from what the administration asked for in the current fiscal year.

Briefly

● **STEPHEN TROTT**, who may face cover-up charges in the Iran-Contra affair, may soon be leaving the Justice Department, according to a report in the *Washington Times* "Insight" magazine. California Gov. George Deukmejian has reportedly offered the embattled assistant attorney general a seat on the California Supreme Court. According to well-placed sources, Trott does not deny that the offer has been made, and does not deny that he is considering accepting the offer.

● **FEDERAL HEALTH** officials have begun testing anonymous blood samples from hospital patients around the country to determine the extent of the spread of AIDS. Dr. Timothy Dondero, chief of the surveillance and evaluation branch of the Centers for Disease Control's AIDS program, said the testing would be done for "statistical purposes only, to get a sense of how much infection there is in the population."

● **MARC TANNENBAUM**, international affairs director of the American Jewish Committee, is blamed by American Jewish leaders for sabotaging John Cardinal O'Connor's trip to the Middle East. Rabbi Tannenbaum leaked to the *New York Times* comments privately made to him by O'Connor, concerning the latter's desire to mediate in the Arab-Israeli conflict. "That led pro-Arab officials in the Vatican Secretariat of State to order the cardinal to cancel his meetings with high Israeli officials" in Jerusalem, says the *Washington Post*.

● **THE BENEDICTINE** Order has expelled 15 of its members in San Francisco because they are dying of AIDS, the West German daily *Bild Zeitung* reported on Jan. 7. The Order has offered to pay their health insurance premiums, however. European Benedictine leaders are reportedly "concerned" about this spread of AIDS within the Order.

Editorial

Stop the Trilaterals' treason

The strict reading of the U.S. Constitution leaves no room for doubt. The present so-called trade policies of the Trilateral Commission are treason against the United States of America. The policies, put together by the associates of David Rockefeller and Henry Kissinger, ought to be denounced as that. Those supporting such policies, including Trade Representative Clayton Yeutter, and U.S. Ambassador to Bonn Richard Burt, ought to be denounced as traitors. Their accomplices and mouthpieces ought to be denounced as the treasonous stooges of the Trilateral Commission that they are.

The constitutional standard for treason is clear, and unambiguous. The crime is identified as "giving aid and comfort to the enemy." On both counts, the Rockefeller-Kissinger combination, with their friends from Cargill and the other members of the food cartel, the policy shapers of the U.S. Department of Agriculture, ought to be put in dock. The Trilaterals' commitment is, within the month of January, to set the United States and its allies in Europe against each other, in bitter economic warfare. They are deliberately driving the European allies of the United States into the hands of the Soviet Union, and collapsing the U.S. economy itself.

This is the same Soviet Union which has declared itself, under the so-called "Ogarkov Plan," to be at war against the United States and the Western Alliance nations, is mobilizing its population and economic resources to fight that war, and is deploying the means of irregular warfare, including terrorism, sabotage, and assassination, as part of the implementation of that general warfighting plan.

If the United States, and the Western Alliance are to survive, the Henry Kissinger Trilateral Commission crowd have to be put in the dock to stand trial for this their treason.

The treason is being implemented under the rhetoric of the stupid "Fortress America" lunacies, which were made notorious by predecessor idiots and incompetents in the 1930s. They claim that the U.S. economy ought

to be protected from unfair trading practices and competition. For Richard Burt, that includes protecting the United States from Western Europe's military production capacity, which is the beneficiary, he told the West German daily *Handelsblatt* Jan. 8, of "unfair government subsidies."

The U.S. economy, industry, and labor force, like those of Europe, do indeed need to be protected. They need to be protected from the usury of the financial institutions associated with the Trilateral Commission and the grain cartel, and from the Malthusian ideologues who inhabit the U.S. Department of Agriculture and the European Commission in Brussels.

This crowd claims that they are protecting U.S. farmers and agriculture, by throwing Western Europe to the Soviet Union. They happen to be the same who set out to destroy productive agriculture in Europe, the United States, and Argentina, to reduce the so-called surplus of world food production, even while whole continents are reduced to starvation. They did so while providing subsidized food exports to the Soviet Union, as per Kissinger's agreements of 1971-72, to underwrite the Soviet war build-up. Now in the United States, they propose a 40% reduction in farm price supports, over the next four years, even while launching their war against Europe to supposedly protect the American farmer.

There is one way, and one way only, to protect U.S. and other farmers, and producers. Reorganize the world monetary system such that the power of the Trilaterals is broken. Go back to the parity system, to establish equitable pricing to cover production costs, and fair profit, in the context of a remodeled monetary system.

Put the heat on every institution, from the Executive Branch and Congress on down. We had enough of the Trilaterals with Jimmy Carter, and his policies. We had enough of their economic policies all together. Their policies are treason. It's time the country and Alliance were organized to make that clear.

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