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in Lebanon**

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Faisal murder on Kissinger*

● **CIA, NATO, West German Intelligence Run  
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*The Takeover of the Voting Machines*

Also:

Rockefeller Insurrection in Washington

What's Behind the Washington Sex Scandals

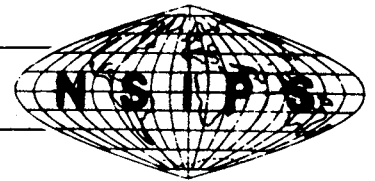
IMF Destabilizes Indonesia

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## *Ford Frustrates Kissinger War Provocations;*

# Rockefeller Escalates Insurrection Against Constitutional Government

June 19 (NSIPS) — In a go-for-broke escalation of their open insurrection against the President of the United States, Vice President Nelson Rockefeller and his Secretary of State Henry Kissinger this week set the stage for a Mayaguez-style show of force in the Mideast, aimed at triggering a thermonuclear war with the Soviet Union. Increasingly frustrated and enraged by the President's repeated moves to reassert constitutional control over the government and defuse the Mideast flashpoint, Rockefeller deployed Attorney General Edward Levi and the National Security Council-Institute for Policy Studies Fabian network in the public and private sector to destroy the U.S. Congress via wholesale sex and corruption scandals and thereby deny Ford the critical leverage required to dismantle the outlaw invisible government.

President Ford and Secretary Kissinger repeatedly crossed swords in public conflict this week as the nation saw one of the sharpest battles fought to date between the constitutional and insurrectionary forces. Kissinger repeatedly threatened to blow up the world in a nuclear Armageddon, in a series of provocative moves beginning with the assassination of U.S. Ambassador to Lebanon Francis Meloy June 16, and continuing up to this moment. At least four times in the following 48 hours, only the personal intervention of the President brought the world back from the brink of total disaster. The President stymied the Kissinger gameplan by refusing to let the assassination of Ambassador Meloy provoke the U.S. into a fatal military intervention into Lebanon; by refusing Kissinger's demand to appoint notorious butcher L. Dean Brown, the architect of the "Black September" massacre of Palestinians in Jordan, as Meloy's successor in Lebanon; by then announcing that any evacuations would be done through unarmed convoys, not military means (June 20 — President Ford early this morning effected an evacuation of U.S. citizens from Lebanon via an unarmed U.S. Navy vessel. The evacuation proceeded without incident); by cancelling a campaign trip to Iowa yesterday to remain in Washington to personally take control of Mideast policy.

Although Ford narrowly succeeded in frustrating Kissinger's war provocations, as long as Kissinger remains the head of the State Department, Rockefeller's invisible government has the potential to out-manuever Ford.

A presidential advisor admitted this week that the only reason Ford has not already sent Kissinger packing is that the President "doesn't want to antagonize anybody" before the November elections. Another source close to the President revealed, "His primary concern is delegates," getting enough delegates to win the GOP nomination before the Republican Convention in August.

The insurrection can and must be stopped once and for all. Four-fifths of the United States population is completely fed

up with Rockefeller and Co. and their pervasive invisible NSC-Institute networks for drugrunning, riots, terrorism, and slave labor. Congress, though frightened, has now been shaken by the realization that the wave of scandals and related blackmail are a part of a conspiracy against the U.S. Constitution.

One of the most powerful unions in the country, the million-member International Brotherhood of Teamsters, under attack from the same NSC-Institute apparatus, has already begun to fight back: at the IBT conventions this week, Teamsters President Frank Fitzsimmons blasted Attorney General Levi and the Justice Department for trying to destroy the Teamsters, and denounced the Institute's Trojan horse in the union, a caucus euphemistically named "PROD," for attempting to wreck the IBT. Rank-and-file Teamsters in the Midwest are approaching the U.S. Labor Party and volunteering, "We've been ordered to work with you." Chicago Mayor Richard Daley in a show of solidarity with anti-Rockefeller forces, addressed the IBT convention in Las Vegas and told the delegates, "The same people who are after you are after me."

These forces, traditional Democrats based in urban machines, conservative Republicans loyal to President Ford, and the working class, have already begun to mobilize to reimpose Constitutional democracy in the United States.

### **Ford Blocks Mideast War**

The murder of U.S. envoy Meloy June 16, as he carried a personal message from Ford to Lebanese President-Elect Sarkis, wrecked what had been a growing consensus in Lebanon and Syria to accept terms for a ceasefire and Syrian withdrawal from Lebanon. By Kissinger design, aided and abetted by NSC-controlled media, the assassination was carefully manipulated in an attempt to suck the President into ordering a U.S. military intervention.

Instead, Ford immediately countered the threat by unequivocally declaring that "a peaceful solution in Lebanon is our continued policy" and that "our goals remain unchanged." As the State Department ominously announced that, though there were no plans for "immediate action," "contingency plans for an evacuation of U.S. citizens were being prepared," White House advisors insisted "there will be no U.S. retaliation for the assassination and there will be no intervention." Unlike the National Security Council, which this week repeatedly dismissed Soviet warnings against outside intervention in the region with "the Soviets never mean what they say," White House spokesmen volunteered that "We always take the Soviets seriously, they're a pretty damn serious bunch."

On June 17 the national press uniformly and vociferously predicted that mass murderer L. Dean Brown, who recently did a tour of duty in Lebanon as Kissinger's on the spot provocateur, would be named Meloy's successor. The same

day Kissinger ominously told the House International Relations Committee that a decision would be taken within the next 36 hours on staging a military evacuation of U.S. citizens from Lebanon using the 6th Fleet; at the same time one of his top policy advisors privately cursed Ford for "playing President," and refusing to send troops to Lebanon. Kissinger also threatened the Committee: "I believe in the months ahead a substantial stabilization could occur in Lebanon. If not, there will be a blow-up."

CBS gave extensive coverage to Brown himself proclaiming that peace in Lebanon was impossible unless the Syrians imposed order by crushing the left. Simultaneously, Marvin Kalb reported that according to the White House the decision on whether or not to evacuate U.S. citizens hinged on three factors: whether a Pan-Arab force could re-establish peace; whether the Syrians stopped their anti-Left provocations; and whether Israel kept its powder dry.

#### **Ford Ties Leash on Secretary of State**

By the end of the day, Ford intervened to put down the public revolt of Kissinger's agents, and ordered his Secretary of State to announce that Brown would not be the next Ambassador to Lebanon. Ford then dispatched Brown to pick up the body of the slain Ambassador in Damascus and return home immediately.

After a series of top-level national security meetings attended by Ford, Kissinger, Deputy Defense Secretary William Clements, CIA Director George Bush, White House Chief of Staff Richard Cheney, and General George Brown of the Joint Chiefs of Staff, Ford announced June 18 that the U.S. would conduct a non-military evacuation of U.S. citizens desiring to leave Lebanon, in an effort to quash rumors once and for all that the U.S. was considering a Mayaguez-type rescue operation. Later the same day, the President announced he had cancelled a scheduled trip to Iowa to line up GOP delegate support before the state nominating convention today so that he could remain in Washington and personally monitor the "continuing crisis in Lebanon" and ensure that the evacuation did not degenerate into a staged armed conflict.

Constrained on a tight leash by the President, Kissinger privately leaked to the New York Times that Ford was remaining in Washington because he was afraid of a face-to-face confrontation with his Republican rival Ronald Reagan in Iowa. Today's New York Times reports in no less than three articles and an editorial that "Some policy level officials of the State Department privately expressed surprise at the President's sudden cancellation of an appearance at the Iowa Republican Convention in Des Moines. If President Assad of Syria 'can go to France' amid the struggle in neighboring Lebanon, said one State Department official, 'why can't Ford go to Iowa?'" The Times editorially commented: "Mr. Ford's decision to cancel a risky political trip to Iowa just because of the evacuation may be taken as an attempt to exploit the Lebanese situation for partisan advantage." Despite these snide attacks, the President captured the majority of delegates at the Iowa convention today.

With the Secretary's insurrection wide out in the open, the Times acknowledged that the White House was livid about Kissinger's betrayal: "Several Ford assistants expressed anger when told of surprise at the State Department over the President's decision." Ron Nessen, Presidential press secretary, meanwhile sharply reprimanded those press whores who suggested at a White House briefing that Lebanon was a crisis made up by the White House to aid in the contest with Regan!

After his back-room leak, Kissinger quickly moved to

publicly cover himself by stating it was appropriate for the President to remain in Washington — using the occasion to moot the possibility that the evacuation would fall prey to one of his staged provocations. The Lebanese situation, Kissinger intoned, had become "very ticklish" and an emergency could develop.

Right on cue, the New York Times and other such press conduits for the ponderous Secretary announced today that the evacuation, scheduled for today, had been postponed for 24 hours because of uncertainty about security of the unarmed convoy. To date only 100 Americans out of 1800-odd U.S. citizens in Lebanon had signed up to leave. By late afternoon, UPI began circulating rumors by wire that the White House was considering sending helicopters to accompany the caravan. The White House later denied any knowledge of such contingency plans, while even UPI had to admit that the President was not in favor of the plan.

#### **Congress Under the Gun**

As the wave of so-called Washington sex scandals continues to dominate TV evening news and the front pages of every U.S. newspaper, it has become glaringly obvious that the object of Attorney General Levi's boudoir exposés is no mere handful of Congressional rakes, but the institution of the U.S. Congress itself.

Levi's happy hooker deployment, together with the Institute for Policy Studies-initiated fraud and corruption scandals, are a critical feature of Rockefeller's overall insurrectionary drive against constituency-based constitutional government in the U.S.

The Congressional Watergates are aimed at: 1) fostering public cynicism about elected officials to drive a wedge between political constituency organizations and constitutional forms of government; 2) turning an isolated Congress inward to "reform" the institution, i.e. transform one of the remaining bulwarks of constitutional government into a rubber stamp appendage of Rockefeller's National Security apparatus; 3) silencing any Senator or Congressman who might consider fulfilling his constitutional obligation to stand up and oppose the Vice President's insurrectionary drive for thermonuclear war with the Soviet Union, thereby depriving President Ford of the critical leverage sorely needed to dismantle Rockefeller's machine.

Amidst these scandals which have claimed dozens of Congressional victims so far, President Ford himself, by denouncing Congressional "immorality" in a Norfolk, Va. speech June 15, has lent cover to an operation which may cost him his policy-making power, his office and even his life.

Shoving the Constitution aside, Levi and the Institute late this week escalated the attacks against Congress, to clean out pockets of resistance to Rockefeller rule. As nine more Congressmen were targeted by Madam Katherine Graham's Washington Post yesterday, the Justice Department announced it was reviewing Article I, Section 6 of the Constitution which guarantees Congressional immunity except in cases of treason, felony, or breach of the peace.

By ripping up the Constitutional guarantees of Congressional immunity, Rockefeller, Levi, and the Institute aim to force the establishment of self-policing mechanisms within Congress, by which any recalcitrant members can be crucified. On cue, Institute agents among the House "freshmen" called this week for creation of self-policing mechanisms within Congress itself. At the same time, the Congressional housecleaning is preparing the apparatus for passing a sweeping onslaught of corporatist legislation.

While a few of the targetted Congressmen are refusing to throw in the towel without a fight, e.g. Rep. Allan Howe (D-

Utah), most to date have sunk into a shocked paranoid stupor. "It looks like a very large operation, but we have no idea where it's coming from," comments a dejected aide to Howe, who has been accused of propositioning two vice-squad cops dispatched to pose as prostitutes. "If he fights it," said the aide, "it will be on strictly legal grounds."

"You know, I am getting paranoid," another Senator was overheard to whisper in Congressional hallways. "Everyone in Washington has a tape recorder. I'm going to take my wife, my children, my parish priest and a tape recorder with me wherever I go."

### The Other 80 Per Cent

As Teamsters President Fitzsimmons denounced the Justice Department at the Las Vegas convention June 17, and informed IBT members that Levi's Gestapo had subpoenaed top Teamster officials in a witchhunt investigation of the Central States Pension Fund, the U.S. population began responding intensely to the constitutional crisis in the U.S., with workers across the country beginning to move toward the U.S. Labor Party for instructions on how to fight back.

The Teamsters predicament is a case in point. As a body, they voted to support a bill co-sponsored by Reps. Helstoski (D-NJ), now under indictment by Levi's Justice Department, and Institute for Policy Studies creature John Conyers (D-Mich) designed to "reform" the grand jury system, so that it cannot be used as a tool in Justice Department head hunting. While the bill has many laudable features, including providing witnesses with rights to counsel in grand jury appearances, the Institute's fingerprint is smudged all over the last page, which surreptitiously provides that a grand jury may initiate inquiries to investigate government officials on its own! This last statute declares open season on not only the Congress, but state and local law makers and administrators as well. The legislation has the wholehearted support of an Institute front-group, the Committee to End

Grand Jury Abuses, which includes among its members Noam Chomsky, linguistics-brainwasher; Leonard Boudin, blind terrorist controller; Frank Donner of the Institute's offshoot Counterspy; and others of the same ilk. Unless the Teamsters attack this Institute network head-on, going directly after the neighborhood store fronts of the invisible government, their best efforts will end up feeding Rockefeller's Frankenstein monster machine.

Already, growing numbers of U.S. citizens are beginning to learn the lessons of past struggles. On Thursday, Massachusetts and Illinois campaign workers for Labor Party Presidential candidate Lyndon LaRouche, Jr. gathered 1300 signatures in each state to get LaRouche on the ballot in November. 32,000 Massachusetts residents have signed up to date, while in towns around Boston, 15 of the 30 contacts made in the last 10 days are now actively petitioning for the Labor Party.

The daily confirmation of the insurrection, together with worker motion toward the Labor Party, has generated extensive press coverage in local areas. In Springfield, a TV reporter ran a ten-minute editorial on the USLP, stating, "When these people first came to town, I thought they were crazy, and I thought the charges they made in their paper New Solidarity were outlandish. I have learned that the problem was mine."

The intense pressure generated off worker anger against the insurrectionary conspirators is already being felt in Washington, prompting Institute-allied Congressman Michael Harrington's (D-Mass) office to feverishly complain: "Your Presidential candidate uses his mind like a boxer uses his fists. He is going to beat up the other Presidential candidates and we don't approve of his tactics."

With the world perched on the brink of nuclear war, no other "tactics" are appropriate for reestablishing constitutional government in the United States before it's too late.

## House International Relations Committee Spars with Kissinger

WASHINGTON, D.C., June 17 (NISPS) — The following dialogue is excerpted from the testimony of U.S. Secretary of State Kissinger before the House International Relations Committee here today. Kissinger made a lengthy presentation on the murder of U.S. Ambassador Francis E. Meloy, Jr. in Lebanon and then was questioned by Committee members. Although the questions were often acerbic, none of the Congressmen directly attacked Kissinger's personal role in the Lebanon bloodbath.

**Lee Hamilton (D-Ind.):** There's a sense of drift in U.S. Middle East policy.

**Kissinger:** I believe in the months ahead a substantial stabilization could occur in Lebanon. If not, there'll be a blowup, but I think there'll be stabilization, not a blowup. Events in Lebanon may have crystalized forces that will make it easier to return to the peace conference.

**Jonathan Bingham (D-NY):** What about the UNCTAD (United Nations Conference on Trade and Development) rejection of the IRB (the International Resources Bank, a Third World looting mechanism proposed by Kissinger)?

**Kissinger:** It was only a technical defeat. The vote was taken at 4 AM. Delegates were asleep, not there, just a technical defeat.

**Robert J. Lagomarsino (R-Calif):** Saul Landau said that the CIA is destabilizing Jamaica.

**Kissinger:** Who's Saul Landau. (It is) not in my estimate that

a destabilization capability exists in U.S. government. It's not being done by the government. . . could be private groups. The Jamaicans should produce their evidence. We've asked them to, and we'll look into it.

**Michael Harrington (D-Mass):** What is the U.S. doing in the Italian elections? What are Connally (John Connally, former Secretary of the Treasury) and the FIAB (the Foreign Intelligence Advisory Board, a presidential body set up by Nelson Rockefeller) doing there?

**Kissinger:** Connally is acting on his own as a private citizen. The U.S. has said that PCI entry into the government will present serious consequences, but I don't want to say anything so close to the elections.

**Helen Meyner (D-NJ):** Has the U.S. government acted as an intermediary between Israel and Syria during the Syrian intervention?

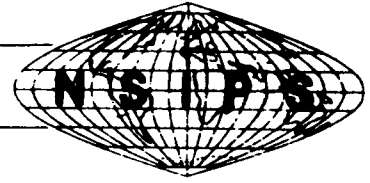
**Kissinger:** Not to my knowledge.

**Donald Fraser (D-Minn):** When you talk to Vorster (South African Prime Minister) are you going to bring up human rights violations (Kissinger is to meet with Vorster in West Germany next week).

**Kissinger:** Of course, that's one of the things I want to talk to him about.

**Fraser:** I'm sure glad about the U.S. providing more aid to South Korea. . . I would like to congratulate you on this. . . It will definitely mean more bloodshed. . .

**Kissinger:** Do you really want me to answer that?



## Kissinger Readies U.S., French Military Action In Lebanon

### *Lebanese, PLO Brace For New Syrian Offensive*

June 19 (NSIPS) — Warships of the U.S. Sixth Fleet, including the helicopter-carrier Guadalcanal and a support contingent of seven vessels, moved into position off the coast of Lebanon yesterday. The U.S. naval deployment, which is backed by a fleet of French and British ships, threatens a reckless military intervention into Lebanon on the pretext of rescuing a small number of U.S. citizens stranded as a result of the Lebanese civil war. Henry Kissinger and the National Security Council, the ringleaders of the Rockefeller insurrection against the U.S. Constitution, have intensified their efforts to provoke a NATO action in the Middle East in the wake of the murder, by Kissinger-controlled terrorists, of Francis Meloy, the U.S. ambassador to Lebanon, June 16.

The kidnapping and eventual murder of Ambassador Meloy, an aide and their chauffeur came as Meloy was driving to meet with Sarkis about a possible resolution of the 95-month civil war. Libyan diplomatic sources reported that after the murder, Syria reneged on its agreement to withdraw its forces in favor of a Pan Arab peace keeping force. The French daily *Le Monde* meanwhile has reported that Meloy carried a personal message from President Ford.

New threats of an evacuation move by U.S. marines were raised today with the collapse of an overland convoy of vehicles carrying U.S. and British nationals. The land convoy, from Beirut to Damascus, was ordered yesterday by President Ford, who overruled demands from Kissinger and the NSC for an extremely dangerous intervention by air and sea. The decision by Ford, which came at the end of a tense day of meetings in Washington between Ford, Kissinger, and U.S. national security officials, temporarily blocked the Rockefeller drive for a military show of force in the Middle East. But new fighting between Palestinians and Syria along the road from Beirut to Damascus today forced the postponement of the convoy, and State Department officials in Washington today hinted that, according to UPI, the use of the Sixth Fleet was still a live option.

(Reports received as we go to press, reveal that President Ford has rejected this attempt by Kissinger to stage a provocation. With the overland convoy made too risky by continued Syrian and Falange provocations, the President ordered a sea evacuation to Athens of more than 250 U.S. and other foreign nationals by an unarmed U.S. naval vessel. The evacuation took place without a hitch this morning (June 20) from a Beirut beach, guarded by units of the PLO. President Ford supervised the entire operation, maintaining an all night vigil at the White House.)

The Kissinger push for U.S. military action coincided with the preparation for a renewed Syrian Army offensive in Lebanon to crush the revolutionary Lebanese left and the Palestine Liberation Organization. Syrian President Hafez Assad, a leading Kissinger stooge, today completed a lightning visit to Paris, where he conferred four times with Atlanticist French President Giscard d'Estaing. According to *L'Humanite*, the newspaper of the French Communist Party, the Palestinians charged that Giscard has given Assad a green light to renew the Syrian march into Beirut and other Lebanese cities. At least 25,000 Syrian troops are already in Lebanon, backed by a force of 500 tanks and hundreds of armored vehicles and artillery.

A huge Syrian armored column stands poised only 14 miles from Beirut. Other Syrian forces — heavily reinforced since June 11 — have taken over most of southern Lebanon, coming within four miles of the Israeli border. Key Palestinian camps in the Lebanese south fell to the Syrians: heavy fighting is reported in central Lebanon around Faraya and Aintoura, strategic villages taken by the left-Palestinian forces in April and May. While Damascus has thus far held back from an all-out onslaught, fearing the domestic political consequences, Palestinian sources said that a final showdown will come within the next week unless the crisis is diffused.

A new Syrian advance, which is expected to meet heavy military resistance, could provoke a coup d'etat by nationalist and pro-Iraqi Syrian army officers against Assad. The threatened "rescue" mission by the U.S. together with possible military action by Israel, is meant to provide strategic support for the crumbling Assad regime. Kissinger has quietly let it be known that the fall of Assad would be the trigger for a joint Israeli-NATO offensive in a general Middle East war.

An editorial in June 16 *Washington Post*, clearly written from information from Kissinger's inner circle, calls on Assad to "trim the Palestinians to size." Should Assad succeed in butchering the left and Palestinians in Lebanon, the threat of war will recede, says the *Post*. Otherwise, his overthrow will lead the Israelis "to make a military move of their own." The *Post* emphasizes that peace cannot come to the Middle East "while the possibility of Palestinian-leftist control still exists." Thought to reflect secret testimony by Kissinger aide Alfred Atherton to a Senate Committee yesterday, the *Post* editorial in effect places the Israeli nuclear umbrella over the planned Syrian military escalation.

The Soviet Union and Iraq have stated their total, implacable opposition to any Israeli or U.S. military action in support of Syria's butchery. Both countries have demanded that the Syrians withdraw their forces. In a series of statements since June 9, Moscow has warned explicitly that foreign intervention into Lebanon will result in World War III. Rose al-Yousef, an Egyptian weekly, reported that Soviet Prime Minister Alexei Kosygin warned during his recent trip to Iraq and Syria that in case of NATO intervention, several divisions of the Soviet armed forces would be airlifted to Lebanon, backed by Algerian troops. The Soviet action, reported the Egyptian newspaper, would also be supported by an Iraqi invasion of Syria. Underscoring the threat of a regional explosion, Baghdad Radio announced June 15 that Iraq had called up its military reserves, and that more Israeli troops had been sent of the Syrian border.

L. Dean Brown, a top adviser to Henry Kissinger and a recent special U.S. envoy to the Middle East, strongly endorsed the Syrian invasion of Lebanon this week in a radio interview. "Let's hope that Syria can bring some order to Lebanon," said Brown, who portrayed the country — now largely governed by the Unified Command of the forces of the left and the PLO — as "chaotic" and anarchistic.

The danger of foreign intervention into Lebanon was underlined two days ago with the illegal appointment of Camille Chamoun, Lebanon's interior minister, to the post of foreign minister. Chamoun's appointment, which was announced not by the prime minister but by President Suleiman Frangieh, puts a known advocate of NATO and Israeli action in Lebanon into that powerful position. Chamoun, who as president of Lebanon in 1958 was the man who invited U.S. marines to land during the civil war of that year, yesterday said that "foreign intervention" by France, Israel, or any other power might be necessary — against which the Soviet Union has issued strong warnings.

#### **PLO Arrests Kissinger's Killers**

In Beirut, the PLO announced June 17 that the killer of Ambassador Meloy and his aide had been found and arrested, and would be placed under the control of the left-PLO Unified Command until the arrival of a planned pan-Arab peacekeeping force. In the strongest terms, the PLO denied responsibility for the killings, despite the charges in Washington by Kissinger, who told Congress that a "splinter group of radicals from the Palestinian rejection front" was to blame for the murder. In a message of condolence to the relatives of the murdered Americans, the Palestinians said: "It is obvious that such provocations always occur when there exists a chance for a political settlement."

In an official statement, the PLO said that they believed Syria, Israel, the Lebanese Falange, and the CIA were jointly responsible for the assassinations.

At a Paris press conference, timed to coincide with the arrival of Assad in Paris, the PLO declared that it was prepared to ask for the full economic power of the Arab states to be employed should any Western power, including France, send its military forces into Lebanon. The PLO statement, which implied that the Palestinians would pressure for an oil embargo to counter NATO threats, came only days after a policy statement by U.S. Labor Party Presidential candidate Lyndon LaRouche, "Why I Proposed a New Oil Threat." The LaRouche statement, according to Palestinian sources, was widely circulated throughout the Middle East, including the Palestinian population of the Israeli-occupied West Bank.

Yasser Arafat, the chairman of the PLO, was on a tour of Arab oil-producing states this week. Arafat visited Algeria, Libya, Saudi Arabia, Kuwait, Iraq and Bahrain in four days, gathering support for the Palestinians against Syria in Lebanon.

From Moscow, the Soviet Union sent a message of support to PLO foreign relations chief Faruq Kaddumi. Yesterday, Kaddumi held a meeting with Soviet Ambassador Alexander Soldatov in Beirut, and urged the Soviets to take "all measures to prevent an international confrontation."

Meanwhile, efforts continued in Lebanon for a political solution to the civil war and the Syrian occupation of eastern and northern Lebanon. Libyan Prime Minister Jalloud and Arab League chairman Mahmoud Riad shuttled from Beirut to Damascus seeking an agreement of the forces involved in a ceasefire and Syrian withdrawal. According to the Baltimore Sun, the Meloy killing "soured" the negotiations on a settlement, but did not destroy them as originally feared. According to the Arab League, talks were almost completed on reopening Beirut International Airport, which would permit the arrival of an Arab League peacekeeping force.

But political sources reported that the Syrian acceptance of the League's plan for a ceasefire was only tactical and a game to buy time. The return to Damascus by Assad is widely feared to signal a renewed Syrian military drive, and the flat rejection of the ceasefire by Lebanese Chamoun, a top ally of Assad and Kissinger, is being viewed as proof.

#### **Assad Crumbling**

Soviet, Iraqi, and Arab pressure on the Syrian government has taken a heavy toll in the political underpinnings of the Assad regime. Le Monde reports a climate of tension and fear in Damascus, with periodic unexplained explosions and official silence. After an entire brigade of the Syrian infantry reportedly rebelled against orders to move into Lebanon, Assad ordered his brother Rifaat Assad, commander of the palace guard, to lead an Air Force attack against the rebellious garrison. Several Syrian pilots have reportedly defected to Iraq, taking their Mig-23 jet fighters to Baghdad with them. Even the Syrian Army Chief of Staff, Hikmat Chehabi, has been placed under house arrest by the isolated Assad clique. To counter reports of an imminent coup and build confidence in his crumbling regime prior to tomorrow's scheduled trip to Paris, Assad staged a massive display of infantry and air power in the Syrian capital, June 15.

Iraq's political pressure on Damascus has led to a series of Kissinger-inspired warnings to Iraq. The New York Times reports a Pentagon sale of 1900 sidewinder air-to-air missiles to Saudi Arabia, because of "fears of a war with Iraq," and quotes unnamed Syrians as saying "We would prefer to fight the Iraqis." Israeli aides issued thinly veiled threats against Iraq and Algeria should they send the peace-keeping contingents to Lebanon, while Rifaat Assad has called the Iraqis "gangsters, torturers, traitors, and allies of the devil." Most ominous, however, was the Kissinger meeting with the Israeli ambassador in the U.S., signalling an unmistakable NSC threat to unleash the Israelis against Iraq if Assad is overthrown.

#### **Problems In Israel**

Kissinger's desperation is fueled by the growing realization that even his most trusted clients, the Israeli government, has begun to break with that country's warhawks. With the support of President Ford — whose personal envoy James Lynn arrived in Jerusalem earlier in the week — the Israeli government has begun to clean out the hawk faction, led by Moshe Dayan and Defense Minister

Shimon Peres. Rabin announced June 4 that he will introduce legislation allowing him to dismiss ministers — a measure aimed squarely at Peres, who has been at odds with Rabin for months. Rabin's actions are fully backed by the Mapam party, a left-leaning coalition partner of the ruling Labour party. At its annual congress this week the Mapam backed Rabin and demanded the ouster of the Dayan-Peres outlaws from the regime. A Mapam spokesman said that his party is seeking to build a governing coalition with Labour party doves, led by Abba Eban.

In a significant acknowledgement of the ICLC's central role in backing moves for Middle East peace, the Mapam daily newspaper Al Hamishmar printed the text of a message sent from USLP Presidential candidate Lyndon LaRouche and the European Labor Committee's Executive Committee to the Mapam congress.

## Top State Department Advisor:

“Ford Is Playing President...

We Should Send the Marines”

WASHINGTON, D.C., June 17 (NSIPS) — The following interview was conducted today by NSIPS with a top U.S. State Department advisor for Middle East Affairs following the assassination of U.S. Ambassador to Lebanon Francis Meloy.

**NSIPS:** Dr. L—, there are high-level reports being issued concerning a revision of United States policy toward Lebanon in the wake of the recent Syrian invasion of that country.

**Dr. L—:** Bullshit. That's White House crap. It's Ford playing President. We have no policy in Lebanon. We're not going to do anything. You do not influence events in a country like Lebanon without putting your blood and your money on the table. We are doing neither. He's acting Swedish.

And the Russians have no policy either. The last hope the Russians had to kill Jews was the PLO (Palestine Liberation Organization), and now they will be crushed.

If the U.S. were not totally corrupted, then the U.S. would have done the right thing: send in Marines to clean up. But we're not doing fuck-all. The whole thing was run out of the White House, and it's bullshit. Ha! If you believe the White House is saying that we are revising our policy, that we will send a new Ambassador to walk around stupid and blinking and doing nothing, that we will “continue the search for peace,” that we will “discuss with all parties,” etc. then you are very naïve. The President is fighting for his life against (Republican Presidential hopeful) Mr. Ronald Reagan; are you aware of that? Are you? So he's acting like a stupid Swede, acting Presidential, making grand, sweeping statements that have no force whatsoever behind them. We have no influence in the Middle East.

**NSIPS:** Are you advocating the use of U.S. military forces in Lebanon even after warnings last week from the Soviet Union against any such intervention by the U.S. or France?

**Dr. L—:** Ha! The Soviets have no military options. Of course, I cannot exclude insanity. But, if we introduce our divisions there, they cannot stop us. What can they do? Fly in troops to the airport? The Syrians control the airport totally, and could

close it down with a single 22-millimeter cannon produced by the Syrians' fraternal socialist allies and their comradely workers in the people's democracies. The Soviets can say whatever they like. This is 1958 (the U.S. sent a “peace-keeping” force to Lebanon in 1958-ed.). What crisis would erupt?

**NSIPS:** What about the Iraqis? and the (Egyptian newspaper-ed.) Rose al-Yousef scenario of a Soviet, Iraqi and Algerian military response to an intervention by the United States, France or Israel?

**Dr. L—:** The Iraqis are a joke. The Iraqis — who committed two divisions to the 1973 (Arab-Israeli) war, one of which was wiped out in 25 minutes and the second two hours later — the Iraqis have only killed defenseless Kurdish civilians, with your support, I suppose. The Syrians have a battle-trained army that has fought the Israelis a few times. Israelis wiped out the Iraqis, and even the Syrians would massacre them. An Iraqi intervention would be a **political** move, but its military weight would be less than nothing. And if those Iraqi divisions would be chopped up, that would not do so well for the regime back in Baghdad.

It's a question of training and technology. Fifty Europeans could march from one end of Africa to the other. The same in the Middle East. But you'll write what you want anyway. Just say this: That the U.S. is acting like goddamn Sweden, and that Ford is play-acting President.

**NSIPS:** All reports indicate that the Assad regime in Syria faces imminent collapse and possible coup. . . .

**Dr. L—:** Of course, there could be a coup! There is always a potential coup in that backward desert. Damascus (Syria) is run by a bunch of paranoid, stupid, narrow-minded soldiers. Now the pressure is relatively increased — but on any sunny day, with no war, there might be a coup in Syria.

## Mideast Thinktanker Pins

### Faisal Murder on Kissinger

June 18 (NSIPS) — A leading liberal policy analyst from the Mideast, reviewing the current situation in Lebanon, pinned the blame for the March 1975 assassination of Saudi Arabia's King Faisal squarely on Secretary of State Henry Kissinger, and termed the assassination key to understanding Kissinger and his present policy.

“I really believe that since 1973 he (Kissinger) has been systematically working on destabilizing Lebanon, taking Egypt out of the picture, giving the Syrians promises. Systematically, Kissinger has been working on a clear pattern: the seduction and taming of Sadat and the luring of Syria, reminiscent now in the latter case of Jordan in 1970,” the thinktanker said.

Developing this analysis, the Mideast policy analyst said “The key thing in understanding Kissinger is the Faisal assassination. I knew Prince Faisal, the alleged assassin, very closely when he was in Colorado. I've never been convinced that King Faisal's death was accidental; this is not persuasive. The removal of Faisal was a critical event in Mideast politics.”

The thinktanker then laid out piece by piece what the Faisal murder accomplished in Mideast politics: “(Egyptian



President) Sadat wouldn't have done what he did (sign last year's Sinai Accord with Israel) without (the removal of Faisal)...Faisal was becoming difficult to deal with, a tough nut to crack. The Saudi defection from a somewhat tougher policy toward the United States dates from March, 1975 to the present. If Faisal were still around, Saudi Arabia would have acted differently, more committed to the Palestinians, and against the Sinai accord. Faisal thought the accord was a mistake; he thought step-by-step negotiating was a mistake and he advised against it. After his death, the accord became possible."

As for the Syrians, the Mideast expert continued, "It's unlikely that the Saudis (under Faisal) would have given the Syrians the green light (to invade Lebanon). The current Saudi regime is much easier to deal with and treats Kissinger's policy much more favorably.

Finally, the thinktanker discussed Faisal's changing philosophy, and its incompatibility with Kissinger's needs.

"Faisal was a fundamentalist in his last days, and Kissinger has his theory, and he's written about it, citing the Russian Czar Nicholas to prove that diplomacy can't deal with fundamentalists. Faisal became totally impossible to integrate into Kissinger's policy. As for the Prince (the alleged assassin) he was just a counterculturalist, he didn't have that tendency of murder. And the idea that it was a blood feud was ridiculous. Why did he wait 10 years to supposedly avenge his brother's death?"

#### Who Benefited

"Putting it simply," the thinktanker concluded, "King Faisal couldn't have been accommodated in Kissinger's geopolitics. Sadat's moving with Kissinger increased after Faisal's death; the Saudis are acting now in a way that Faisal never would have; they are taking too many risks. I ask simply, who benefited from Faisal's death? Mr. Kissinger and the Kissinger line."

### Exclusive Interview

## Atlanticist Economist: Kissinger Ordered Syrian Invasion of Lebanon

*NEW YORK, June 18 (NSIPS) —In an interview here today a leading Atlanticist economist who is in close contact with the U.S. State Department and Secretary of State Henry Kissinger stated without qualification that Kissinger ordered the Syrian invasion of Lebanon. Excerpts from the interview follow:*

**Q:** What is your analysis of the situation in Lebanon?

**A:** Kissinger wanted (Syrian President) Assad to move into Lebanon weeks ago and partition the damn place, but that would have provoked Israel to intervene, leading to the total breakdown of the Sinai pact and the overthrow of Egyptian President Sadat. Sadat is very weak, much weaker than Assad. The military in Egypt is very restless and wants to see Sadat fall. So, not wanting to risk Sadat's overthrow, Kissinger waited and finally he pushed Assad to move into Lebanon. But it was too late. Major concessions will have to be made to the left now.

**Q:** So Kissinger ordered the whole invasion?

**A:** Kissinger and the State Department are definitely behind Assad. Kissinger and the State Department definitely ordered the invasion of Lebanon. Likewise, Kissinger ordered

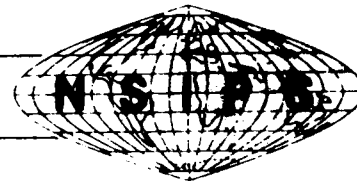
the French to come out with the warning several weeks ago that France would intervene militarily. Just because the threat came out of French President Giscard's mouth, it didn't come out of his head. It came straight from Washington, from Kissinger.

**Q:** How do you view the situation in Israel and the present situation of Prime Minister Rabin?

**A:** Kissinger and the State Department want retired general Yigal Yadin to come to power in Israel. Kissinger is trying to arrange that he somehow gets in. Personally, I like Yadin very much and think he is a good choice. He has been in the shadows a long time, but Kissinger knows that he is the best one to be on top in Israel now.

**Q:** The Soviets have stated clearly that they will not tolerate any foreign power intervention in the Lebanon situation. How do you think this alters the situation in the Middle East?

**A:** The Russians don't mean a thing they say. They are very conservative people who want to conserve what they have. And in the Middle East, the Russians don't have anything. In reality, they would like to see a war in the Middle East. They would even like to see the Turks and Greeks go at it again over Cyprus.



## Kissinger Pushes Latin America to Brink of Rand War

June 16 (NSIPS) — Secretary of State Kissinger's trip to Latin America, which ended last week in Mexico, put the finishing touches to Rockefeller's Rand Corporation scenario for exploding wars throughout the continent. The immediate target of this policy of "demonstrable shows of force" is the pro-socialist Cooperative Republic of Guyana.

No sooner had Kissinger left South America than his Brazilian puppets called a General Staff meeting of the army and top civilian legislators to discuss the problems of "national security especially around the Amazon border region," part of which naturally borders with Guyana. Five days later on June 14, the Venezuelan Senate held a special closed-door meeting to discuss the border question including the now almost public threat by Brazil to invade neighboring Guyana.

Although the RAND scenario to explode wars throughout the continent has been the effective policy of the Kissinger State Department since approximately the beginning of 1975 — with the particular focus in the past being the crushing of the pro-development government of Peru through a war with Chile — today the whole continent has been brought to the verge of general war as soon as one "border" conflict is begun. That one triggering incident is now focused on the planned Brazilian invasion of Guyana.

The shift away from Peru as a trigger mechanism was brought about by tactical defeats to the U.S.-backed Peruvian right-wing military (the biggest proponents of a war with Chile). Tiny Guyana now represents the most defenseless pro-development force in the continent. The wiping out of the present Guyanese government would give teeth to Kissinger's threats against Cuba, Black Africa, and the Third World.

Kissinger has charged that Guyana was used by Cuba for logistical support for Cuban troops in Angola. In fact Kissinger has singled out Guyana because it has been one of the leading fighters for a Third World debt moratorium and for the creation of an International Development Bank-type institution.

The atmosphere for an invasion of Guyana is being set in Brazil with raving anti-communist speeches by the top military men and politicians from the Guyana border area. A day before the General Staff meeting Jarbas Passarinho, an ex-colonel and Senator from the state of Parana which borders on Guyana, ranted against "Soviet expansionism" — the likely official reason for a Brazilian intervention into Guyana. Passarinho participated in the General Staff meeting. At the same time the Minister of the Army and other top brass have stepped up the anti-communist rhetoric.

In Venezuela the Brazilian moves have brought about an air of crisis. Even before the Senate meeting the "debate" among top political and military circles centered on what to do in face of the Brazilian "expansionism." Those most closely tied to Rockefeller and the CIA proposed that Venezuela essentially join Brazil in carving up Guyana and

in that way resolve Venezuela's fraudulent territorial claims on a large chunk of Guyanese territory. However, President Carlos Andres Perez, and others close to him, who generally act as faithful lackeys of Rockefeller, are known to have strong reservations about promoting any Rand scenarios for reasons of simple self-interest. Were Venezuela to actively join the Brazilians, CAP's days as head of civilian government would be numbered, since the right wing in the military would quickly use these operations to catapult themselves to power. Confirming this was the public position of the agent led MAS (Movimiento as Socialismo) which generally acts as the "left" mouthpiece for CAP, Secretary General of the MAS Pompeyo Marquez declared that the Brazilian expansionisms "imminent" invasion of Guyana, backed by U.S. imperialism.

Adding fear to the forces around CAP, and showing that one conflict would surely begin war throughout the continent high level Venezuelan political circles reported that if a formal military coup d'etat is carried out in Colombia by the same right-wing military U.S. puppets who have de facto control in Colombia today, such action would immediately lead to a war with Venezuela... with the result again being the end of civilian government in Venezuela.

### Peru and the War of the Pacific

The defusing, for the time being, of the RAND Corporation's "War of the Pacific" scenario involving Chile and Peru has been brought about by the strong re-emergence of the Peruvian nationalist military led by Prime Minister and Minister of War Fernandez Maldonado. This has strengthened centrist President Morales Bermudes' hand. Although more than willing to impose IMF and World Bank austerity, Morales Bermudez is dead set against war with Chile.

Therefore Kissinger has been deprived of quick Pinochet-style coup capability to bring about war. Kissinger instead has been forced to mobilize and let loose his fascist APRA — Peru's Second International-linked party — thugs from APRA and their cohorts in the Accion Popular led by ex-President Terry Belaunde. Over the last week Belaunde has begun a massive mobilization to bring about a Civic Front, along with the APRA, supposedly to bring "parliamentary democracy" back. In fact the mobilization is to provide muscle to the fascists in the military, who are now feverishly trying to win back their coup capability. Belying the claptrap about "parliamentary democracy" retired Admiral Vargas Cabalero, darling of the fascist hawks in the Navy, has come out openly hailing Belaunde and his new campaign.

### Portugalization

Using the "parliamentary democracy" gambit the right-wing in the military have been able to continue their plotting, but now they are being forced to do so openly. Top Pentagon favorite and Peruvian Army General Bobbio Centurian called a meeting of all the top brass to his CIMP (Center for Military Instruction), but Morales Bermudez came to it and delivered a blistering refutation of Bobbio's and the right

wing's demands. Morales opened his statements by ominously stating that only recently he had met with the officials of the Armoured Division — the tanks which militarily control Lima and whose officers are generally anti-Navy and anti-right. In short, by being forced to come out in the open, the right is quickly forcing a "Portugalization" process in the Armed Forces, a dangerous process which they can neither control nor assure its end result, given the wide nationalist and anti-civilian politician sentiment among junior officers.

#### **Bolivian Exit to the Sea?**

While the war scenario cooled in Peru, Kissinger personally heated it up in Bolivia. On the trip to the Organization of American States (OAS) meeting Kissinger stopped in Santa Cruz, Bolivia, and backed the Bolivian's demand for an "exit

to the sea." The "exit" is supposed to serve as pretext for the Chilean-Peruvian confrontation, since Chile is only willing to give Bolivia territory lost by Peru in the War of the Pacific with Chile in the 19th century. With this backing the Bolivians tried to raise the issue at the Kissinger-controlled OAS meeting, only to be quickly refuted by the Peruvians, who stated this was not the proper forum for such negotiations.

During this charade the Bolivian government carried out a series of provocations against its students and miners, causing major riots and strikes. Added to this was the CIA assassination of ex-President and leftist Juan Jose Torres in Argentina — all which has created ripe conditions for total control of Bolivia by the pro-Brazilian officers. While the semi-comical military of Bolivia cannot start war, Brazilian control of these tin soldiers gives the Kissinger an added capability for helping bring one about.



## East Europeans And Dutch Issue Call For New Gold -Backed Monetary System

June 15 (NSIPS) — A top East European monetary official and the Dutch chairman of the Bank for International Settlements announced their agreement last week on a gold-backed world monetary system.

Speaking at a central bankers' symposium last week in Vienna, Hungarian central bank vice-president Janos Fekete and Bank for International Settlements president Jelle Zijlstra declared that gold would be crucial for the creation of a new monetary system. The two officials added that they were discussing ways to bring the socialist countries and Western Europe together in new monetary arrangements.

Hungarian banker Fekete, now in Switzerland for talks with pro-gold Swiss financiers, re-stated views put forward in the Soviet Union's Economic Gazette this month. Calling for a "worldwide" monetary system including the socialist countries, Fekete warned against the simple gold standard of the nineteenth century, in favor of arrangements like the socialist countries' internal monetary system, based on the transferable ruble. Fekete confidently predicted that all that stood in the way of a new monetary system were negotiations on the specific valuation of participating national currencies in terms of gold.

For his part, the Bank of International Settlements chief endorsed the need for a new monetary system to expand trade and solve the economic problems of the Third World.

Asked to comment, the chief economist of one of New York's big commercial banks attacked the Swiss, Dutch, and Comecon countries for their "attraction" to gold, and complained bitterly, "The Hungarians are only speaking for the Soviets."

### European Break-Away

These public statements mark a stage of negotiations far more advanced than similar talks during September and October of 1975, when Swiss and West Germans consulted with Soviet officials on the possibility of a new joint monetary system. A high Comecon official is now on record, for the first time, on the socialist countries' willingness to help bring about new world economic arrangements in short order.

Almost a significant is the response from the Western side. Speaking as president of the Bank for International Settlements, the central bank of European central banks, Zijlstra's convergence on Soviet views carries tremendous weight. The entire European financial establishment, and certain influential Atlanticist financiers in New York City, have agreed on the Bank for International Settlements as an emergency replacement-institution for the bankrupt International Monetary Fund. At the same time, Britain and the Scandinavian countries have quietly sabotaged Wall Street's efforts to use the International Monetary Fund to bail out the debts of Third World countries in the process of default.

There are definitive signals from the European side. London's Financial Times' widely-respected columnist C.

Gordon Tether yesterday attacked the Eurocurrency markets as an instrument of "economic warfare" against countries who must borrow there. A Bundesbank (the West German central bank) official insisted in a telephone conversation yesterday that debt is mainly an American problem. Handelsblatt, the leading West German financial daily, in a long article on gold yesterday identified that it is a political quasi-war among the Swiss, Soviets, South Africans and the French on the one side and the U.S. alone on the other.

Even the British banks heavily involved in the Eurodollar markets do not rule out the possibility of a debt moratorium for bankrupt Britain. Said the chief of Frankfurt operations of one of Britain's five leading banks: "A debt moratorium is just a matter of time."

Nonetheless, several of the leading European financier groups who would have to be brought into negotiations over a new monetary system are clinging to a dangerous waiting strategy. "We simply won't do anything for the next three months," declared a board member of one of West Germany's Big Three commercial banks. Well-placed West German financial sources report that the German central bank and its leading spokesman, Otmar Emminger, are sticking to a pro-Wall Street austerity policy. Meanwhile, these sources say, Economics Minister Hans Friderichs is making tentative moves in the direction of the Swiss and Soviet perspective.

### Chicago

In the United States, Chicago industrialists are warning President Ford and his advisors not to try to muscle the Europeans into submission. The Chicago Tribune, owned by International Harvester's Brooks McCormack, argued in an analysis June 14 that the Europeans have already bought gold to bear on the world payments crisis. The analysis, by University of Chicago Professor Robert Z. Aliber, reports that Western Europe is already using its huge gold reserves for emergency payments within the overall dollar structure. "The question is whether we will try to impose our will on the Europeans," Aliber said in a separate interview. New York financial sources glumly corroborate the Chicago Tribune report that the June 27 summit meeting of six Western heads of state in Puerto Rico will work out arrangements for orderly transfers of gold between central banks.

The immediate tactical outlook of leading European financial strata coincides with the views of the Chicago Tribune. Bank for International Settlements president Zijlstra warns in the just-released BIS Annual Report that the crisis of Britain, Italy, and other weak European sectors could throw the entire world economy into crisis. In the report, the BIS warns that the so-called recovery has not improved the miserable state of real production, putting great stress on the collapse of capital investment. BIS chief Zijlstra's warning over Britain and Italy is a direct attack on

the political perspective avowed by Kissinger and Wall Street, i.e., that the weak European sectors can be junked as long as the Atlanticists stay in control of West Germany and Japan.

But the use of gold as a supplementary reserve for penurious central banks — as the Soviet Economic Gazette warned — is a patchwork solution. In effect, the Soviets argue, merely using world gold reserves (worth up to \$150 billion at market prices) will simply add to present extreme levels of inflation by backing up illiquid dollar debts.

While the Chicago Tribune's standpoint is outright nonsense from an economic standpoint, it separates the Mid-western industrialists clearly from Wall Street's policy of total offensive against Western Europe and the Soviets. This capitalist group, which leans heavily towards President Ford against Nelson Rockefeller and Henry Kissinger, is concerned to keep channels open to Europe, while settling a major political crisis at home.

## Exclusive Interviews With Lazard Freres Partner; Ass't Treasury Secretary Parsky; Under Secretary of State Frank

*June 19 (NSIPS) — Interviews on the U.S. bargaining position at the upcoming "Rambouillet II" economic summit in Puerto Rico June 27 and at the North South talks now underway in Paris were granted to a New York-based journalist this week by Eugene Black, a senior partner at Lazard Freres, the Wall Street investment house and the son of a former head of the World Bank; Deputy Under Secretary of State Charles Frank, and Assistant Secretary of the Treasury Gerald Parsky. Summaries and excerpts from the interviews have been made available to NSIPS. All three indicated that a major effort is being made to have President Ford push for Secretary of State of State Henry Kissinger's pet "International Resources Bank" proposal, which was rejected at the Nairobi meeting of the United Nations Conference on Trade and Development last month, at the Puerto Rico meeting.*

**Black: "A Bank Is Like a Beautiful Woman. . ."**

*Following is a summary of an interview with Lazard Freres partner Eugene Black.*

Mr. Black was first asked to comment on efforts by Rep. Henry Reuss (D-Wisc), chairman of the House Banking and Currency Committee, to block loans to Chile and Argentina by a consortium of private banks, after International Monetary Fund guarantees for the loans were vetoed by Britain and Scandinavia.

Black explained that the action by Britain and Scandinavia was not really any blocking of credits to the two countries, but rather an effort to force IMF "second tranche" austerity conditions on them. He explained that Third World countries do not like to accept the IMF dictates required by second tranche borrowing, first because they are nationalistic and don't like being told what to do, and second, because second tranche borrowing impairs their ability to borrow from private banks. "Brazil refuses to borrow from the IMF for this reason," he said.

Black explained that, "you know, a bank is like a beautiful

woman, she comes when she wants, and she goes when she wants," adding, "you know, only the beautiful ones can get away with this. For the last two to three months the banks have been fed up with the way these Latin American countries have been acting. I don't blame them. . . It's outrageous."

Black went on to say that Chile has been getting the approval of the U.S. banks lately because of its willingness to carry out the necessary internal measures. The real problem in Latin America is Peru, which "is a mess," he added.

"Look, you're on the wrong story," he continued. "Let me give you a hot tip." Black proceeded to reveal that on Wednesday, June 16, a contingent of top Treasury and State Department officials, including Treasury Secretary William Simon, Deputy Secretary of State Charles Robinson, Deputy Under Secretary of State Charles Frank, and Assistant Secretary of the Treasury Gerald Parsky held a meeting with President Ford to discuss the importance of the U.S.'s commitments made at the Nairobi meeting of UNCTAD IV. According to Black, the delegation told the President that because the U.S. had promised to hold various conferences on individual commodities and on the proposed buffer fund, that promise must be made good. Because of the urgency of keeping this commitment, they told the President, the commodities question will have to be a major topic at Puerto Rico.

Black explained that "Ford is a pain in the ass (laughing)" who has no ideas of his own, but fortunately "tends to go along with Henry Kissinger."

Asked about whether the economic summit would discuss European problems, Black indicated that he thinks the European situation can be taken care of as a result of the "new cooperativeness" of the Organization of Petroleum Exporting Countries (OPEC), referring to the arrangement of the Italians to have the Saudi Arabians deposit cash in special accounts at New York banks which is then "loaned" to Italy to meet the Italian oil bill.

### **Frank: 'We've Had Major Victories Since Nairobi'**

*Following is the summary of an interview with Deputy Under Secretary of State Charles Frank, who was one of the participants in a meeting between President Ford and high-ranking Treasury and State Department officials June 16. In this interview, conducted the day after the meeting, Frank indicates that a major purpose of the meeting was to sell the President on Secretary Kissinger's International Resources Bank proposal.*

Frank ran through a straight State Department briefing on the post-Nairobi situation and U.S. strategy. "There were two major victories since Nairobi," he claimed, particularly concerning the IRB, which was not really defeated at UNCTAD because the vote was "premature." Frank said that the situation is "very promising," and Kissinger is still committed to the IRB.

Victory No. 1, he said, was the Organization of American States meeting where the Dominican Republic introduced a resolution on the IRB which passed, creating a committee to further study the proposal in a Latin American context. The OAS and the Inter-American Development Bank will jointly work on this he said, describing these moves as the "vanguard" of the operation.

Victory No. 2 is the Paris "North-South" talks, where, Frank claimed, a U.S. paper on the IRB has been warmly welcomed by Peru and Nigeria. Nigeria is considered par-

ticularly important, since they were directly involved in blocking the IRB at Nairobi. Peru, according to Frank, is organizing for the IRB in the Raw Materials Commission, as is Brazil in the Energy Commission.

Frank described two upcoming meetings as the centerpieces of the U.S.' new moves. The first is the Organization for Economic Cooperation and Development (OECD) meeting in Paris June 22, which will be attended by Kissinger, Simon, Council of Economic Advisers head Alan Greenspan, and Fred Dent. The main discussion here will be on the necessity of a coordinated strategy on the part of the advanced sector, he said, contradicting Black's claim that the British Scandinavian veto was a coordinated move. The second is the Puerto Rican summit itself, which will discuss commodities, the IRB, and again the necessity of a coordinated strategy of the advanced sector towards the Third World.

#### **Parsky: "The IRB Has Been Misunderstood"**

*Interview with Assistant Secretary of the Treasury Gerald Parsky.*

**Q:** Tell me about the International Resources Bank. I had the impression that Europe has already rejected it.

**Parsky:** The IRB has been misunderstood and misrepresented. I want to make clear exactly what the IRB is. It's an instrument designed to increase private investment in the Third World. The IRB is a means for providing added

impetus for private sector investment; it's not a funding organization. There's been a disinvestment in the Third World. The IRB is an insurance vehicle designed to remove political risk. In negotiations over political problems, it would take the place of the private sector.

**Q:** I had the impression from Mr. Black that Ford is somewhat in the way on this thing.

**Parsky:** In the way??!! What? What are you talking about?

**Q:** Excuse me. I may be editorializing too much. What Mr. Black actually indicated is that there seems to be some need to convince Mr. Ford that this should be a topic of the Puerto Rico summit.

**Parsky:** Oh no, this has been a U.S. proposal all along; the U.S. always intended to bring...

**Q:** And you don't think there's any disagreement between Mr. Ford and the Treasury on this?

**Parsky:** Absolutely not. ... This is not the only thing that's going to be done at Puerto Rico. The entire extent of relations between the advanced sector and the Third World will be discussed.

**Q:** And what about Europe?

**Parsky:** What about Europe? What are you talking about?

**Q:** Well, the financial crisis in Europe was the subject of the original Ram...

**Parsky:** There's no financial crisis in Europe.

**Q:** I'm not sure the British would agree with you.

**Parsky:** We've had a couple of currency problems, but we took care of the British...

## Kissinger Resurrects IRB Hoax In Attempt To Bury Third World's Debt Moratorium

June 19 (NSIPS) — Secretary of State Henry Kissinger is now directing an all-out campaign to force his International Resources Bank swindle down the throats of President Ford, U.S. Congress, Western Europe and the Third World. By so doing, Wall Street's Secretary of State hopes to isolate those key Third World nations that are pushing for a unilateral declaration of debt moratoria on overseas debts.

Highly-placed State Department and Wall Street sources involved in this operation have admitted that a top-level State-Treasury contingent met with President Ford Wednesday to elicit his support for the IRB and to make it the primary issue of discussion at this month's "Rambouillet II" summit in Puerto Rico. Ford was told that the Third World had had second thoughts on the Kissinger proposal and that Nigeria and Peru had introduced it for discussion at the ongoing North-South meeting in Paris. At the same time, according to a highly-placed source within the House Banking Committee, Deputy under-secretary level State Department staffers have been conducting intensive briefings for Congress with special emphasis on the "change of heart" among Third World governments on the proposal.

#### **The Big Lie**

Kissinger is using the Goebbels "big lie" tactic against Congress, President Ford to resurrect his proposal which was resoundingly voted down by the Soviets and the Third World at the Nairobi UNCTAD (United Nations Conference on Trade and Development) meeting. As for the U.S.'s NATO allies no Western European country has yet endorsed the proposal despite the most intense State Department "diplomatic pressure" to do so. Reportedly, the Secretary of State is expected to put maximum pressure at the June 22

OECD meeting in Paris. Not even the multinational corporations that are ostensibly expected to benefit from the IRB scheme have shown any enthusiasm for it. It is too transparent. Any sane person can recognize it as a concoction of the New York banks who dominate the Eurodollar market which is intended to delay the bankrupting of their financial empire and its replacement by a new gold-based monetary system.

To round out the psywar picture, Rep. Henry Reuss' (D-Wis) House Banking Committee has sent the IMF (International Monetary Fund) articles of revision on to Congress with the suggestion that the Treasury push for the so-called "substitution account" that Brookings Institute staffer previously proposed by C. Fred Bergston. It is an arrangement through which central banks can and-or must exchange their gold and currency reserves for IMF's Special Drawing Rights.

But Treasury Deputy Secretary Edwin Yeo admitted to a Congressional source that the Treasury is using the Brazilians as a front for this proposal within the IMF. At any point that the Europeans picked up the plan, the Treasury will give up it's opposition to it.

Reuss and his Wall Street controlled committee are actually plugging for the IMF to work directly with the private banks on third world refinancing, according to Reuss aide Jamie Galbraith (son of Keynesian lunatic Kenneth). Reuss is reportedly 'very disturbed' by the joint Britain-Scandinavia veto of IMF standby credits to accompany the recent \$125 million loan to Chile. The loan had been arranged by a 16 bank consortium of U.S. and Canadian banks headed by New York's Morgan Guaranty Trust.

Explicitly modeled after the 1923-24 "Rentenmark" proposal of then Reichsbank chief Hjalmar Schacht — later Adolf Hitler's finance minister — the IRB would issue new credit via multinational mining companies against the mortgaged minerals-in-the-ground deposits in Third World countries.

According to today's New York Times, Kissinger is now ready to go ahead with the IRB despite the fact that the originally-targeted \$1 billion capitalization, needed by the bank to raise long-term capital on the private markets, has had no takers. Even the multinational companies are not biting at the bait. "Well, if this can be done, I think it will take some time," the head of one multinational American company said, — "unenthusiastically." The New York Times added West Germany, Japan, Britain, Italy, France and Canada don't look forward to discussing the IRB at Puerto Rico either. Quietly, the Japanese have blown the game: their chief UNCTAD delegate Kimura, attributed the convening of the Puerto Rico summit as a direct response to Kissinger's defeat at Nairobi the Far East Economic Review reports. The Japanese official described Kissinger as "furious" at the world's rejection of his proposal. Leading British bankers agree. The vice-chairman of one of the five major British banks, in San Francisco attending the American Bankers Association meeting, contacted by phone on the prospects of the IRB at Puerto Rico, said "Well, the Puerto Rico summit is a meeting of the developed countries, and they still have to sell it to the developing countries, old boy, don't they." The June 15 West German financial daily Handelsblatt denounced any commodity indexation schemes whatsoever — whether they be cloaked in the IRB or otherwise.

Even an old associate of Treasury Secretary William Simon at New York's Saloman Brothers insisted in a telephone conversation that the IRB was nothing but "public

relations for Kissinger, Simon (although not Treasury undersecretary Gerald Parsky) was privately delighted to see it to go down in Nairobi," he reported. "The Treasury Secretary thinks it's too inflationary."

#### **No Support in White House, Congress**

As of this writing, there are no indications that either President Ford or the United States Congress will succumb to the Kissinger psywar campaign. Senior partner for international affairs at the Wall Street investment banking house of Lazard Freres, and the son of a former World Bank president, Eugene Black was enraged by the results of the IRB meeting at the White House. Calling President Ford a "pain in the ass," Black did not think that the delegation including Treasury Secretary William Simon, State Department Deputy Secretary Charles Robinson and Deputy Undersecretaries Jules Katz and Charles Frank were able to sell Ford on the IRB.

Meanwhile, Kissinger man Charles Frank, meanwhile has been recounting "victories" for the IRB proposal for Congressional audiences (based on a Peruvian-Nigerian acquiescence at the current North-South meeting in Paris to allow further discussions of the proposal and the recent OAS resolution promising further study of the proposal in the Latin American context.) But one Congressional aide, who has attended one of these "big lie" sessions with Frank reported that he was unconvinced that the IRB's victories, (undoubtedly the result of strong-arming of the governments involved) reflect real Third World thinking on the subject. "I don't think it (IRB-ed) meets the needs of developing countries," he added.

As far as the Third World is concerned, the proposal is a dead horse — no matter how hard the necrophiliac Kissinger attack attempts to portray it as otherwise.



## Commerce Department Figures Reveal

# U.S. "Upswing" Going Down for the Count

June 19 (NSIPS) — Statistics on production, inventories and personal income released this week by the U.S. Commerce Department indicate that in spite of the latest outburst of "upswing" clap trap they have generated, the U.S. economy is running up against the limits defined by the general deterioration in the wages and salaries of the working class.

According to the Commerce Department, industrial production in May rose by .7 per cent. Although the Wall Street Journal and the New York Times, among other financier outlets, cite this rise in the nation's factory, mine and utility output as "further evidence of the economy's underlying strength" (Wall Street Journal, June 17), retail sales inventory, and orders figures suggest quite the opposite; that the rise in industrial production was fueled largely by the transfer of inventories from manufacturers to wholesalers and retailers, where they are involuntarily accumulating in the face of a collapse of retail sales. As reported last week retail sales in April and May fell by .1 per cent and 1.2 per cent respectively, and in real terms, that is after inflation, they fell much more.

### What Gives?

Under these circumstances, how does one then explain the decision by manufacturers to increase production in May? The explanation lies in an analysis of April's business sales and inventory figures. Business sales (the combined sales of manufacturers, wholesalers and retailers) rose by .7 per cent. Although, sales figures for manufacturers and wholesalers were not separately reported, in view of the sharp drop in retail sales reported elsewhere, manufacturing and wholesale sales had to have risen.

But the April inventory figures tend to confirm that this rise in manufacturing sales represented not actual sales but mere transfer of stock from manufacturers and wholesalers to retailers! According to the Commerce Department report, while manufacturers inventories rose by less than .1 per cent (\$69 million), an actual decline in volume terms, wholesalers inventories rose by .6 per cent (\$262 million), and retail inventories rose by .7 per cent (\$563 million dollars).

Even though overall inventory accumulation in April was half that of the previous quarter it is clear that even this small amount of buildup was made possible by this sheer transfer of stock down the line where it has since bottled up. More significant, the bottleneck at the retail level centered in the non-durable sector — precisely the sector which the so-

called consumer spending spree and credit extension has previously fueled. According to the Commerce Department, stocks of non-durable goods rose by an abnormally high 1.2 per cent, while durable goods inventories rose by only .2 per cent.

Half-digesting these figures, while regurgitating the rest, the Commerce Department's acting chief economist admitted in his euphemistic and metaphorical style: "It's possible we're going into a sawtooth growth pattern where you have a big increase in the economy one quarter, then a modest increase the next, then big, then modest. This one is beginning to look like a modest quarter.

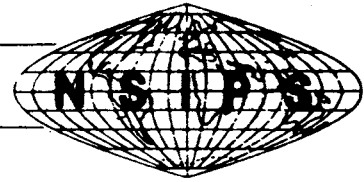
### Worst Yet To Come

The New York Times, confirmed the likelihood of an inventory bubble feeding back into a production bust, in a June 18 article on Business Trends entitled "Inventory Buildup Stirring Fears." The article notes that "Despite economic recovery, erratic sales patterns in various businesses are contributing to mounting inventories throughout a broad range of American industry giving rise to fears of clogged pipelines and adverse effects on the national economy."

The reporter, Isadore Barmash, was able to learn the following rather astonishing facts: first, that while steel mill inventories were 7 per cent above one year ago and capacity utilization has risen anywhere from 80-90 per cent, shipments rose by only 1.9 per cent in the first four months of this year. Although Barmash fails to mention it, even this small rise was made possible only by a boomlet in the auto industry which has been made possible only by record extensions of consumer credit; domestic car sales in May dropped to an annual rate of 8.7 million units from April and March rates of 9 million and 9.3 million respectively.

This no doubt will further reduce shipments of steel to auto companies who remain the biggest purchasers of steel products; April inventories in the furniture industry rose to the level they were at in the first quarter of 1974 when sales in that industry were at peak 1970's level. Industry analysts report that factory orders in this industry are leveling off. This should not be surprising, as the housing industry remains in a state of collapse. Although the Commerce Department reports that housing starts in May rose by 2 per cent, they are still 50 per cent below their 1972 levels. In a related trend, the lumber industry is beginning to experience an undesired buildup in inventories.





## Kissinger Orders Killings In South Africa To Pave Way For Austerity-Genocide

June 20 (NSIPS) — Rockefeller's outlaw regime in South Africa is now implementing the Nazi policy of genocide which Rockefeller plans for the rest of the world. South African police have butchered more than 100 blacks and injured more than 1000 others this week in deliberately provoked race riots across the Witwatersrand, South Africa's heavy industrial belt. The riots, which began June 16 and spread through eleven black "townships" — the South African euphemism for concentration camps — and two black university campuses before reportedly subsiding, today reignited in the coastal city of Durban, according to the West German daily Frankfurter Rundschau. At last reports, police are patrolling the townships in armored cars.

The white supremacist South African regime's move from racist exploitation to outright extermination of the country's black population is fully supported by Vice President Rockefeller and his insurrectionist Secretary of State Henry Kissinger. The bloody response to the riots was ordered in complicity with Kissinger to test the South African government's ability to enforce genocidal levels of austerity now being demanded by Rockefeller's New York banks. The butchery also represents a pre-emptive strike against the organizing of the mass-based but clandestine African National Congress (ANC-SA) the major opposition to the just-passed Transkei Bill which demands the deportation of increasing numbers of unemployed blacks to the country's second tier of rural camps, the overcrowded and disease-ridden "black homelands" (Bantustans).

When asked if the police bloodbath would cause Kissinger to demand repeal of the Transkei Bill when he meets with South African Prime Minister John Vorster in West Germany June 23, a State Department spokesman yesterday answered, "not necessarily," confirming that Kissinger will over-ride President Ford's orders for U.S. diplomatic pressure for significant racial liberalization in South Africa at the June 23 meeting. In fact, the West German meeting is designed to impress Vorster with that fact that private Rockefeller money — \$5 million of which has already been sent — will continue to flow into South Africa to buy arms for use against the black population of the whole southern African region.

The Rockefeller conduit press is covering for Kissinger's illegal support for Vorster's moves, implicitly blaming Ford for the bloodbath. Yesterday's New York Times editorially praises Kissinger for his supposed policy of aiding pro-

socialist Mozambique and pressuring the fascist government of Ian Smith in Rhodesia, adding, "There has been ample room for scepticism about the degree of President Ford's commitment to the Kissinger policy."

The Rockefeller-Kissinger insurrectionists are being supported in their African genocide plan by investment banker George Ball, who at times has led Wall Street opposition to the Rockefellers. Ball, who is mooted as Jimmy Carter's choice for Secretary of State, told reporters on June 17 that "U.S. policy should favor 'honest partition' in which blacks and whites have fair shares." Without such a solution, Ball said, "there is going to be a bloody catastrophe."

### Planned for a Month

The bloodbath has been inactive planning for at least a month since phony liberal South African magnate Harry F. Oppenheimer, a close ally of the Rockefellers, signalled the genocide policy at a London dinner May 18 attended by 100 leading stockbrokers, bankers and industrialists. Oppenheimer, in a sharp reversal of his previous humanitarian pose, announced that South African "democracy" would be destroyed by black majority rule, that the only alternative to the present government was communism, and that therefore all South Africans must obey the government. South African pro-government newspapers rejoiced and the New York Times ran Oppenheimer's statement as an Op-Ed.

Also implicated in the mass-murder planning is the black nationalist South African Students Organization (SASO) — funded by the CIA through the World University Service — and SASO's link to Henry Kissinger, the Center for National Security Studies, a Washington, D.C. think-tank closely interlocked with the Institute for Policy Studies, Kissinger's incubator for terrorists. SASO, recently described by a New York think-tanker as a "psychological conditioning outfit," and SASO's sister organization for high school students, the South African Students Movement (SASM), have intensively oriented a segment of South African youth toward race hatred and violence. According to the Christian Science Monitor June 17, SASO was active in organizing the 10,000-strong demonstration in Soweto June 16 which the police attacked, starting the round of violence.

Opinion in the neighboring states of Mozambique, Tanzania and Zambia had already identified the trend in South Africa as a Nazi threat before the shooting began. Mozambique President Samora Machel, when asked June 6 at the Lusaka, Zambia airport for Mozambique's reaction to South

Africa's acquisition of French nuclear plants, declared, "How did the world react to Hitler's Nazism?" Zambian Minister of State for Foreign Affairs Greenwood Silwizya, on arrival in Zambia June 9 from the Algiers meeting of the Non-Aligned Coordinating Bureau, announced that if France and the U.S. don't "change their attitude toward southern Africa, they stand to lose Zambia and other non-aligned coun-

tries among their friends." The Times of Zambia had earlier carried a feature article June 5 by a writer in Tanzania asserting that what is so "revolting is the pussyfooting and appeasing attitude of the Western countries and their leaders towards the latter-day Hitlers of southern Africa, an attitude similar to that practised by Western politicians during the Hitler era."

## LaRouche Proposes War Against Republic of South Africa

by Lyndon H. LaRouche, Jr.,  
U.S. Labor Party Presidential Candidate

WIESBADEN, June 19 (NSIPS) — I declare that in point of fact, the outlaw regime of the so-called Republic of South Africa is on the verge of becoming a case for immediate surgical action in the specific terms of the Nuremberg Code of international law. I declare that a clear and present irreparable danger to millions of lives and to the peace of the African continent exists by virtue of the criminal acts of this outlaw regime.

Therefore, I appeal to President Gerald Ford, that he act as I would act in the office of the Presidency of the United States. I propose that President Ford authorize and direct William Scranton to call an emergency meeting of the UNO Security Council. The United States government should advise the UNO Security Council that an imminent state of war should be declared exist between the UNO and the outlaw government of the Republic of South Africa.

If the Republic of South Africa does not promptly cease and desist genocidal acts of "Bantustan" concentration and related indiscriminate acts of homicide against the Black and colored strata of its population's majority, that the full military force of the United States should be immediately committed to eradicate the outlaw government.

### Doctrinal Implications

The case of the outlaw government of the Republic of South Africa is typical of the exception cases in which the military forces of the United States of America may and should be employed by UNO authorization to such purposes. I specify:

First, in this case there is not at this juncture any substance or color of conflict of interest between the United States, the members of the Warsaw Pact, or representatives of national independence movements concerning such remedies for the intolerable internal situation in the Republic of South Africa.

Rather, in view of the financial and related problems of the United Kingdom, the Republic of South Africa is in effect strictly an internal responsibility of the political alliances grouped under the color of hegemony of the United States of America.

Second, for corollary and complementary reasons, it is a situation in which military and related interventions directly or indirectly linked to or associated with the Warsaw Pact countries must be postponed to the absolute last resort as a means of dealing with this outlaw government.

Third, to leave the military solution to the threat of the outlaw governments to adjoining African countries and their friends for regional solution would involve protracted and massively-destructive effects upon the entirety of southern Africa.

Fourth, for such and related reasons, the best efficient means for an acceptable form of quick and totally effective solution is the military power of the United States of America.

Therefore, if the outlaw government of the Republic of South Africa does not promptly cease and desist from its genocidal "Bantusta-concentration" and indiscriminate killings practices, the total concentration of the necessary commitment of United States military forces should be dispatched to solve the problem with swift, surgical precision.

### The Political Solution

Immediately following the demobilization and disarmament of the military capabilities of the outlaw government of the Republic of South Africa, the United States military forces should withdraw as they are quickly replace by a UNO peacekeeping force.

There should then be immediate steps to establish a stable provisional government of the Republic of South Africa, and orderly procedures for an early general election to produce an independent, permanent government of that nation.



## Labor Parties Demand Public Investigation

# Italian Magazine Charges CIA, NATO, W. German Intelligence Run Red Brigades

BONN-ROME, June 14 (NSIPS) — At a joint press conference of the European Labor Party (ELP) and the U.S. Labor Party in Bonn today, ELP federal chairman Helga Zepp and USLP presidential candidate Lyndon H. LaRouche demanded an immediate public investigation into the involvement of West German intelligence services, police authorities and institutions in the emergence and control of terrorist gangs such as the Baader-Meinhof gang. Zepp and LaRouche presented extensive material to the press contained in an ELP white paper titled "New Effective Methods for the Containment of Terrorism." The paper also deals with the American Institute for Policy Studies, the central control point of international terrorist organizations.

At the same time, at a second press conference this afternoon in Rome, the editor of the Italian weekly magazine *Tempo Illustrato*, Lino Jannuzzi, revealed that the terrorists of the Italian Red Brigades were trained at the Algiers NATO base, probably along with Arab terrorists. Italian Interior Minister Cossiga and the Interior Ministry control the Brigades, Jannuzzi stated before numerous representatives of the international press. Jannuzzi further charged that NATO, the CIA and the West German Secret Service are involved in the terrorist operations and that, for this reason, an official of Cossiga's ministry is presently stationed in West Germany, a fact which Cossiga himself confirmed this past week.

### "NATO Trains Red Brigades Killers"

Jannuzzi reported that the Brigades were reconstructed in mid-1975, when professional killers, specially trained in arson at the NATO base, were incorporated into the hard core of the group. He noted that arson has become a virtual daily occurrence in Italy in the past few months.

In the June 20 edition of *Tempo Illustrato*, Jannuzzi interviews a former secret service general, Sr. Maletti, a political ally of anti-Atlanticist Budget Minister Giulio Andreotti. Maletti reveals in the interview that the Red Brigades were recruited from three camps: anarchists who consider themselves revolutionaries, what he terms agents from East European secret services, primarily Czechs and actually double agents and infiltrators from Atlanticist political intelligence agencies, and agents in the employ of the Italian Interior Ministry.

In another interview in the same issue of *Tempo*, Socialist Party faction leader Giacomo Mancini links sections of the

NATO-led Italian Communist Party and trade union movement to illegal activities of the Italian secret service.

At the Bonn press conference, Zepp announced ELP initiatives toward a public investigation into institutions which the ELP has come in contact with in its own research into the terrorism, including certain West German Federal bureaus, the West German representatives of Interpol and the International Association of Chiefs of Police, the West German intelligence services, and collaborators in various press bureaus and publishing houses.

### U.S. Constitutional Crisis

LaRouche emphasized that the revelations by the Labor Parties on both sides of the Atlantic on terrorism and its behind-the-scenes controllers have immediately intersected a political battle between the Ford Administration in the White House, and the President's opposition around Secretary of State Kissinger and Vice President Nelson Rockefeller. The fact that the financiers of the Rockefeller Banks on Wall Street are the originators of terrorism is that much more significant, he said, when one considers that these deployed networks of private political intelligence services, which the financiers control, are engaged in creating the greatest constitutional crisis in the history of the United States, and are in the process of usurping the institutional power of the Ford Administration step by step. The end result of the activation of terror through this network, he said, is the transformation of the United States into a police state.

LaRouche stated that "since the Michigan primary, which Ford won through the mobilization of the U.S. Labor Party, we have hit upon the plan behind this faction fight. We do not support Ford: we are acting in order to prevent the defeat of Ford at the hands of his opponents. We are gathering the strength needed by the White House for the negotiations which, in the context of the present, necessary rapid political turns in foreign and economic policy, must be undertaken. Following the Nairobi conference, the only choice is between debt moratorium and the International Development Bank on the one side and Schacht and genocide on the other."

LaRouche concluded: "In West Germany, meanwhile, we are simultaneously creating the preconditions under which the corresponding anti-Atlanticist, independent forces in parties, industry and trade unions can become active. We are providing them the maneuvering room which they do not have at the moment. For this reason it will depend on the results of the factional struggle in the United States whether

the controllers of terrorism in West Germany can be firmly identified and the appropriate changes in the foreign and economic policy in the interests of West Germany undertaken."

Further proof of the ELP's claim that top-level West German circles, including the Federal government, are apparently not entirely ignorant of the background of terrorism appeared when government spokesman Gruenewald and Federal press office chief Boelling hastily and only a few hours before the Zepp-LaRouche press conference

announced a government press conference at the same time as the ELP conference. The same trick was successfully employed at the last two press conferences of LaRouche, but this time some journalists appeared anyway. The more awkward the tricks employed here, the more justified the suspicion that the Atlanticist circles in Bonn must have every reason to prevent distribution of ELP exposés. Within the last two weeks, police and certain Social Democratic Party circles in Hamburg and Hannover have attempted to halt the ELP campaign against terrorism with arrests and intimidation.

## BRD Command Adopts 'Maginot Line' Policy

by Lyndon H. LaRouche, Jr.

WIESBADEN, June 17 (NSIPS) — The official West German government reaction to international exposure of Atlanticist authorship of blind-terrorist and fascist-coup projects is uniform hysterical denial. Since recent Italian officials' disclosures of West Germany-NATO involvement in the Red Brigades' crimes, an iron gag has been clamped down on the mouths of frightened West German officials concerning the terrorist investigations as a whole.

It can not be coincidental that Chancellor Schmidt's key personal representative, Gruenewald, abruptly called an unscheduled full-dress press conference at 2:30 on Monday, June 14. Since this is the second time such a "coincidence" has occurred recently, there is no doubt that this was a calculated effort to black out the pre-announced European Labor Party (ELP) press conference on terrorism scheduled for that same hour.

The following facts clarify that confusion:

First, press conferences on behalf of the Chancellor's office are usually called toward the end of a week, and are convened at between 10:00 in the morning and noon.

Second, excluding major weekend developments, no major political press conferences are held on Monday. Monday is part of the journalists' and parliamentarians' extended weekend, so that only a major breaking development would draw a significant representative of journalists and other relevant persons to a conference convened on that day.

This, incidentally, was one of the advantages the ELP saw in the Monday afternoon date. That avoided any reasonable possibility of a conflict with any major press conference. That is, were the government to schedule an impromptu press conference, it would be done during Monday morning, not afternoon.

Third, there was no major weekend development warranting a press conference on Monday afternoon — rather than Tuesday morning at the earliest. Especially not an impromptu press conference, and, above all, not a full-dress press conference!

Fourth, this was the second time this had occurred in that way — although Gruenewald's previous impromptu press-conference call did not go to the extreme of being full-dress.

Fifth, this curious development coincided with a sudden crack-down against the government's receipt of the massive documentation of fact presented by the ELP. This was emphasized by the fact that the relevant West German government office, on Tuesday morning, represented itself as having secured a detailed briefing on the contents of the ELP press conference.

For the benefit of self-professed skeptics and other donkeys, the ELP intends to prove its analysis.

The next major ELP press conference in Bonn will be convened at 3:00 AM on the first July Sunday that Gruenewald is off to the Australian Outback or some such distant place. The spectacle of poor Mr. Gruenewald scrambling back, arriving, breathless, travel-soiled, and saddle-sore, with a couple of kangaroos peeking out of his pockets, to give an emergency 3:00 AM Sunday press conference on West German policy concerning slim-melioration in Monaco, ought to convince even a donkey that something very curious, indeed, is at work behind the scenes.

### The Regime's Folly

Evidently, Chancellor Helmut Schmidt and his friends have learned nothing from the "Watergate" affair. The Maginot Line was a foolish idea when it was first conceived, and President Nixon's "stonewalling" against the Kissinger Institute for Policy Studies-led cold coup d'etat was not an improvement in "Maginot Line" design!

Any sensible politician who had come up through the ranks of U.S. big-city constituency politics would know better than Schmidt's government. When one's government and party are being investigated for possible complicity in some scandalous or nastier sort of problem, the intelligent political figure leads the clean-up operation himself.

If we start only from such a point of reference as the "Socialistische Politik" editorial board circles, in fact there are sections of the social-democratic machine which have connections to the Institute for Policy Studies and various nasty countergang and other operations coming out of their trousers at many points. Add the Interpol connections, and so forth, and blatancy of the Baader-Meinhof links to CIA tunnel-digger Andreas Baader and the Heidelberg (Mental) Patients' Collective, and the BRD has some of the smelliest cess-pools currently being maintained.

Add to direct implication of NATO and the BRD in Italian terrorism by leading Italian officials, and official court revelations pouring out in Italy, the recent admissions of West German national Daniel Cohn-Bendit that he was nothing but an agent in the May 1968 affair. Every informed official in the BRD knows that there is a nasty mess to be cleaned up in West Germany, and that notables of the SPD itself will have to be "sacrificed" as indefensible in that process.

As a consequence of the government's current "Maginot Line" policy, when the unstoppable wave of disclosures outflanks and overwhelms the current "stonewalling" postures, a lot of high officials who might have avoided that acute embarrassment are going to see their political hides added to the collection nailed up for public exhibition.

## Who Controls the Red Brigades?

June 19 (NSIPS) — The following are translations of an article and an interview which appeared in the June 20 issue of the Italian weekly magazine *Tempo Illustrato*, both by *Tempo* Editor Lino Jannuzzi. The articles are part of the section of the magazine devoted to its cover story, "From Piazza Fontana to Coco" (Piazza Fontana was the scene of a 1969 fascist bombing; Coco is the Attorney General of Genoa who was assassinated by Red Brigade terrorists last week — Ed.); *Seven Years of Bloodshed — Whose Fault Is It? — The case against (Italian Prime Minister Aldo) Moro.*" In black across the top corner of *Il Tempo*'s cover is the question: *Who controls the Red Brigades?* Jannuzzi establishes that the Red Brigades are controlled by Western intelligence agencies and pins responsibility on Moro for covering up intelligence agency control of terrorism.

For more than a decade, Jannuzzi has been Italy's most widely respected investigative journalist. In the late 1960s he broke the story about military intelligence spying on Italian citizens. The scandal produced resulted in the complete overhaul of the military intelligence service, the SIFAR, and the creation of its successor agency, the SID.

### The Prime Minister Has Something to Say...

by Lino Jannuzzi

ROME — ... We were in the midst of the SIFAR trial. In front of the IVth Section of the Penal Court of Rome, Scalfari (then editor of *L'Espresso* magazine — Ed.) and I spent our days in the bench of the defendants, where the De Lorenzo affair (coup plot against the government) brought us after I accused De Lorenzo in an article of conspiracy against the State. The evidence of the conspiracy, which would permit us to prove the truth of the article, was in a typewritten document of a few pages which had passed into history, with the name of the Carabinieri General who had conducted the investigation, Manes. The court had requested a copy of the document from the commander of the Carabinieri, general Ciglieri, who had sent it to the tribunal. But before the judges had the time to read it in court, the Prime Minister, who in fact was Aldo Moro, had asked for the document back and had subsequently returned it to the court with 72 blank spaces, erased: the famous 72 "omissis," and it is from that moment that this innocent Latin word has ended up mixed with the blood of the massacres and has taken on a sinister meaning.

Moro justified his behavior before public opinion, in Parliament and to the Socialist ministers who sat in his government, as being forced on him by the necessity of guarding political-military secrets. That afternoon of January in Montecitorio, the opposition had asked Moro to give an account of his omissions: at that time the Communist left wasn't so respectful and historically 'compromised' as it is today. And Moro had come. And he was sitting there, across from me, on the prosecution bench, tranquil, sure of himself and of his 'honest' actions, on his lips the smile of the responsible man that bears his cross with dignity.

Hon. Andrelini didn't waste time with small talk. Almost



immediately he pulled out of his jacket pocket a small bundle of scraps of papers and started to read. A few minutes passed before one realized what he was reading about. And the first to realize it was Moro.

Andrelini was reading the first of the omissions, the passages of the Manes report erased by Moro to 'guard political-military secrets.' And slowly, while word followed word, one discovered that in those passages there was no secret: the passages were only the evidence of the conspiracy. A second later, and Moro exploded. He got up screaming. At the beginning one could not understand what he was saying. He astonished everyone, however, with how in one moment he had changed, become different, transfigured! First white, then red, then white again, the lips tight, the mouth wide open; I could not say whether rage or fear prevailed in him, in place of the smile and the sadness. He gesticulated uncontrollably, first turning towards the president of the Chamber: "Stop him, stop him, you cannot allow him to continue speaking. ..." Then, louder, and one started to understand him clearly, he turned towards Andrelini: "Shut up, shut up, you don't know what you are doing, these documents carry a secret classification, you have to tell me who gave them to you. ..."

... Let's briefly go over the main phases in the silence of this state mafioso. 1967: Moro censures the inquiry of

General Beolchini on the SID dossier. 1968: Moro censures, besides the Manes report, the report on the De Lorenzo plot made to him by General Ciglieri, convincing Ciglieri in exchange for a promotion to keep silent. . . . Ciglieri, promoted to head of the III Army and transferred to Venice, was to die in a mysterious highway accident. Also 1968: Moro betrays his Socialist allies and stabs his Vice-Premier Pietro Nenni in the back. In order to convince the Socialists not to continue their demand for a Parliamentary inquiry into the SIFAR affair and the De Lorenzo coup, Moro covers for Almiran Henke, head of the SID, who passes to fascist newspapers compromising documents against the Socialist ministers and bankrolls the spy Giannettinni for organizing the anti-Socialist campaign.

1969: Moro is no longer Premier, but still reserves for himself control of the Defense portfolio (ministry) and the SID through his personal henchman Luigi Gui. Parliament had finally established the Commission of Inquiry on the SIFAR, but Gui and Henke continue to censor the main documents and "coach" the officers that have to testify, reward and promote the accomplices of De Lorenzo, and hit and isolate those who talk. The most persecuted of them all is the poor General Manes who dies of a heart attack when he is about to testify. Moro himself, called to testify, hides to the commission the truth on the famous meeting that took place in the house of another of his followers, Sen. Morlino, in the summer of 1964, and covers up the story of the microphones installed by order of (former President — Ed.) Segni in the Quirinale for recording his political conversations. . . .

In the succeeding years. . . Moro covers for the sinister personage Admiral Henke. . . he fights very hard, against the resistance of the socialists, and always backed by (President) Saragat, to maintain Henke in service even beyond normal retirement age, and gets him promoted Chief of the General Staff of the Defense. Then Moro goes to the Foreign Ministry and starts his shameless solidarity with general Miceli. And when Andreotti, coming back to Defense after a long absence, throws out Miceli from the SID, and breaking with the practices imposed by Moro, opens the records of the Secret Service to the magistrates, Moro quickly returns to his alliance with Fanfani and chases Andreotti first out of Defense and then from the Mezzogiorno portfolio, in order to rush to the aid of Miceli with the politico-military secret to pressure the Appeals Court so that the investigation of the Piazza Fontana massacre (1969 terrorist bombing in Milan — Ed.) is torn from the hands of Judge D'Ambrosio and transferred to Catanzaro to the attorney general there who is Moro's old friend and comrade in Fuci (Catholic student organization under Fascism — Ed.). The rest is recent history. . . .

#### **WHO PAID THE RENTS FOR THE 'PEOPLE'S JAILS'**

**Interview by Jannuzzi with General Gian Adelio Maletti. (Maletti was the former head of Dept. "D" of the SID, the counter-intelligence unity. He was "Watergated" by Atlanticist Gianni Agnelli and his newspapers and was forced out of his post in late 1975.)**

**Question:** When were you last occupied with the Red Brigades?

**Answer:** In the summer of 1975, between July and September, I think, just before leaving Command of Department 'D'. . . .

**Q:** So, after the death of Margherita Cagol (wife of Red Brigades leader Renato Curcio — Ed.), the organization was already falling apart. . . .

**A:** Yes, but we had the feeling there was an attempt at reorganization and relaunching under other forms. . . .

**Q:** Which forms?

**A:** Under a group still more secret and more clandestine, made up of unsuspected persons. . . and with more bloody programs. . . .

**Q:** More bloody programs?

**A:** Until that time the Red Brigades had not yet fired a shot, if not forced to, and to defend themselves against capture. This new organization started with the explicit intention of shooting, even though they didn't want to kill yet. They trained or paid sharpshooters to shoot at the legs. . . .

**Q:** This still was people from the 'left'?

**A:** They recruited terrorists from everywhere, the chiefs kept in the shadows, but I wouldn't say they were 'left.' In general they were different people, even from the standpoint of social and cultural extraction, from the original Red Brigades.

**Q:** What did you do then?

**A:** We informed the Viminale (the Interior Minister — Ed.). We gathered information; it was up to the Anti-Terrorism squad to act on that information. . . .

**Q:** But in the past you were successful in infiltrating them, with Brother Machine Gun and before that with Marco Pisetta . . .

**A:** Brother Machine Gun was an operation directly managed by the Carabinieri, and with Pisetta there were problems. . . .

**Q:** Problems with the Interior Ministry, I think. The then head of Counterintelligence (the "D" Dept.) D'Amato complained about your intervention. . . .

**A:** The ineffable D'Amato maybe was a little jealous. . . . Everyone defends his own infiltrators. . . .

**Q:** The Interior Ministry had its own infiltrators inside the Red Brigades?

**A:** Infiltration is always a very delicate operation. . . one is always and one is never "inside." Sometimes it's reciprocal. One believes to have infiltrated the terrorists and the terrorists are the ones who have infiltrated you. . . .

**Q:** Long ago, an officer of the SID described the Red Brigades to me as a box with three floors: in the first top one, well in view, are the young fanatics, the theoreticians of the "armed struggle for communism"; beneath, in the first secret compartment, there are the agents of the Secret Services of the East, above all linked with the Czechoslovakians, trained at the Karlovy Vary camp. Then, under everyone, in the most hidden compartment, there are the infiltrators of the Interior Ministry and the secret services of the West. . . . Today, for the last organization that has assumed the name "Red Brigades," would you confirm this description?

**A:** In a schematic way, I would say yes. . . with some corrections. . . I think that the young fanatics, as you call them, are all in jail. And would say, for the same reasons, that those that make the tround trip between Italy and Prague, such as Viel And Franceschini, are also out of the game.

**Q:** Then there only remains the third group . . . we can then say that the so-called Red Brigades of today are in the hands of the Interior Ministry, the secret services of West Germany and the CIA?

**A:** You are the one who says that. I have been out of the SID too long now to know about it.

**A:** But when the Red Brigades kidnapped Judge Sossi in April 1974, you were the head of the "Counterintelligence" Department "D." Did you know then the role of the Interior Ministry infiltrators and also of what was being prepared by your chief, General Miceli?

**A:** I don't understand what you are referring to. . . .

**Q:** I refer to a precise fact. General Miceli was preparing the kidnapping of attorney Giovanbatista Lazagna, the former partisan Communist who is reported to be the moral head of

the Red Brigades. . . .

**A:** I cannot answer that question at all. . . .

**Q:** Can you answer this one? Is it true that general Miceli in that occasion prepared some secret "hideouts" that would be called "peoples jails" and in fact they were "SID jails"?

**A:** I cannot answer.

**Q:** Let's put it this way: if Miceli, or whoever ordered you, and I said "ordered" you, to go ahead with that operation, would you have done it?

**A:** I would not have obeyed it, and in such a case, I would have resigned my post. . . .

## Part I

## Who Is Francesco Alberoni?

June 19 (NSIPS) — With general elections a day away and the role of NATO, the American CIA and West German intelligence agencies in "left" and "right" countergang terrorism in Italy well-publicized throughout the nation's press, the European Labor Party held simultaneous press conferences in Milan and Rome yesterday to identify one, remaining crucial link whose exposure will permit immediate identification and thorough dismantling of the Rockefeller brothers entire apparatus of insurrection against parliamentary democracy in that nation. Francesco Alberoni, rector and "sociologist" of Trento University's terrorist selection and conditioning center, was not only the brainwashing creator of, in particular the savage "Red Brigade" terrorist-killers, but has for nearly two decades played a role which is pivotal in the **interface** of a large number of "private intelligence" institutions which constitute the Italian-national branch-network of the Rockefeller operation, and which is wholly under the command of FIAT financial-industrial emperor, Gianni Agnelli.

Focused investigation by responsible journalists with the courage and intelligence required to pin down and expose Alberoni will therefore open a broad avenue into the heart of the beast, which is now fully mobilized to destroy Italy's major political parties, and terrorize its population into toleration of a police state in the service of genocidal austerity.

ELP Executive spokesmen together with party candidates for National parliament in both cities motivated their appropriate emphasis on Alberoni at this time by stating that exposure and bringing to justice of all implicated persons and groups, whatever their stature, was now a leading demand of the Italian working class and electorate at large, bound to exert a significant influence on the following day's elections and the political mood of the populace in the immediately following weeks. The ELP will accordingly maintain powerful pressure for full disclosure of the dark forces behind recent destabilizing influences on Italian political life by launching a legal suit charging the Italian government with exercising its responsibility for enforcement of criminal law. The suit will compel President of the Republic Giovanni Leone to direct both chambers of the Italian parliament to investigate ELP charges against Alberoni, Agnelli and others on the basis of the extraordinary accumulation of legally-admissible evidence, now in the possession of the ELP and other sources; there must be full identification for the Italian people of the crimes for which these persons are accountable, from the planning and im-

plementation of terrorism to the broader, inclusive plot for an Italian fascist dictatorship. The appropriate sections of Italian and international law (e.g., Nuremberg) must be adhered to in the ensuing prosecutions.

### **The 'Improved' Fascist**

Francesco Alberoni's creation of the "Red Brigades" utilizing "small group" brainwashing methods is the sensational but merely derived feature of his expertise in inherently fascist sociological techniques of the type developed by London's notorious Tavistock Institute. These amount to innovations based on Anglo-American intelligence studies of Mussolini and Nazi "social control" successes. The inherent object in Francesco Alberoni's theory and in the documentary record of his practice is not the "small group" per se, but the possibility of rendering the whole of Italian society into competing, "paranoid" small groups, i.e., the destruction of Italy's political parties, its governing democratic institutions and the related outlook of its people. "Red Brigade" productions in connection with the same "synthetic fascist" sociology program is but a subsumed feature of his active, long-term commitment to an Agnelli-dominated "1984" society.

Francesco Alberoni was trained during the 1950s as a medical doctor and psychiatrist at the Milan Catholic University, the major center of race science and fascist labor theories under Mussolini, and since the Second World War directly linked to the Tavistock Institute itself. Milan Catholic University "psychiatry" and "sociology" is the relatively sophisticated behavior modification practice associated internationally with Tavistock's fortunately-deceased Brigadier-General John Rawlings Rees of the British Secret Service and CIA, and Rockefeller family protege Kurt Lewin, responsible for the development of control-methods regarding "self-policing" 'small group' social formations.

Alberoni in the 1950s engaged in psychological profiles of immigrant workers from southern Italy then working in industrial plants in Milan. More is to be learned, but the crux of his work was to identify those distinctive ideological features of the southern worker's outlook and deprived cultural traditions, which could be exploited to successfully introduce Lewinite self-policing sub-organization among the immigrants in competitive isolation from the broader Milanese workforce.

Alberoni's subsequent career is a story of rise through Agnelli "private intelligence" institutions to the point that

he, today plays a most prominent role in the Agnelli-Rockefeller insurrectionary plot, a degenerated variant of the nightmarish Sidney Webb of the old Fabian Society of the British financiers' Round Table.

#### **Target: DC and PCI**

In the early 1960s, Alberoni was drafted for a private intelligence project critical as preparation for Rockefeller-Agnelli's current anti-Republic operations, conducted under the auspices of the Cattaneo Institute in Bologna. His assignment was to undertake mass psychological and sociological profiling of Italy's two major political parties, the ruling Christian Democracy (DC) and the Italian Communist Party (PCI).

The specific object was described by Giorgio Galli, director of Cattaneo's associated and better-known publishing house, Il Mulino: to identify the essential, distinguishing features of both PCI and DC "ideologies" through a study of their respective bases of support, histories, organizational structures, social presence and psychology. The aim, declared Galli, was to specify means for the destruction of those "ideologies" and a transformation of the characteristic social identity of each party's mass of supporters and cadre core-groups toward forms suitable to a "post-democratic society."

Responsibility for the overall project was in the hands of Galli. Francesco Alberoni, as a trained Lewinite brainwashing and profiling expert, was placed in charge of profiling and developing behavior modification programs appropriate to the core cadre militants of the two parties. The entire project was lavishly funded from 1962 through 1964 by the Rockefeller Brothers through their 20th Century Fund conduit based in New York, and coincided with a global "branching point" in Rockefeller designs for fascism, merely typified in U.S. developments revolving around the assassination of President John Kennedy and the creation in 1963 of the Institute for Policy Studies world-terrorism deployment center.

#### **The Action Party Connection**

The project itself, like the Cattaneo Institute-II Mulino group chosen to undertake it, has roots in the immediate post-war period of Rockefeller policy control over the Allied occupation of Europe, reflected in OSS-Standard Oil official, Allen Dulles' war-time operation to subvert the Italian resistance movement. Dulles created the so-called Action Party as a wedge against the hegemony of the Communists, a strictly "left" fascist-radical operation combining anarchist-terrorists drawn from the Sardinian Action Party, left anarchists and renegade Communists such as Altiero Spinelli and Leo Valiani; syndicalists from the original Milan Catholic University operation, exemplified by Riccardi Lombardi; and plain old-fashioned bankers: Bruno Visentini, Adolfo Tino, Enrico Cuccia, and Count Ugolini La Malfa. Most of these persons remain today critical operatives in the Agnelli-run insurrectionary network of "private" agencies.

Typical of the political character of the "Action Party" operation, which purported to be the "spine" linking the Catholic resistance (the Christian Democracy) to the Communists, was the creation in 1943 of the "European Federalist Movement" by Action Party operative Altiero Spinelli. Ugo La Malfa in 1944 unabashedly praised Spinelli's movement for its perspective toward a "United Democratic Europe" in which mass-gangs of workers would be available for movement back and forth across national borders in shifting slave-labor employment.

Historical background to Alberoni's work, the Action Party itself professed a primary commitment to breaking down all social and ideological barriers which might impede the successful implementation of such a European labor policy.

#### **The Cattaneo Study**

The same figure, Altiero Spinelli was the principal in the 1946 creation of the Cattaneo Institute of Bologna, explicitly as a private institution emphasizing sociology and designed to provide studies of the Italian nation and people to "interested scholars" in Great Britain and the United States.

Since this inception, Cattaneo Institute-II Mulino has been closely related to the Bologna Institute operated by the Johns Hopkins University, a Rockefeller-dominated institution heavily implicated in brainwashing design and U.S. "community mental health" networks culpable in terrorist and similar crimes.

In a 1970 publication, *Patterns of Political Participation in Italy*, Giorgio Galli laid out the thesis by which he and Alberoni were guided in the 1962-64 Cattaneo-Mulino profile study: Italian political life is "static" because of the character of the PCI and DC, whose entrenched power-bases must be broken to implement fascism. "It has become increasingly clear that Italians must break down the barriers between a dynamic society and a static political system by giving greater social and political effectiveness to the energy and drive that was felt throughout Italian society from 1945 to 1963. Social reforms must stimulate individual energy and voluntary effort and reinforce the freedom whose protection man entrusts to society. Otherwise a bureaucratic state awaits the Italians..." Galli makes his fascist objective more explicit: "But if the barriers are surmounted, we can anticipate a dynamic joining of forces, in which individual egoism is mobilized by the state in the interests of national development, and the state itself is responsible for areas of human concern in which private initiative cannot function effectively."

Francesco Alberoni's section of the Cattaneo study, in his own words, utilized "the focused non-directive interview, which also included some items designed to probe, through direct questioning, information of a personal nature and evaluations of certain major political leaders and problems." Such interviews lasted up to six or seven hours and were themselves a form of "soft-brainwashing." They elicited the political and socio-economic background of party militants including their relations to parents and siblings, the degree of "social integration" of those activists (problems with family, jobs, etc.) and their integration within their party. Their "world view" was also deeply probed respecting "expectations regarding future party developments," and their "degree of acceptance of existing social structures and changes they considered possible."

Alberoni was especially concerned to locate inconsistencies between these attitudes and party ideology, and "whether there might be neutral attitudinal zones in which politics is unimportant." He was probing the neurotic features of his subjects' psyche, like a medical doctor diagnosing a patient's illness for the purpose of exacerbating it to a terminal point.

The preliminary results of the study were published by II Mulino in a 1966 book (*Il Bipartitismo Imperfetto — The Imperfect Bi-Party System*). Approaching his subject from the standpoint of the breakdown of "neo-capitalist prosperity" by the latter 1960s, a story which NATO-agent "Trotskyist" Ernest Mandel is specifically credited, author Giorgio Galli calls for "de-ideologizing" Italian politics and



the establishment of an "intermediate system" between capitalism and socialism. The "brilliant" Francesco Alberoni is cited as one of the helpful authorities on the new breed of fascism; Galli identifies his as an Italian follower of Harvard sociological "structuralist" Talcott Parsons.

The Bologna Institute, in the person of former Action Party theoretician Norberto Bobbio who was subsequently associated with Trento University and Il Mulino, adopted the Galli book and Alberoni study as a bible for intervention into Italian political processes. It was Bobbio, a long-term Agnelli-retainer, who directly dictated to PCI agent-leader Giorgio Amendola his famous "neither Social Democratic nor Leninist" speech in 1964. Alberoni and Galli considered Amendola's liquidationism and allied currents for a "Christian Marxist" dialogue — i.e., dialogue with the Alberoni Catholic counterinsurgency groups — to be essential steps toward the "de-ideologizing" of the PCI and the weakening of the working class. Along with that the Il Mulino group directly orchestrated the anti-Amendola faction of Pietro Ingrao leading to the factional break-away from the PCI of the Maoist Il Manifesto grouping in 1969. Il Mulino unquestionably played a similar administrative role in factional wrecking operations conducted by Piero Bassetti to weaken the ruling Christian Democracy, particularly during 1974—75.

#### **Agnelli Foundation Connections**

In the year 1966, Gianni Agnelli created the Agnelli Foundation, as an "Italian MIT" which was publicly dedicated to collaboration with Rockefeller and Ford (Rockefeller) Foundations in the U.S. Immediately, the Agnelli Foundation established close formal ties with the Cattaneo Institute-Il Mulino and with its sister, Johns Hopkins' Bologna Institute.

One of the Agnelli Foundations first projects was a major undertaking from 1966-69 to "integrate" culture and the activities of industrial management. Directly involved in this "Valletta Project" which was designed to make every element of Italian culture a "management concern," were Trento University brainwasher Franco Fornari, top Socialist Party economist Sylos Labino, and both Francesco Alberoni and Giorgio Galli of the Il Mulino group and Milan Catholic University.

From 1966-68, Alberoni also engaged in T-Group experimentation on in-plant brainwashing of Milan industrial workers. The "radical" (fascist) content of his T-Group techniques was publicly emphasized to provide him with the "left" cover required for his subsequent Trento University assignment. It was in this two year period, the first two years of the Agnelli Foundation, that Trento University with a sociology department founded in 1962 around Lewin-Rees "synthetic fascist" models, grew from a small school into a

huge university center with some 4,000 students attracted on the basis of the school's publicized "radicalism." The corresponding faculty expansion consisted of an Agnelli private intelligence deployment of professorial retainers, "Labor psychologist" Enzo Spaltro, above-cited "Sociologist" Franco Fornari, who was also 1964 author of (*La Psicanalisi della Guerra Atomica — The Psychoanalysis of Atomic War*) a piece based on the work of John Rawlings Rees, and Norberto Bobbio, a PSI member and PCI leadership control agent since the days of the Action Party. Leading this Agnelli deployment, however, was Francesco Alberoni, who upon his staged rejection as a "leftist" at Milan Catholic University triumphally accepted the rectorship of Trento University.

In the same period, the Agnelli Foundation-centered private intelligence networks as a whole were undergoing an immense expansion. The networks of Rockefeller and Agnelli which are today their vehicle for dismemberment of democratic institutions coalesced precisely in that post-1966 period.

In 1972, for example, the Agnelli Foundation Culture Committee featured such names as Michel Crozier (the top Tavistock sociologist in France), Harold Lasswell of Yale University, Guiseppe Parente of the Office of (Programmazione) and John Pinder of the CIA—MI5 London School of Economics. Directly financed by the Agnelli Foundation are the Cattaneo Institute-Il Mulino, the Center for the Study of Comparative Trial Law (based on the work of the CIA's domestic arm, the Law Enforcement Assistance Administration), and Turin's Einaudi Foundation, named for Luigi Einaudi, the "liberal" father of Henry Kissinger's Latin American destabilization expert at the U.S. State Department, Luigi Einaudi. The Einaudi Foundation is a heavy funder and staffer of the European Federalist Movement of Altiero Spinnelli.

The Agnelli Foundation is associated on numerous projects and studies with the Rockefeller—CIA's Rome Institute of International Affairs, also established in 1966 and a control center regarding the actions of the PCI leadership. Both Giorgio Amendola, PCI economics expert, and Sergio Segre, the PCI "shadow foreign minister," sit with Gianni Agnelli on the AIA's board. Through that institution, Agnelli enjoys direct liaison with the CIA's Institute for Strategic Studies in London. As of 1972, the Agnelli Foundation was engaged in a study of European domestic and foreign policy with the Ford and Volkswagen Foundations. Along the same lines, it has collaborated with the Atlantic Institute in Paris and the infamous International Association for Cultural Freedom, which coordinated operations against Eastern European countries. The Agnelli Foundation now operates in a front organization in Rome, the Institute for the European Economy.

**To Be Continued**

## NSC War Council Plots Nuclear Terrorism

NEW YORK, June 13 (NSIPS)—“What this conference must work out is a set of lethal international sanctions against any government irresponsible enough to harbor terrorists ... If there are terrorists in Libya, we must go in after them, even if it means air drops. If Libya goes down the drain in this process, so be it ... I'm confident that the Third World can be coerced into agreeing to joint action against terrorism. The Third World will compromise if terrorists reach the point of using atomic bombs, as I'm sure they will ... I realize my words are dripping with blood.”

With these words, Jacob Javits, the Senior Senator from New York State opened his June 9 keynote address at a three day “Conference on International Terrorism” which met here under the auspices of the Ralph Bunche Institute at the UN. The National Security Council-run planning session gathered more than 60 second level operatives into the meeting at John D. Rockefeller III's Japan Society in mid-town Manhattan.

Following directly in line from the NSC's now-notorious Glassboro, New Jersey April terrorism conference which detonated Rockefeller's nuclear “Pearl Harbor” scenario, this week's New York City conference had the unmistakable character of a wartime military briefing session.

Beginning with Javits' blood-curdling keynote, marching orders direct from frenzied war maniacs Nelson Rockefeller and Henry Kissinger were handed down by the Republican Senator and his NSC cohorts throughout the three day meeting. Conference participants have now been deployed as part of active NSC plans for:

- \* the immediate setting off of war in the Middle East to force a U.S.-Soviet nuclear confrontation in the area at all costs;
- \* the full activation of NSC Arab and Israeli countergang networks, with the possible detonation of a nuclear terrorist attack against a Mideastern target;
- \* the unleashing of CIA “ethnic” terrorist gangs against pro-development Arab nations, and directly against member states of the Soviet bloc;
- \* direct military intervention into the Third World under cover of anti-terrorist protective action.

### **The Hard Core**

Transmitting these orders to the assembled lower level operatives was a group of high-level National Security Council terrorist planners, many of who have been present at each of the scenario-launching terrorism conferences since Glassboro. These top agents included Yonah Alexander of the State University of New York at Oneonta and Robert Freedman of Baltimore Hebrew College, who jointly issued the order to activate nuclear terrorism in the Mideast; Jordan Paust, a CIA-linked University of Houston Law School professor who has been involved in profiling the psychological impact of terrorist assassinations on government leaders; former U.S. Attorney General Ramsey Clark, the designer of the CIA's domestic arm, the Law Enforcement Assistance Administration; Institute for Policy Studies operative Irving Horowitz of Rutgers University; Uri Ra'annan of the Fletcher School of Law and Diplomacy,

creator of CIA “ethnic” terrorist grouplets and a proponent of upgrading terrorists' weapons technology; and self admitted CIA agent Edward Mickolus, who on the final day of the conference unveiled the NSC's computer system for planning terrorist attacks.

### **Mideast Nuclear Terrorism**

The NSC's marching orders were forcefully reiterated by their operatives throughout the conference proceedings, notably in the June 10 afternoon panel run by Yonah Alexander and Robert Freedman. Joined by Shin Beth (Israeli Intelligence) agent and New York Post reporter Michael Berlin, Alexander and Freedman ran amok with accusations of terrorism against the Soviet Union and its Mideast allies.

“The Soviet secret police is the largest terrorist organization in the world,” Freedman ranted, going on to accuse the USSR of supporting Palestine Liberation Organization “terrorism” and backing both sides in the Lebanese civil war as part of a plot to eradicate Western influence in the Middle East. “The Soviet calls for peace cannot be trusted,” Freedman raved. “They seek domination over the Middle East and they will overrun Israel at the first opportunity.” To bolster Freedman's report, George Gruen of the American Jewish Committee read the results of a “public opinion poll” purporting to show that 75 per cent of all Americans consider the PLO to be terrorists.

Yet another member of the Alexander-Freedman panel charged that “the Arabs, through their terrorist actions, are turning the Mideast into another Vietnam,” precisely the conditions Kissinger's personal envoy L. Dean Brown has attempted to spark into full-scale war. Freedman ominously concluded: “It cannot be ruled out that the Soviets may soon become the target of the very terrorism which they have encouraged.”

Under the rubric of a talk on “Psychological Warfare Propaganda in the Mideast” panelist Alexander then described NSC plans to provoke an Israeli nuclear strike against an Arab target by manipulating the nation's “Masada” complex. He was followed by Uri Ra'annan, who labeled the Lebanese leftists, currently fighting a Kissinger-ordered Syrian invasion of their country, as “common terrorists.”

Extending the scope of the NSC war plans beyond the Mideast proper, panelist, Eugene Methvin of the right-wing American Security Council's Readers Digest maniacally called for the “blockading and invasion” of Cuba. “There's still a Monroe Doctrine, you know,” the bug-eyed Methvin bellowed, pounding the podium with his fists. “If we're not strong enough to defend the Caribbean against the Russians, then we're dead and we don't know it. What will the Russians do? They'll just yell like we did when they invaded Czechoslovakia.” An inebriated Methvin later confided he was “sure” Castro was responsible for the assassination of John Kennedy.

Despite the aggressive tone of the conference, it was readily apparent that the U.S. Labor Party's exposé of the Institute for Policy Studies-NSC nuclear Pearl Harbor

conspiracy has induced a marked psychological deterioration among the top agents since Glassboro.

The mere presence of one Labor Party organizer at this week's terrorism conference was enough to set off public and private psychotic episodes by a number of the less-stable operatives, while others were observed intently pouring over every piece of USLP literature they could lay their hands on.

By the last day, the general psychological atmosphere resembled a men's room in a gay bar — a result of the fact that an attempted cover up of the Institute's nuclear terrorist operations had become a major unstated purpose of the conference. Under pressure of the USLP exposé, in fact, agent Nicholas Kittrie of the American University Law School was forced to concede the essential correctness of Labor Party charges that the CIA controls most terrorist groups, solely to cover up the actual role of the Institute itself! Kittrie, who sports red-tinted hair, ornate jewelry, and high-heeled cowboy boots, said he had "personal knowledge" that the Institute wasn't what the USLP said it was because he was "intimate" with many Institute members, including Institute Director Marcus Raskin.

#### **Gonadal Approach**

The political demoralization of conference participants was so rapid and so intense that for the bulk of the proceedings, it was difficult to tell whether politics or pornography was being discussed. One participant, Edward Glick, a Temple University counterinsurgent, got up to complain that he was suffering from male menopause, and to plead with the audience, "I hope you all still love me."

### Javits at Terror Conference

## "My Hands Are Dripping with Blood"

*NEW YORK, June 19 (NSIPS) — The following are excerpts for the keynote address delivered here by Sen. Jacob Javits (R-NY) on June 9 to the "Conference on International Terrorism" sponsored by the Ralph Bunche Institute. Sen. Javits' remarks were entitled "International Terrorism: Challenges and Responses."*

I have been concerned and connected with terrorism for some time. . . . The problem we face is a very subtle one. . . . The reason for the critical danger now is that terrorists can get their hands on much more lethal weapons. The day is not far off when terrorists will get their hands on nuclear weapons which can be used as blackmail. . . .

The kind of punishment meted out today to terrorists is much too mild. Terrorism seems to pay off. It is very urgent that international action against terrorism be taken. Countries which harbor or otherwise aid terrorists must be the targets of international sanctions, such as cutting off all communication and transportation between them and the rest of the world. Very lethal measures are needed, especially against such irresponsible nations as Libya. . . .

The Third World nations believe that terrorism is an indispensable weapon in achieving national liberation. This is a cynical proposition, but many Third World countries feel it's all right to be cynical. But I'm confident that the Third World will compromise if terrorism reaches the point of using nuclear weapons, as I'm sure it will. This is inevitable. However, if it requires an air drop to get at terrorists taking refuge in Libya, then there will be an air drop, and Libya will go down the drain.

If terrorism is on the rise, as I foresee, then independence

Bernard Johnpoll of the State University of New York at Albany suggested in his presentation that a "gonadal approach" to terrorism be taken. Johnpoll demonstrated his own gonadal approach under questioning by a Labor Party organizer. Brandishing a cigar, Johnpoll nearly leaped off the stage, screaming, "You have disrupted my classes in Albany, you disrupted Glassboro, you are ruining this conference. I want you locked up in a mental institution. I can't stand to hear any more about what you are saying. We are all polymorphous perverts here. Shut the hell up!" Johnpoll later admitted he'd played a major role in breaking the 1937 Flint sit-down strike on behalf of the UAW.

#### **World War III by Terrorism**

Through this gaggle of self-professed perverts Rockefeller is now moving to implement his conference marching orders for immediate war in the Mideast, "ethnic" terrorist subversion of Arab governments and the Soviet Union, and nuclear terrorist blackmail coupled with direct military attack against nations now leading the Third World fight for a new world economic order. Until the Institute for Policy Studies and its allied international agencies are thoroughly dismantled, the minute-to-minute danger that this scenario will trigger global thermonuclear war remains. In this chilling vein, American Security Council alcoholic Eugene Methvin reminded participants at the final conference seminar session that, "World War I was started by a terrorist assassin: World War II was started with a terrorist incident, and nothing makes me think the situation is any different today."

and liberty will be compromised. It's worth Spartan living to preserve morality in the world. This whole question comes down to very big issues of a material nature.

This conference should decide how to coerce Third World countries to agree to joint action against terrorism.

I realize every word I'm saying is dripping with blood.

### Exclusive Interview

## Nicholas Kittrie: A Nuclear War Plotter Predicts Rise in Terrorism

*NEW YORK, June 18 (NSIPS) — The following interview with Nicholas Kittrie, a professor of Comparative Law at American University in Washington, D.C. was released to NSIPS by a New York-based reporter. Kittrie was a participant in the Conference on International Terrorism here from June 9 — 11 sponsored by the Ralph Bunche Institute on the United Nations and the State University College at Oneonta. An "intimate" of Institute for Policy Studies head Marcus Raskin, Kittrie characterized the Conference on the second day as "shaping up really well... We're finally getting down to the real nitty-gritty" of terrorist activation and police state implementation.*

**Reporter:** How did you get involved in studying terrorism?  
**Kittrie:** I view terrorism as an incidental question to the broader area of political crime. I started in the field in the late 1960s, following my experience in the anti-war

resistance, which brought up the question in my mind that, if you are part of a state and you're convinced that the leadership is wrong, and injustices are being committed, what right do you have to resist? To what extent is it permissible to use extra-legal means to achieve your human rights. Terrorism escalates that question. I got a grant from the National Endowment for the Humanities to study the question of whether, if someone's motivation is altruistic, the law should be softened or ignored if he commits a crime. I did this study at the University of London.

**Reporter:** How would you define terrorism?

**Kittrie:** I'm drafting an article for the *British Yearbook on International Affairs* which demonstrates that in terms of deaths caused, terrorism really accounts for very few. The real horror of terrorism is that it denies the concept of innocence. Nobody is considered innocent in the eyes of a terrorist; thus nobody is safe from terrorist attack. It's the randomness that is so horrible. The denial of innocence threatens us in a psychological way. However, it is possible that within the next decade, terrorists could likely harm many more people. I definitely foresee a rise in terrorism over the next decade; I agree with Uri Ra'annan (professor of International Politics at the Fletcher School of Law and Diplomacy at Tufts University—Ed.) that the growth of alienation in the world breeds a need for ethnic identification, and that ethnic terrorism will grow rapidly. However, I don't share some people's feeling that terrorists will obtain a nuclear bomb, though I do anticipate that they will use more sophisticated technology.

**Reporter:** How about the causes of terrorism?

**Kittrie:** Well, aside from what I mentioned above, all the civilized nations in the world have endorsed human rights. We find ourselves in the position of proclaiming these things, and now we'll have to deliver. If we had a pluralistic society globally, then there would be generally less terrorism. Terrorism is a response to realities — to the deprivation of one's human rights. To the extent that the advanced sector — especially countries like Chile — decide to accord these basic rights, then there will be less need for terrorist violence to acquire them. The Soviets have given in to Western pressure on the question of Soviet Jews.

**Reporter:** Did you agree with the thrust of Senator Javits' (R-NY) comments (in the keynote address) that it might be necessary to invade a country that was harboring terrorists?

**Kittrie:** I think there are other approaches you can use. For instance, improved intelligence systems for monitoring terrorist groups. Interpol is coordinating an international monitoring and tracking system for terrorists. Or an effective means of sanctions. You have to be careful, because the terrorist is usually anxious to become a martyr. We need to develop an international legal approach to curbing specific terrorist acts... Well, maybe the U.S. would do what Javits suggested....

**Reporter:** Do you agree with some of the speakers at the Conference who have accused the Soviet Union and its allies, such as Libya, of controlling most terrorism?

**Kittrie:** No. All governments have been supporting these organizations... although I agree that Libya would support anybody.

**Reporter:** What do you think of the U.S. Labor Party's charge that the CIA runs all terrorist groups?

**Kittrie:** Well, I looked at the pamphlet ("The Institute for Policy Studies Exposed...") they are selling very closely. I would have paid the \$10 if I thought it was worth it, but I found it much too general and undocumented. Of course, it is probably and likely that the U.S. has supported terrorist

groups. I'm sure if we don't like a particular regime, that we would back a terrorist attack or assassination attempt against it. Take (Ugandan President) Idi Amin. He's a dictator (and more recently the target of an attempted assassination—Ed). Just imagine if on your tax return you were asked if you would allow some of your tax money to fund an attempt to overthrow Amin, don't you think that the majority of the American population would say yes? But, I think that what the U.S. Labor Party says about the Institute for Policy Studies is a little far-fetched. You know, that is something of a left-wing think-tank in Washington, and I am intimate with many of the people there, including Marcus Raskin. I can assure you they are not what the Labor Party says they are.

**Reporter:** Could you elaborate on your view as to why terrorism is on the rise?

**Kittrie:** I'm predicting a rise in terrorism on the basis that most countries in the world are not pluralistic. Also, there is a re-evaluation of nationalism going on. There has been much terrorism in the history of the U.S. It has only been through terrorism that minorities have gained their rights. It was only during the New Deal in the 1930s that the U.S. allowed a number of major groups to be absorbed into the power structure without major violence. Since the U.S. is the most pluralistic country in the world, there is much less likelihood that national terrorism will occur here, except perhaps for blacks and Puerto Ricans. We need to look at the potential of these marginal groups for terrorism. The Justice Department's Task Force on Civil Disorders and Terrorism is doing a study on terrorism, but, unfortunately, they've failed to identify potential terrorist-bearing groups in the U.S.

Let me make one more important point. In attempting to curb terrorism, we should be careful not to eliminate the safeguards for political offenders. You would not condemn a Jew if he tried to kill the Nazi who was putting him into a gas chamber. In deciding what is terrorism, we have to consider the nature of the regime, the particular target, and the proportionality of the terrorists' act to the abuses of the regime. In evaluating who is a terrorist, we have to assess it on a case-by-case basis. The League of Nation's contention that every government is holy was silly — is the whole world to perish to honor the sanctity of an abusive regime?

### Exclusive Interview

## "World War III Will Start with a Terrorist Attack": Editor of Readers Digest

*NEW YORK, June 19 (NSIPS) — The following interview with Readers Digest Senior Editor Eugene Methvin was conducted last week during a "Conference on International Terrorism" held here June 9–11 under the sponsorship of the Ralph Bunche Institute on the United Nations of the City University of New York. NSIPS obtained a copy of the interview from an investigative journalist who attended the conference.*

**Question:** Do you agree with the other participants at the conference that terrorism is on the rise?

**Methvin:** Definitely. I feel certain that terrorism is rapidly increasing and that nuclear terrorism is a real possibility... You know, don't you that both World War I and II

began with a terrorist act. World War I was triggered by a terrorist assassin, World War II was triggered by terrorist activities.... People forget that Hitler's Beer-Hall putsch involved hostage-taking, and that two years before World War II broke out, two Japanese Prime Ministers were assassinated by right-wingers in the Japanese Army. There's every reason to think that World War III will start in a similar way.

**Q:** Do you think that an incident of nuclear terrorism could occur in the Mideast?

**M:** I don't think that it's very likely at this point. But the situation in the Mideast is very dangerous. You've got the superpowers facing off one another over Lebanon. Anything could happen.

**Q:** Who do you think controls most of the terrorists?

**M:** Well, there's abundant evidence to show that certain groups in the U.S. such as the Weatherunderground, the Puerto Rican Socialist Party, etc. are run by the DGI (Cuban Intelligence). The DGI in turn is run by the KGB. I'll tell you what a good story would be....why don't you look into the links between the Prairie Fire Organizing Committee and the DGI. Jennifer Dohrn is in New York now and she's doing a lot of organizing with the Organizing Committee. It would really be worth looking into.

**Q:** What do you think the US should do, then about this 'Cuban control' of terrorism?

**M:** Blockade and invade Cuba, if necessary! There is such a thing as the Monroe Doctrine you know. We ought to enforce it! This has nothing to do with the JFK assassination. If we're not strong enough to defend the Caribbean against the Russians, then we're dead and we don't know it. Cuba is a penal colony of 9 million people. They have a right to be free. It's implicit in the Monroe Doctrine to prevent the Russians from maintaining a Gulag Archipelago (prison camp) in our back yard. Another thing — why isn't the US media reporting about the horrible abuses that are taking place in Cuba, instead of yapping about Chile all the time. I'm sure glad

Kissinger is raising hell in Chile, but that won't be enough.

**Q:** Well what do you think the Soviet Union will do if the US invades Cuba?

**M:** The Russians? Ah-h-h, they'll just yell as loud as we did when they invaded Czechoslovakia.

**Q:** Let me ask you what you think about the charges that the U.S. Labor Party spokesman has been making during the conference to the effect that it's Kissinger and the Institute for Policy Studies which control terrorism?

**M:** It's paranoid megalomania. I'll tell you about these people. They're just like the Moonies. They're programmed to say certain things. They all look and talk alike. I first encountered them at the Watergate hearings in July 1973, and then they popped up at the World Population Conference in Bucharest which I was covering for Readers Digest. I've got a file inches thick I'll show you. Maybe you can do some legwork for me, too, like finding out anything you can about their guru, Lyn Marcus. Any personal data on their members — where they were recruited, by whom, things like that. Their finances, although I don't think they'll tell you much. How many members they have. No they're not KGB, or anybody else for that matter, as far as I know.

**Q:** Are they terrorists?

**M:** That's the damndest thing. I've looked into every nook and cranny to find out about the Labor Party, and I've never found any incident of violence. They just seem to be dead-set against violence. I can't figure it out.

**Q:** Well, what do you think specifically about the Labor Party's charges that the People's Bicentennial Commission is going to disrupt the July 4 Philadelphia celebration?

**M:** Well, I don't know. I don't believe Jeremy Rifkin (head of the People's Bicentennial—ED.) is a terrorist — maybe he helps create an atmosphere in which terrorism can develop, but he's not a terrorist himself. Rifkin's kicked up quite a fuss about the SISC investigation (Senate Internal Security Subcommittee's investigation into the People's Bicentennial Committee—Ed.) — Senator Eastland (chairman of the committee) makes a damned good target, of course.

## Anatomy of an IMF Destabilization Operation

### The 'Pertamina Affair' in Indonesia

June 12 (NSIPS) — Ten years after orchestrating the destruction of the leftist Sukarno government in Indonesia, the International Monetary Fund has launched a destabilization of the very military regime it had installed at that time to loot the country.

The IMF campaign undertaken after years of looting operations against the Indonesian economy, was begun with the financial watering of the anti-IMF, state oil company Pertamina. It has culminated with issuance in March 1976 of a confidential IMF white paper which demands the gutting of the country's few remaining development projects for the express purpose of servicing Indonesia's huge foreign debt. The IMF document represents the Lower Manhattan policy now being enforced against the entire Third World, and the battle raging in Indonesia over its implementation exemplifies the fight going on in most other developing sectors as well.

The IMF is demanding that the Indonesian population be ground up in labor-intensive projects geared exclusively for export, to service the country's \$8.5 billion foreign debt, 90 per cent of which has been run up since 1966. The pro-development opposition to the IMF in the Indonesian military is led by President Suharto and includes his closest aide General Ali Murtopo, and his Foreign Minister Adam Malik. It is centered in the military bureaucracy and especially in Pertamina against which the IMF has mounted a years-long offensive which finally succeeded in driving the company into bankruptcy in 1975.

But, the anti-IMF forces are still in overall command of the military-industrial structure of the country. When Sukarno's pro-Communist regime was broken in 1965-66, it was replaced by the only institutional force available to the IMF to govern — the military. Unlike the puppet military regime installed by the CIA and IMF in Brazil at about the same time, however, the Indonesian military, whose roots were in the 1945-49 struggle for independence from the Dutch, is a fiercely nationalistic organization with substantial resistance to being looted and a strong commitment to capital-intensive economic development.

Moreover, the military itself and the military-controlled Pertamina owned or operated most of the nation's non-foreign owned industrial structure. Even today, despite the takeover of economic planning by U.S.-trained technocrats, the Indonesian economy is still operated by the nationalist military and the military-allied bureaucracy. It is this remaining potential for a breakaway from the IMF rule under conditions of an accelerating Third World drive toward debt moratorium and a new world economic order, which has impelled the IMF to escalate its campaign to discredit and eliminate the Suharto regime.

To this end, a destabilization has been launched against Suharto himself and his allies. Technocrat and Mines Minister Mohammed Sadli last month publicly exonerated the IMF of any interference in Indonesia's internal affairs, and attempted to pin the entire blame for Pertamina's bankruptcy on its former chief, Suharto confidant General

Ibno Sutowo. On Cue, CIA-linked Jakarta students used Sadli's statement to call for Sutowo to testify before the parliament. The immediate predecessors of these students were instrumental in the CIA-organized mass murder of half a million communists in 1965, and some of the students with CIA backing, led an attempted destabilization of the Suharto regime in January, 1974, on the occasion of the visit of Japanese Prime Minister Tanaka. A "Lockheed"-type scandal operation has commenced on several fronts, to discredit the bureaucracy on the phony issue of "corruption." Suharto has been attacked abroad on the issue of political prisoners and the fabricated East Timor question by circles linked to the Institute for Policy Studies. Experts are already circulating "timetables" for Suharto's overthrow.

In sharp contrast to this campaign of lies, the history of IMF operations in Indonesia, particularly against Pertamina, reveals that it is the IMF itself which is already responsible for the wrecking of the Indonesian economy.

The IMF's record of sabotage against Pertamina is well-documented in the public domain. In 1968, when the pro-IMF "Berkeley mafia" of U.S.-trained technocrats completed their takeover of the government economic and planning ministries under direct IMF, World Bank and Harvard University (Development Advisory Service) aegis, the IMF issued a fiat concerning international funding for the Pertamina oil and industrial complex designed to bring about its later ruin. Pertamina, under the leadership of General Sutowo, had direct responsibility for the major portion of the country's industrial development, and was completely outside the reach of the IMF agents in the government. To set up Pertamina's later crisis, the IMF ordered that no international lenders lend the company any funds with maturities of more than one year and less than 15 years. As very long-term loans are issued only rarely on the commercial markets, Pertamina was able to secure little long-term capital, and was forced into dependence on mammoth short-term loans, suppliers' credits and the like.

Under Sutowo's direction, Pertamina reactivated plans to construct a steel mill at Kraktao, begun with Soviet aid under Sukarno and shelved by the IMF in 1966, and upped initial plans for a capacity of .5 million to 2 million tons. Sutowo also initiated many other large-scale projects, including a floating fertilizer plant near a natural gas deposit, several huge rice estates, and petro-chemical plants. None of these could earn profits to repay incurred debts for several years. As a result of the IMF ban, Pertamina found itself in an increasingly short-term — long-term bind which demanded ever more feverish debt roll-over and acquisition of more and more short-term loans and credits.

To overcome this, Sutowo was forced into several speculative projects, most importantly a huge oil tanker scheme, which depended on the illusory boom in the world oil markets in 1973-74. In what was ostensibly just unconscionably incompetent banking practice, but almost certainly a deliberate setup for later looting, dozens of major western banks, led by such New York banks as Manufacturers Hanover, Morgan Guaranty and others lent Per-

tamina even more money to finance these speculative blunders. The guarantee the banks counted on to get their loans money back was not the productive use of their loans funds, but the looting of Indonesia's rich oil resources to take place after the inevitable collapse of Pertamina. The acquisition of these loans, and the collapse of the oil bubble after mid-1974, compounded Pertamina's problem still further.

#### **Pase Two: The Knockout Punch**

The IMF attack on Pertamina was paralleled on the "inside" by the guerilla war waged on the company by the "technocrats" of the Berkeley mafia. Frequent attempts were made by the Finance Ministry to bring Pertamina under technocrat control. Rumor campaigns to discredit the company on framed-up charges of corruption were launched periodically. Fierce behind-the-scenes factional battles over Pertamina have gone on within the ruling group since 1968. But until 1975, Sutowo and Suharto had succeeded in maintaining Pertamina's independence from technocrat-IMF control.

In mid-1974, Sutowo finally lined up a more than \$1 billion long-term loan from German sources with which to retire its short-term paper. But the IMF intervened to force a cancellation of the loan. This act forced the cash-flow shortage to become so great relative to the burden of short-term refinancing requirements that Pertamina finally missed payments on several small loans in early 1975, placing it in technical default. At that point, according to charges later aired in the Japanese press emanating from Indonesian circles, the U.S. Embassy refused to lift a finger to help tide the company and the creditors over the bind, and the IMF gloated over the predicament. As a result, the technical default became public. A panic of the other bank creditors, so recently willing to make "soft loans" ensued. By late Spring, Pertamina found itself bankrupted.

The IMF immediately stepped in behind the scenes to pressure the government to intervene to guarantee the loans. No legal obligation whatsoever for the Indonesian Central Bank to bail out Pertamina existed, and a unilateral moratorium on all its debts was seriously considered. IMF and technocrat pressure, however, finally forced government capitulation, and the Central Bank agreed to make good on Pertamina's obligations as soon as they could be sorted out, subject to certain stipulations.

The dismembering of Pertamina, now put under the technocrat-controlled Finance Ministry, commenced immediately. By the beginning of 1976, the huge refinery and industrial project for Batam Island had been scrapped, the floating fertilizer plant cancelled, the rice estates gutted, the Krakatao steel mill scaled down 75 per cent to .5 million tons, and most other projects shelved.

Simultaneously, the central feature of the IMF plan, guaranteeing the payment of the debts, was implemented by the Central Bank, which assumed responsibility for \$1.49 billion in short-term debts due by March 31, 1976. Within a few weeks of the assumption of Pertamina's debts, Bank Indonesia drew the country's reserves down by \$550 million, 35 per cent, and drew \$500 million more by September. A total drawdown of over 72 per cent, from \$1.49 billion to \$437

million, was made in order to cover the short-term debts. Based on this willing subservience, Morgan Guaranty, the leading Wall Street firm involved in Indonesia, obligingly syndicated two medium-term \$450 million loans, and Japanese banks lent an additional \$100 million.

#### **After Pertamina: The Next Rounds**

The victory over Pertamina's independence was only round one for the IMF. In late 1975 and early 1976, the IMF threatened Suharto with a total cutoff of foreign aid for Indonesia if Suharto continued to block IMF-technocrat demands for the dumping of Sutowo, to which pressure Suharto finally gave in in March of this year. Sutowo was fired and new, technocrat-allied leadership was installed.

The March 1976 IMF report opened round three. The report explicitly attacked the country's remaining development projects, and called for their curtailment. It blamed "excessive demand pressures" (inflation) on large expansion in public sector investment" during fiscal 1976 and demanded that public sector investments be "reconsidered" in fiscal 1977. "Priority should be given to implementation of appropriate foreign debt management and policies." This stricture was already being observed during fiscal 1976 when debt service payments accounted for \$1.08 billion of the total net capital outflow of the \$1.4 billion, according to the report. Specifically, the report demanded the "curbing (of) Bank Indonesia credit to the public sector" in order to effect a "substantial reduction" in the rate of domestic credit expansion.

Instead of development, the IMF report demanded austerity and labor-intensive projects to pay debt. It called for financing development through "domestic savings" — a cruel joke for a country with the abysmal poverty levels of Indonesia and near-total absence of an industrial sector. Any funds raised in that fashion could only come, through reduction of services, raising of prices and raising taxes. The price of domestic oil, necessary for fuel and industry, was raised on April 1, 1976. The report explicitly opposed any attempt by the government last August to make the Central Bank use oil revenues to finance development as these were reserved to guarantee the debts. The report called instead for measures to "improve the competitive position and employment creating capacity of non-oil exports," implementable only by reducing wages, augmenting speedup, expanding labor-intensive low-wage export-oriented industries, and concentrating on developing only extractive industries — pure looting.

In the face of this onslaught, Suharto, Murtopo et al. have made every effort to salvage what they could. They convinced the Japanese last year to unilaterally construct a huge power and aluminum project at Asahan after the U.S. pulled out. They have sought Japanese funding for several other projects. They have secured a Soviet aid promise to build an alumina plant the IMF had hoped to cancel. Even more importantly, they have strongly pursued a foreign policy in full defense of the new world economic order and vigorously backed the implicitly anti-IMF thrust of the Group of 77 developing countries in their demands for a greater transfer of resources to the Third World.

# Constitution Itself Target of "Capital Hill Sex Scandal"

by Lyndon H. LaRouche, Jr.

WIESBADEN, June 17 (NSIPS) — I am appealing to the working men and women of the United States to help me in a fight to defend the U.S. Constitution. I urge them to send messages to both the White House and to the Congress, urging Wayne Hays (D-Ohio) to keep his chin up, and do the honest political job for which he was elected, no matter how much filth the whores of the press pour on top of him.

I summarize the facts of the case.

It was obvious from the beginning of the "Capitol Hill Sex" affair that the attack on Hays was done in the immediate political interests of Henry Kissinger and General Alexander Haig, as part of the campaign to turn the Middle East situation into the trigger for a thermonuclear showdown.

Hays mooted appointment as U.S. representative to NATO was the reason he was selected as the victim for this attack.

At the outset of this affair, the tame whore of the case immediately publicly exposed herself by calling a celebrated press conference and playing excerpts of tape-recordings purportedly representing high elected officials *in flagrante delicto*. Self-proclaimed whores calling major press conferences to play such tape recordings — that is no ordinary Capitol Hill whore! Already the affair had all the crucial earmarks of a political intelligence "black operations" job. This was a tame whore from Hell, or from Marcus Raskin's crowd — which amounts to the same thing.

That, of course, was not the end of the affair. With the aid of the Washington press corps, which include a large proportion of notorious tame whores itself, the matter was quickly built up into a general effort to "destabilize" the Congress as a whole.

Let no one be so foolish as to believe that Katherine Graham's Washington Post has been merely exhibiting the well-known low standards of "yellow journalism" in this case. The conduct of the yellow press cannot be explained away by cheap excuses about a "hot story." Two sets of facts eliminate such cheap arguments.

First, there are much bigger, much, much hotter stories breaking all around the Washington Post's front pages. The Marcus Raskin affair is an example.

Not only has Marcus Raskin been exposed as directly linked with such terrorist gangs as the Weather Underground, the Black Liberation Army, and the Japanese Red Army. Raskin's network has been documented and redocumented as sponsor and coordinator of the international effort to launch mass hooliganism and darker crimes under the title of a coalition to disrupt the Bicentennial celebrations.

The race-riots and killings in Boston and Chicago are known to be part of that mass hooliganism directed by political intelligence operations networks closely associated with Raskin et al.

Meanwhile, the same story is breaking out as the major electoral campaign issue in Italy. Judges and other high officials have released evidence showing that U.S.A. and NATO agencies are behind attempted fascist coups and the terrorist Red Brigades and other massive crime-waves in Italy. The government of West Germany is shaking in fearful hysterics over these exposures. The government of Mexico is also moving against right-wing coup forces in which the Raskin networks are a significant part.

Raskin's network is directly involved in the "nuclear terrorism" hoax being pushed on an international scale.

And Raskin's network was massively involved both in setting up President Nixon for the Watergate Affair and in the "black operations" used to assist Henry Kissinger and General Alexander Haig in conducting the hideous "cold coup d'etat" against the White House.

All those facts are out in the open, and represent the hottest and most important story in the entire modern history of major scandals.

Second, there is the recent pattern of "black propaganda" concerning the Middle East and other major political issues.

Katharine Graham's Washington Post together with the New York Times, has been among the most prominent and hysterical major-city newspapers and complicit press services in manufacturing and headlining the most dangerous lies imaginable, concerning critical Middle East developments and related issues bearing on the risk of immediate general thermonuclear war.

Although the Post is among those publications which have pointed directly to Kissinger's direct role in guiding the recent escalation of the Middle East blood-bath and potential thermonuclear confrontation, the same Post has shrieked threats against President Gerald Ford, demanding that he leave the subtleties of foreign policy to the clever Mr. Kissinger.

The Post's and New York Times' recent weeks shift to becoming Kissinger supporters signifies that a section of the power-blocs at the top of the Democratic Party's Eastern Establishment have moved solidly behind the Kissinger faction. These Democratic Party-linked power blocs are identical with the immediate backers of Marcus Raskin's networks.

Those Democrats (and their Republican-side Eastern Establishment, "Bilderberger" allies) are out-and-out fascist nuclear war-mongers, the same, identical forces behind an attempted fascist take-over of the U.S. government with the aid of key figures of the U.S. National Security Council.

These are only the highlights of a mass of evidence showing exactly what is going on with the Washington Post. What is afoot is a massive campaign to demoralize and wreck all constituency-based political forces within both the Republican and Democratic parties. The purpose of that campaign is to blackmail Federal and state legislators into ramming through fascist legislation modelled upon the "Nazi Labor Front," and to destroy the remaining pockets of legislative resistance to destruction of Constitutional government.

The behavior of Katharine Graham's Washington Post is no mere case of press prostitute's hypocrisy run wild. It is a knowledgeable and calculated element of a foul conspiracy to overthrow the Constitutional government of the United States.

For the sake of themselves and their children's lives, U.S. workers must not tolerate an inch more of that ugly business.

## The Technique of Counterattack

I will explain exactly how the counterattack works.

The technique being used by the fascist elements of the Eastern Establishment is dependent upon a certain kind of use of the major press media. Through the complicity of strategically-located major news publications and wire services, a "psychological controlled environment" is created. The Federal and State officials being targeted by this "black



propaganda" conspiracy in lies, are supposed to accept the idea that these key news media control and represent "mass public opinion."

As long as honest Federal and State officials believe that the criminal press is able to control public opinion, such Federal and State officials believe themselves to be helpless to fight against the subversion of Constitutional government. They believe that they are hopelessly isolated and weak.

Then, the criminals within the executive branches and the legislators go to work on them, waving newspaper clippings from the lying press in their faces, and adding a few bits of blackmail threats of one kind or another. At that point, under that pressure, the typical, otherwise well-meaning legislator or other official cracks. He does as he is told, or simply keeps silent, letting the nation and government go straight to Hell.

There is a simple technique for putting an end to that crim-

inal business. It is the technique of "encircling" the lying press and lying criminals in the legislatures and executive. A sufficiently massive outpouring of individual and group opinion from the honest local and regional press, with backup of a massive direct communication by ordinary working people to their legislatures and to the White House will break the back of the campaign of lies by the New York Times and Washington Post.

The use of a tame whore as part of an attack on Constitutional government is the obvious point for an effective counterattack.

You are not supporting Hays' possible indiscretions. You are defending your own lives and liberties by telling the White House and Congress that your mind is not controlled by the lying Washington Post or any other rag of that type.

## The Rockefeller-Fabian Drive To Dismantle The U.S. Congress And The Constitution

June 20 (NSIPS) — The "sex and scandal" operation aimed at the U.S. Congress and ordered by Vice President Nelson Rockefeller escalated last week into a full scale insurrection against the Congress and the U.S. Constitution. While Rockefeller's press whores led by "Madam" Katherine Graham's Washington Post have tried and convicted at least 16 Congressmen and one Senator on anything from sex with secretaries to illegal use of travel expenses over the past three weeks, the kingpin of the Nazi justice apparatus, Attorney General Edward Levi, acknowledged last Friday that he is prepared to tear up the U.S. Constitution itself in order to bust the Congress. The Levi-press assault on the U.S. Constitution, which makes the "Blomberg-Fritsch" affair set up by Goering and used the Nazis look mild, was joined last week by a chorus on "intelligence community" agents within the Congress calling for Congressional reforms which would target for removal any congressman who does not obey Rockefeller orders.

The wheels that have been set in motion and the arms and legs carrying out orders represent the body of an active conspiracy to overthrow the U.S. Constitution underway since 1963. It represents the same machinery used to "Watergate" and drive from office former President Richard Nixon. Directly involved in the entire Fabian network inside and outside the Congress including the Institute for Policy Studies and related private Rockefeller spy outfits. Inside Congress, Institute creations such as Rep. Toby Moffett (D-Conn), Michael Harrington (D-Mass) and John Conyers (D-Mich) play central roles in the conspiracy. Also in Congress, long time Fabian agents in the Democratic Study Group (founded in 1957 by CIA agent Eugene McCarthy) such as Rep. Frank Thompson (D-NJ) (Wayne Hays' replacement as Chairman of the House Administration Committee), Tip O'Neill (D-Mass) and Phil Burton (D-Cal) have surfaced as instrumental in the current insurrection. Sen. Henry Jackson (D-Wash) and his Permanent Investigations Committee in the Senate, which maintains dossiers on every congressman, are directly implicated in both the operation against Congress and in a corruption attack directed against the International Brotherhood of Teamsters. Beyond Edward Levi

and his Justice Department, the press led by Graham's Post, the Sulzbergers' New York Times and the Associated Press wire service are directly indictable for their role in the conspiracy.

The conspiracy's immediate targets in the House of Representatives reveal the purpose of the insurrection — the final obliteration of Constitutionally defined politics in the United States. At stake is the future of constituency-based politics. The aim of the insurrection is to crush this central feature of representative democracy in order to open the door for a 1984 fascist model in which all representatives of the population are forced to obey no other voice but that of Wall Street. Rep. Wayne Hays has been so villified and crucified because as Chairman of the House Administration Committee he has authorized expenditures since 1970 which have given the House wide-ranging "oversight" powers and the staff capability to exercise those powers.

### Rockefeller-Fabians Escalate Insurrection

Identifying the purpose behind the two-week long barrage of congressional scandals and the central role of "Madam" Graham's Washington Post in pursuing them with a vengeance, Adam Lampham, writing in the recent issue of New Yorker Magazine, gleefully spouts, "he (Rep. Hays) compromised many reforms set in motion by the Watergate scandals. Now appropriately, the Watergate newspaper (the Washington Post) which brought down the Watergate President has gone far toward bringing down the man who defied the lessons of Watergate. In this context, the Hays scandal is more than a sex scandal. It is a Watergate mop-up."

On Wednesday, the Watergate newspaper in its lead editorial issued marching orders to the Rockefeller-Fabian forces to initiate the second phase of its attempt to mop up the Congress and the Constitution. Urging their Fabian co-conspirators in the Congress to "get on with it," the Post proposed the setting up of an internal policing apparatus in Congress which could be used to crucify any U.S. congressman who steps out of line. On cue, Attorney General Levi reported through the offices of the U.S. Attorney for Washington, D.C. Silbert on Friday that the Justice Department

was reviewing Article I, Section 6 of the U.S. Constitution which provides for Congressional immunity.

In conjunction with late week press-Justice Department moves, Institute for policy Studies congressmen centered in the 81 member House Freshman Caucus staged a press-conference on Wednesday and demanded that their congressional elders begin policing themselves. Rep. Toby Moffett (D-Conn), intimate of Marcus Raskin and a congressman in residence at the CIA's Airlie House, led the charge, demanding that the Congressional staffers be offered the opportunity to turn in their bosses. Among other proposals, Moffett called for the creation of a citizens panel to watchdog Congress. On Friday an aide to Moffett gleefully revealed that the Institute's errand boys will not unveil all their reforms until the right moment: "You know, the politics and the timing is very important — the climate is ripe."

Simultaneously, the House Democratic Caucus announced that it will meet this Wednesday to decide on three reforms aimed at stripping the House of the increased funding that Hays had won over a six year period. The Caucus leaders, Reps. John Burton (D-Cal) and Tip O'Neill (D-Mass), the House Majority Leader, are both long term members of the Democratic Study Group, a Fabian operation in the Congress for the explicit purpose of pushing reforms that would subvert Congressional authority and remove the powers of constituency-based congressmen.

The press targeting of Congressmen was simultaneously escalated. While Wayne Hays' was resigning from the chairmanship of the House Administration Committee two days ago, the Justice Department asked the House for the financial records of nine more congressmen who allegedly received Federal travel funds illegally. Prior to that, Rep. Joe Waggoner (D-Fla) and Charles Vanik (D-Oh) became the new victims of the continuing sex scandals.

#### **Constituency Politics the Target**

In Saturday's Washington Post, in an article authored by Pincus and Stern, the immediate intention of the insurrectionary forces is announced. Pincus, a former editor of the Fabian New Republic and an admitted "former" CIA press detailee, and Stern who roams within the orbit of the Institute and is connected with the Institute's press clearing house, the Fund for Investigative Journalism, urged that the House Administration Committee "empire" be dismantled. Since 1970, the House of Representatives has grown tremendously in size measured by the number of professional staff and the number of Committees. The staffing of Congress is estimated to be 300 per cent greater since Wayne Hays' tenure as Chairman of the Administration Committee began six years ago. The most significant result of Hays' Committee work is that the House has more subcommittees than the Senate and, importantly, subcommittees that can establish "oversight" jurisdiction in many areas. Under Hays' tenure, the House has received the necessary funding to become a formidable oversight body, and thus has become a more adequate representative of constituency demands.

It was precisely this point that CIA agent and Fabian spokesman Eugene McCarthy stressed in a recent interview: "The House has too many committees and too much oversight." The Post escalated on this theme in its Saturday edition by going after Rep. John Gaydos (D-Pa) for double staffing. Gaydos is Chairman of the House Administration Committee's Subcommittee on Contracts which maintains liaison with other Federal agencies such as the FBI, CIA, etc., and is a nexus point of the House's oversight capabilities.

The Justice Department's targeting of aging chairman of the House Rules Committee Madden (D-Ind), who will not be

seeking another term, for illegal use of Federal travel funds is aimed at totally terrifying him into insuring that there is no resistance from the Rules Committee to suggested reforms aimed at dismantling the House Administration Committee and the Congress. The new Chairman of the House Administration Committee is expected to lead the drive for "reforms." Rep. Frank Thompson (D-NJ) is a long time associate of the "intelligence community" and one of the founders of the Democratic Study Group along with McCarthy.

While agents in place in the Congress move in coordination with the press and the Justice Department towards dismantling the Congress, the other targets of the "congressional exposés" are all representatives of anti-Rockefeller power bastions. Joe Waggoner (D-La) has been the central figure in the congress and Democratic Party in organizing a counterweight to the Democratic Study Group. Waggoner, a staunch Southern conservative, has attempted to build a Southern conservative block and is considered the leading spokesman for that layer. (Others targeted in the Southern layer have been Reps. Otto Passman (D-La), Robert Jones (D-Ala), John Young (D-Tex) and Bill Burlison (D-Mo). Two leading fighters against the Watergate proceedings against former President Nixon, Rep. Walter Flowers (D-Ala) and Margaret Heckler (R-Mass), have been victimized. Heckler is also a strong Ford supporter, as is another scandal target, Rep. Tim Lee Carter (R-Ky).

#### **Congress Targeted to Get the Teamsters**

While the constituency-based layers of Congress were thoroughly harassed, agent layers in the Congress have geared up for a full scale assault on the independent Teamsters union. With Rockefeller stooge Sen. Jake "the Rake" Javits opening up hearings this week into alleged stalling on the part of the Labor Department-Justice Department joint investigation into Teamster mishandling of pension funds, Rep. John Vanik, Chairman of the House Ways and Means Subcommittee on Oversight (this subcommittee has oversight over the Teamsters) became yet another victim of the congressional "sex and scandal" operation, as the press charged him with paying an office salary to an alleged prostitute currently residing in Los Angeles. Vanik joined Rep. Henry Helstoski (D-NJ), already under grand jury indictment for allegedly accepting a bribe from an illegal alien. Both men have been blocking attempts by Rep. J.J. Pickle (D-Tex) also on the Oversight committee to investigate the Internal Revenue Service's investigation of the Teamsters' Central pension fund. Pickle has charged that the IRS has wittingly stalled its investigation. Helstoski, closely linked to the Teamsters, was set up for indictment by Sen. Henry Jackson (D-Wash) and Jackson's Permanent Investigations Committee which maintains files and dossiers on every congressman. Jackson's aides set up a meeting between Helstoski and a Chilean underworld figure. Two days after the meeting, Fund for Investigative Journalism columnist Jack Anderson ran headlines charging that Helstoski met with a Mafia figure to plot murder.

#### **Working Class and Teamster Mobilizations To Create Environment for Congressional Fight**

Speaking at a press conference in Chicago two days ago, Rep. Martin Russo (D-Ill), a long-time associate of Chicago's Mayor Richard Daley, charged that the witch-hunt against Hays is an outrage, and that Hays had been tried and convicted by the press. Russo ended by calling for a return to the U.S. Constitution and due process. Russo's open call for a congressional fight against the insurrectionists was echoed by broader layers of mainstream Ford Republicans and independent Democrats late last week. Rep. Howe's office (D-Utah) reported that they believed that the attacks on the

Congress were a concerted conspiratorial effort. While many offices took extended briefings on the nature of the conspiracy and how to fight it from U.S. Labor Party representatives, congressional offices will be studying Labor Party evidence identifying the Institute for Policy Studies as the NSC coordinating body of terror and the assault on the Constitution over this weekend.

In concert with Russo's call and mass working class support, the Congress will go into session next week knowing that Rep. Howe, a target of the scandals, obtained overwhelming support at the Utah Democratic Convention. Howe, at the Convention stated that the attacks on him were politically motivated and charged that the press had already convicted him — completely by-passing the U.S. Constitution.

#### **Leads for Investigation**

Outside of the leads for investigation already established in this report, the following bear follow-up.

\* The mother of Colleen Gardner, Mrs. Casseta, has top security clearance with the Pentagon. She is also the legal counsel for the Organization of American States' Human Rights Subdivision on Women, and in that capacity launched an investigation into the former Director of the OAS, Luis Rechui, for allegedly forcing sexual favors from the Human Rights Staff of the OAS. He has subsequently resigned.

\* Both Howe and Waggoner were allegedly picked up by Police Sexual Perversion Squads in Salt Lake City and Washington D.C. respectively. There are indications that these squads were set up by the Rockefeller-created International Association of Chiefs of Police.

\* Stanley Lundeen, Rep. from Jamestown, N.Y., was the Mayor of Jamestown and the head of the Trist-Javits created Jamestown Labor-Management Project — a model for slave labor corporatism. He replaced former Rep. James F. Hastings, who suddenly left office in mid-term. Hastings, who at the time of his resignation gave religious reasons for his departure, was in fact the victim of blackmail involving alleged "sex scandals."

\* The Coalition to End Grand Jury Abuse — The Coalition is headed by National Lawyers Guild member David Rein. Its leaders are Fred Solowey, Rep. John Conyers (D-Mich) (who is leading the fight for the Coalition's bill in Congress along with fellow Institute agent Robert Kastenmeir (D-Wisc)), Bella Abzug, Leonard Boudin, Noam Chomsky, Ramsey Clark, Ron Dellums, Frank Donner, Don Edwards, Richard Falk (an Institute for Policy Studies associate), Mike Gravel, Rep. Michael Harrington, Benjamin Spock, and others. While couched in appealing clauses, the bill would actually set up a national star chamber apparatus on the state, municipal, and Federal levels. Any citizen complaint against public officials could be used as the basis of a grand jury investigation.

\* Sen. Jacob Javits — While the senior senator from New York has so far escaped the otherwise seemingly omniscient press scrutiny of Congressional sex activities, knowledgeable Capitol Hill insiders report his office lies at the center of a NATO-run call girl ring, used for both blackmail and other NATO business purposes, which figures heavily in the current scandals.

# How Rockefeller Controls Elections: The Takeover of the Voting Machine Companies

June 20 (NSIPS) — This report presents a preliminary summary of an NSIPS investigation of the takeover of voting machine production and marketing by public and private U.S. intelligence agencies. *The takeover of voting machine companies and the institution of computerized elections provides the capability for large-scale vote fraud and election rigging — key components of the Rockefeller-National Security Council insurrection against Constitutional government in the United States. A full brief on the conspiracy to destroy free elections in the U.S. is now in preparation by an NSIPS investigative team and will be presented to Congress. This investigation covers the following areas of the conspiracy:*

(1) *The takeover of local political machines and the election apparatus by the Law Enforcement Assistance Administration and Institute for Policy Studies networks;*

(2) *The present operation to keep the U.S. Labor Party off the ballot in the 1976 Presidential elections through sudden changes in petition requirements; this operation has surfaced in at least five states and is coordinated through John Gardner's Common Cause and other similar Rockefeller operations and agents;*

(3) *The manipulation and molding of public opinion through "public opinion" polls such as those conducted by the Gallup and Harris organizations.*

*Individuals and organizations with information in their possession as to any aspects of this conspiracy to destroy the electoral process are urged to make it available to NSIPS, where it will be incorporated into the forthcoming Congressional brief as appropriate.*

Public and private U.S. intelligence agencies associated with the Rockefeller faction now control virtually all manufacturing and marketing of voting equipment in the U.S.A., as the result of operations going back over at least the past six years. During the 1960s, two companies produced almost all voting equipment. Today, those two companies have been taken over and wrecked, and an IBM-front organization has largely taken over the field with its easily rigged computer election system.

Institute for Policy Studies agent Mitchell Rogovin provides a key link tying the takeover of the voting machine companies to the highest level of networks involved in the Rockefeller insurrection. Rogovin occupied the key positions of General Counsel for both the Institute for Policy Studies and Common Cause, until he resigned to become Special Counsel to the Central Intelligence Agency in June 1975. As counsel for Common Cause, Rogovin played a central role in the watergating of former President Nixon, personally orchestrating the Vesco campaign-contribution operation against Nixon, and also representing Tad Szulc of the New York Times in legal proceedings used to publicize the "Pentagon Papers" hoax. During this same time period, Rogovin was deeply involved in the takeover of the AVM corporation, functioning both as a "consultant" and representing AVM in a Miami court case which was used to create a major scandal in Venezuela in early 1973.

## How Elections Are Rigged

The methods of election rigging are somewhat different and easier for computerized elections than for elections conducted on mechanical, lever-type, machines, but massive fraud can be and is conducted with both types of systems.

As Keith Spaulding, vice-president of AVM's voting machine division told an NSIPS reporter, voting machines can be fixed in any way desired. Levers can be disengaged from counters. Machines can be rigged so that votes are transferred from one candidate to another, or so that a certain candidate's votes stop tallying at a predetermined number.

Some methods can be used at the polling place, but massive fraud such as that perpetrated against the U.S. Labor Party in the past few years probably requires that the machines be pre-rigged before the election through adjusting or substituting altogether the gears which would otherwise tally votes cast for U.S. Labor Party candidates.

One example of how this worked is the San Francisco mayoral election in November 1975. Pre-election polls taken by the U.S. Labor Party had shown that USLP candidate Nick Benton had support of 20 per cent and up in areas of high USLP penetration. In the election Benton was given 0.18 per cent, as 10,000 votes "disappeared" from the hotly-contested mayoral race. In one precinct, where the fix didn't stick, Benton was given 36 votes, or 15 per cent of the total for that precinct; in most other precincts he was given zero or 1 vote. Labor Party attorneys sued in Federal Court, submitting affidavits showing more USLP voters than votes officially tallied in six precincts, including one instance where a woman and her daughter both cast votes for the USLP, only to find that the machine — in their own garage — showed 0 votes for Benton!

## THE PRINCIPALS:

**AVM** — AVM Corporation, de facto division of **Rockwell Industries**, major defense contractor. Formerly Automatic Voting Machine Co., the largest producer of voting equipment. President and Chairman of Board is **Harold J. Ruttenberg**, intelligence agent since 1930s.

**I.E.S.** — International Elections Systems, Inc., division of **Macrodyne Industries**, defense contractor. Formerly the Shoup Voting Machine Company, second largest producer.

**C.E.S.** — Computer Elections Systems, Inc. of Berkely, Calif. Now the largest producer of voting equipment. Formerly was elections division of **IBM**.

**U.S. Department of Justice** Strike Forces in Philadelphia and Buffalo led by Robert C. Ozer.

**U.S. Treasury Department**, Internal Revenue Service **Mitchell Rogovin**, Institute for Policy Studies, Common Cause, 1969—75; was in IRS - '61—65; Asst. U.S. Attorney General, '65—69.

**Rand Corporation**, "ex-" Rand operatives advertised how computer elections can be easily rigged.

Voting machine companies all supply "trained" mechanics and also provide training for local election boards. These local election boards themselves have often come under LEAA control through the same process used to take over the voting machine companies. In Charlotte, N.C., members of the I.P.S.-sponsored Red Hornet gang, who set up a sham "Labor Party" in that city, were also employed by the Board of Elections as mechanics and laborers to move machines, and one Hornet agent was sent to AVM's Jamestown, NY headquarters for lessons.

#### Computer Fraud

With computerized vote counting, the fraud is centralized and therefore much more efficient. Computers are used for the central vote-counting process; with the CES system, punch cards are used in the local polling place — which is in effect a throwback to the old paper ballot system. The possibilities of altering, mutilating, or substituting punch cards are endless.

"Scenarios" for computer vote fraud have been produced by a group of former employees of the Rand Corporation, the Rockefeller think tank which has also brought us scenarios for "limited" nuclear war, and for regional nuclear wars in the Middle East, Africa, and Latin America. Using Rand "War games" techniques, these "ex"-Rand agents (as in "ex"-CIA agents) demonstrated how an entire election can be rigged by one skilled operator. The Rand experts, now with Systems Research, Inc., an elections consulting firm, divided their research group into two teams: a "Red team" whose goal was to rig a vote count through software modification, and a "Blue team" whose job it was to detect the cheating and to find safeguards to prevent it. The Reds won. (The system is advertised in *Datamation*, May 1970.)

Although there are other more sophisticated — and even less detectable — methods of rigging a computer — such as using a rigged, substitute program along with the official program so that the substitute program becomes operative at a certain point in vote-tabulation, then self-destructs at the end so no trace of it is left — the point is clear. Computerized vote counting is the modern, NSC-LEAA type of vote fraud as opposed to the old-style, precinct-by-precinct fraud which relies heavily upon old-line political machines.

Most election "experts" are complicit in covering up the vastly-increased fraud potentials of computerized elections. For example, a report published by the National Municipal League and financed by the Ford Foundation cites the possibility of jamming mechanical machines, and then praises the computer system because "centralized tabulation provides a better means of maintaining administrative control over the counting process." Indeed. An officer of the National Scientific Corporation who prepared the report told NSIPS, "Fraud is an emotional issue. No one has ever proved fraud."

Despite its documented capabilities of fraud, well over 30 states have now legalized the punch-card-computer vote system. King County (Seattle), Washington, uses the CES computer system — interfaced with LEAA takeover of the entire election process — although state law requires that any voting device must register the votes cast, which the CES system does not. When USLP attorneys sued to invalidate the 1975 municipal election, a State court judge sheepishly said that if he granted the Labor Party's motion, then he would have to declare the entire State Legislature to be holding office illegally!

#### The Destruction of Shoup and the AVM

Both the Shoup and the AVM voting machine companies, the major producers of mechanical (lever-type) machines were subject to identical Federal investigations and indictments in the early 1970s, with the old managements kicked out and both companies losing out to the CES computer systems in the sales of new equipment.

The Shoup company dates back to at least 1910, and underwent a series of mysterious changes of ownership in the 1950s and '60s involving financier-swindler Louis Wolfson and various top Philadelphia bankers. In 1967 the company was purchased by Macrodyne Industries, a producer of defense components whose principal consumers include the U.S. government, Rockwell, GE, Boeing, United Airlines, and Pratt-Whitney.

Irving Meyers, the president of Shoup, came under "investigation" by the Internal Revenue Service after accumulating large gambling debts in 1969. IRS—either through setting up Meyers or taking advantage of a golden opportunity — opened its investigation of Shoup and then brought the Justice Department in via the Philadelphia Strike Force under Robert Ozer. In 1971, Meyers and other officers of the corporation were indicted; Ransom Shoup and his son Ransom Shoup II were fired by Macrodyne along with Meyers.

Meyers pleaded guilty to charges of bribery of public officials and was sentenced to one year's imprisonment in February 1972, which he did not serve. He was then offered a deal by the Justice Department through which he became a government witness for the Justice Department in "corruption" calls against local government officials in Louisiana, Philadelphia, and Chicago. In Philadelphia and Chicago, the indicted election officials were associated with traditional Democratic party machines.

Macrodyne itself seems to have had little interest in producing voting machines. At first they contracted out the manufacture to AVM, then took it back. Their own production of machines was notoriously incompetent. The corporation turned over the marketing of their machines to CES for a period of time during 1972, but this deal fell through when Ransom Shoup and his son refused to allow their name to be used to push the CES punch-card computer system, in spite of various payoffs offered in the form of stock options.

Macrodyne then changed the name of the company to International Election Systems in 1972; it has reportedly been losing money every since.

Shoup and his son then formed their own independent company, the R.F. Shoup company, which has been tied up in court ever since by a suit from Macrodyne-IES. A Macrodyne annual report described the court case this way: "IES has instituted litigation against Mr. Shoup and others which, if successful, should substantially curtail the operations of this competitor for some time."

The wrecking of the AVM voting machine division occurred in a similar manner.

After the IRS and the Justice Department had gotten their indictments of the Shoup company, they opened up the AVM in an inside-outside operation. In July 1972, the U.S. Attorney in Buffalo announced a Federal Grand Jury investigation of AVM, which resulted in indictments of Lloyd Dixon, president, and other officers in January 1973 for violations of SEC regulations and for bribery of local election officials in Arkansas and Texas. In July 1973 AVM was indicted by the

IRS (which had also levied a \$2.3 million claim against the Shoup company).

While the Justice Department and IRS were hitting AVM from the outside, an inside wrecking operation was being conducted by those members of the Board of Directors connected to Rockwell and the Mellon Bank and director H.M. Kreuger of the Rockefeller-connected Kuhn, Loeb investment house. Lawyers Mitchell Rogovin, Harold Ruttenberg and Edward Wisniewsky were brought in as "consultants" for the internal housecleaning.

Ruttenberg and Wisniewsky were partners in "Humanation Associates," a management consultant firm based in Pittsburgh, headquarters of Rockwell and the Mellon bank. Ruttenberg has a most interesting history, having infiltrated the labor movement starting in 1934 in a group of four "intellectuals" who operated within the steel union as agents of John L. Lewis against the Communist Party. He became the Research Director of the Steel Workers Organizing Committee and then of the United Steel Workers, CIO, and a close associate of both CIO head Phillip Murray, and a Tavistock agent in the steel union leadership Clinton Golden. He functioned as a steel company executive, and a "labor relations consultant" through the 1950s and 1960s. With this background, it can be seen why Ruttenberg would be trusted to manage the NSC-CIA takeover of AVM 1973.

As a result of the bribery and tax scandals, and the loss of the \$23 million Venezuelan contract, (see below), the AVM corporation has been run into the ground by Ruttenberg and the Rockwell group. An individual closely associated with the pre-1973 AVM corporation said, "The government was out to wreck this company. The stock which used to be \$20 a share is now \$1 or \$2 a share." A union official knowledgeable of AVM operations said "Everything is strange. Nothing has gone right since the new management came in."

AVM has become simply a shell for CIA operations, not limited to vote fraud. Rogovin's role in the Venezuelan affair is suggestive of this.

In 1972 AVM had negotiated a major contract to produce voting machines for the Republic of Venezuela. AVM then refused to pay commissions which were due to one Hans Mangin, a former Nazi operating out of Grand Cayman Island. Mangin sued AVM, and AVM sent in Rogovin to represent the corporation. Rogovin's "defense" was that Mangin had bribed various Venezuelan officials. The opposition was astounded that Rogovin intended to raise this defense, saying he would not only lose the case for AVM but that it would result in the Venezuelan contract being cancelled. Nonetheless, Rogovin went through with it with the predictable results. But he achieved his apparent objective: Venezuelan officials and journalists flocked to Miami for the trial, and a major scandal broke out in Venezuela over the bribery charges.

Ruttenberg then went crying to his stockholders and the union about the cancellation of the contract, which cost AVM

at best a \$13 million loss.

The importance of having the voting machine companies taken over by defense industry companies is twofold. It provides a convenient "national security" cover for operations; it also provides an excellent method for funneling government subsidies into the companies which are now losing money on their voting-machine operations.

#### CES Moves In

The scandals which rocked Shoup and AVM contributed a major role in setting up Computer Elections Systems (CES) to take over the election market. "We certainly profited by the scandals," said a vice-president of CES. But profit is not the objective: control of the election process is, and with the punch-card computer system sold and operated by CES it is far easier to rig an election than with the mechanical machines.

The "Votomatic" punch card system was developed in 1964 by Professor Joseph Harris of the University of California. Harris, associated with the Atlanticist think-tank, the Brookings Institution since the 1920s, was UNRRA Director of Personnel in 1944-45. His "invention" was picked up and marketed by IBM until 1969, when IBM—in its usual manner—spun off its election division as an "independent" company. At least seven of the ten top officers and directors of CES came directly from IBM, as well as most of the employees.

(IBM is totally interfaced with the National Security Council and the CIA. At the end of World War II IBM's former head Thomas Watson wanted Truman to give him the "franchise" for intelligence operations so that he could set up his own CIA. Though Truman refused, Watson went ahead and set up a vast private intelligence apparatus which interfaces with government agencies. IBM's law firm, Cravath, Swain, and Moore, is located in the Chase Manhattan Building in lower Manhattan; its Rockefeller-CIA connections are well known. Cravath, Swain and Moore also represented three of the AVM directors in a recent stockholder's suit.)

CES now estimates that its punch card system covers about 18 per cent of the registered voters in the U.S. (40 to 50 per cent of voters still use paper ballots, mostly in rural areas.) CES systems are used in Seattle, Los Angeles, Flint, and were just purchased in Cook County, Illinois (the Chicago suburbs.)

The Cook County deal, which gave the contract to CES is quite interesting. It was apparently negotiated by Ronald Smiles, who went to Chicago as a representative of IES (from which he recently resigned as president!) Through landing the Chicago deal and purchasing 4000 old mechanical machines from Cook County, CES now has a virtual monopoly not only on the punch card system, but on the market for lever machines as well, since it sells the used lever machines at such low prices that the other companies cannot compete.

# Asian Leaders Speak: Gandhi in Moscow; Bhutto on UNCTAD

*June 19 (NSIPS) — The following are excerpts from significant speeches and communiques released over the last several weeks by two important Asian leaders — Prime Minister Indira Gandhi of India and Pakistani Prime Minister Zulifkar Ali Bhutto. Though the Western press was most assuredly in receipt of reports of these statements, they have been either blacked out (as is the case of Prime Minister Bhutto's remarks) or have appeared in distorted press accounts.*

*The first item is excerpts from a speech made by Prime Minister Gandhi at a banquet in her honor hosted by the Presidium of the Supreme Soviet of the USSR on June 8 in Moscow. The speech was released by the Indian government press agency Samachar.*

....The birth and development of socialism in the Soviet Union has been a major factor in shaping the course of world history. Ideas generated in revolution have influenced men's minds in building of a new social order. Spectacular progress made by the Soviet Union in industrial development, science and technology and conquest of space brilliantly demonstrate what people can achieve by their own efforts inspired by high ideals and great leadership. Many of us in the developing countries are engaged in the tremendous task of consolidating political and economic freedom. Your experience and success have been our stimulus. The Soviet Union has had to overcome many obstacles to meet the challenges and repulse invasions. The sacrifices of the Soviet people in defence of their ideals have conditioned them toward peace. Having known the full horrors of war they naturally abhor it. How apt are the words of Kaisyn Kuliev: "Every bullet fired in war finds its mark in the mother's heart." War is destructive of human values while peace enhances life. Lenin's first decree after the October Revolution was to seek peace with all peoples. The single most important value which the Soviet Union and India cherish in common is our desire for peace and peaceful construction. Acceptance of the right of other countries to live as they choose is the first essential of peace. Hence the close inter-relationship between peace and coexistence. The ideas of tolerance and coexistence are well known in Indian philosophy before it became a political concept imperative of our times. As Jawaharlal Nehru said, "Truth is not confined to one country or one people; it has far too many aspects for anyone to presume that he knows." Each country and each people if they are true to themselves have to find out their path themselves through trial and error through suffering and experience. Only then do they grow. If they merely copy others results it is likely to be that they will never grow. This determination to be ourselves and to preserve our identity also predisposed us toward non-alignment. India was the biggest and first non white colony to reach freedom. Our independence marked the beginning of the end of the colonial epoch.

How could we accept any new limitations on our freedom of decision and action. We had to avoid military entanglements

and concentrate on construction. International experience of the last thirty years confirms the continuing validity of non-alignment. The Soviet Union showed great foresight in accepting India's non-alignment in our treaty of peace, friendship and cooperation. The Soviet Union has explicitly declared its respect for our policy of non-alignment and reaffirmed that it constitutes an important factor in the maintenance of universal peace.

The Soviet Union has unfailingly extended principled support to the national struggle of Asian, African and Latin American peoples and has upheld the right of nations to follow their own policies. The world is large enough for people of different beliefs and ideologies to live together and flourish but it is too small to survive a confrontation which might result in holocaust.... India welcomes and appreciates detente even though currently it seems to be under strain. There is a need to stabilize, strengthen and extend this process to other parts of the globe so that it becomes irreversible. Isolated bases of tranquility cannot come by themselves to ensure stability when there are other areas where confrontation prevails and threatens a breakdown of peace. So long plagued with colonialism and its aftermath and now tormented by conflict and mistrust, Asia most urgently needs an atmosphere of sympathy and cooperation. It has ideological, ethnic and religious diversity and its deprivation is deeper than anywhere else; so is the magnitude of its multitudinous problems.

Darkness is not dispelled by cursing but by lighting lamps. Along with international efforts for peace each country must act on its own to reduce areas of suspicion and to enlarge areas of goodwill. My government has worked and is working consistently to improve relations with all our neighbors. We hope that the international community will support rather than hinder these healthy developments. The Soviet Union genuinely wants peaceful cooperation, mutual understanding and good neighborliness between countries of Asia. The Soviet Union is not only a great power but one with a large Asian component in its personality. Both our countries thus have common interest in promoting stability and harmony in Asia. This relaxation of tension is important in itself. It is also essential for detente in Europe. We rejoice at the emergence of an independent and unified Vietnam free of conflict. It is the fulfillment of the work of the great and indomitable, though gentle leader, Ho Chi Minh. Termination of hostilities in Indochina has been a major victory for freedom and for peace and a great event in the history of Asia. We look forward to forging closer ties with the Vietnamese people and wish them success in their endeavor to build their nation.

War and hunger are two of the persistent scourges of mankind. Those who have suffered ravages of war seek peace through disarmament and development. Cooperation between our two countries is a striking example of how two peoples with different political ideologies and socio-economic structures can work together for mutual welfare and progress. The UNCTAD report describes it as a model for

other countries to emulate. For our part we specially appreciate the quantity and scope of assistance from the Soviet Union, for it has enabled us to establish heavy industries in our public economic and commercial exchange. We have to search constantly for new areas and methods of cooperation to expand our economic relations. Our detractors who have frequently predicted limits of growth of this cooperation have proven to be false.

Our friendship has witnessed the test of time. Indian people value the comprehension you have shown in our most difficult moments. The clear declaration by his Excellency, general secretary Brezhnev at the XXV Congress that political and economic cooperation with India is the Soviet Union's constant policy has drawn warm response from the Indian people. The foundation on which the edifice of Indo-Soviet cooperation is built remains solid and stable. We shall continue to strengthen it. We wish the Soviet people further success in their forward march under the dynamic and farsighted leadership of their party and government.

*The following are excerpts from a joint declaration on further development of cooperation and friendship between the Soviet Union and India signed in Moscow June 11 by the two governments and released on June 13 at the end of Prime Minister Gandhi's state visit to the USSR.*

India and the Soviet Union, convinced that the strengthening of peace, international security and cooperation among states is the only sound basis for the development of friendly relations between states consistent with the vital interest of all peoples of the world, stressing again the importance of the treaty of peace and friendship and cooperation between the Republic of India and the USSR signed in New Delhi on August 9, 1971 and the joint Indo-Soviet declaration of November 29, 1973 which reflected the historically established traditional friendship of the two countries and the desire to make a substantial contribution to the common struggle for peace and security of the people of the world, ....

declared the following:

India and the Soviet Union are determined to unswervingly pursue in relations with each other the course of strengthening friendship and cooperation in every way and to do all in their power for the further improvement of the international climate particularly through augmenting their joint contribution to the solution of fundamental international problems in the interests of strengthening peace and security of peoples of India and the Soviet Union note with satisfaction a broad coincidence of their views on topical international questions of common interest as well as on ways of further strengthening the bilateral cooperation between them. Both sides solemnly reiterate the resolve of the two countries to strengthen in every way Indo-Soviet friendship which is a valuable asset of the peoples of the two countries.

India and the Soviet Union view with satisfaction the noticeable improvement in the international situation on the positive changes that have taken place in recent years on the international scene. The two sides welcomed the successful conclusion of the all European conference on Security and Cooperation and they believe that the changes affected in Europe toward the relaxations of tensions and the strengthening of peace create favorable conditions for maintaining and consolidating peace on the European continent. The Prime Minister of India highly appreciated the

contribution made by the Soviet Union and personally by L.I. Brezhnev in this process. Both sides are convinced that the relaxation of tensions is vital for all the countries of the world large and small, developed and developing. The two sides declare their determination to increase efforts in order to facilitate the deepening of detente and to spread it to other regions of the world. India and the Soviet Union reaffirm that they attach particular significance to a broad development of mutually beneficial cooperation and the strengthening of peace and stability in Asia, through common efforts by all the states in this largest and most populated area of the world. India and the Soviet Union agree on the need to create such conditions as would permit the peoples of the world to live in peace and good neighborliness and for their manpower and material resources to be channelled to solve social and economic problems which are of primary importance for the improvement of the living standards of the peoples and the uplift of their economy and culture.

Both sides believe that interstate relations should be based on such principles as the renunciation of the use of force in relations among the states, respect for sovereignty and inviolability of borders, non-interference in internal affairs of countries and peoples and broad development of cooperation in economic and other fields on the basis of full equality and mutual benefit.

The transformation of Asia into a continent of durable peace will in the opinion of both sides undoubtedly facilitate further normalisation of relations between countries and strengthen universal peace....

India and the Soviet Union reaffirm their support for all governments and peoples fighting against the forces of reaction and imperialism. They declare the determination of the two states to make every effort to eliminate the remaining hot beds of tension which threaten international security and mutually beneficial cooperation among nations.

The two sides express serious concern at the unsettled situation persisting for a long time in the Middle East. They resolutely support the struggle of the peoples of Arab countries and express themselves in favor of a just political settlement of the Middle East crisis based on the speedy withdrawal of Israeli troops from all the Arab territories occupied by Israel in 1967 on meeting the legitimate demands of the Arab people of Palestine including the right to establish their own state and on ensuring the rights of all states of the Middle East to independent existence and development. India and the USSR come out in favor of resuming for these purposes the work of the Geneva peace conference with the participation of all parties concerned including representatives of the Arab people of Palestine represented by the Palestine Liberation Organization....

India and the Soviet Union note with satisfaction that the victory of the cause of freedom and independence of Indochina and the restoration of peace on the Indochina peninsula have opened up new vistas for improving the situation in South East Asia and in the whole world. In this connection the two sides expressed the hope that the peaceloving and progressive people of Vietnam will soon take their rightful place in the United Nations. Both sides fully support the desire of the peoples of the two countries of Southeast Asia to live in conditions of peace, independence and cooperation between these states and come out against external interference in the affairs of these countries and for the withdrawal of foreign troops and liquidation of foreign military bases in the region.



India and the Soviet Union pronounce themselves in favor of the termination of foreign interference in the internal affairs of the Korean people. They believe that there is an urgent need for creating conditions to establish lasting peace in the Korean peninsula and to meet the aspirations of the Korean people for a peaceful reunification of the country.

India and the Soviet Union note with satisfaction the adoption in recent years by the UN General Assembly of a number of important decisions on the questions of restraining the arms race and the taking of a series of practical steps toward general and complete disarmament including decisions on the reduction of the military budgets of states permanent members of the security council by 10 per cent and the use of a part of the funds thus saved for providing assistance to developing countries, the conclusion of an international convention on the prohibition of military or any other hostile use of environmental modification techniques, the conclusion of a treaty on the complete and general prohibition of nuclear weapons tests and an agreement on the prohibition of the development and manufacture of new types of weapons of mass destruction and new systems of such weapons. The two sides are convinced that it is necessary to take all steps to put these decisions into effect and declare their readiness to combine their efforts with the efforts of other peace loving states to achieve this aim.

India and the Soviet Union support the desire of the peoples of the Indian Ocean to prevent it from becoming an arena for the setting up of foreign military bases. The two sides reaffirm their readiness to participate together with all states concerned on an equal basis and in conformity with generally recognized rules of international law in finding a favorable solution to the question of making in the Indian Ocean a zone of peace. India and the Soviet Union agree that the renunciation of the use of threat of force for solving controversial issues between states should become a law of international life. Noting with satisfaction the reaffirmation of this principle in the decisions of the UN and the final act of the conference on security and cooperation in Europe, India and the Soviet Union call upon all states to facilitate the adoption of measures aimed at concluding a world treaty on the non-use of force in international relations.

India and the Soviet Union reaffirm their readiness to promote the restructuring of international economic relations on an equitable basis taking into account the legitimate rights of developing countries to dispose of their national wealth and their desire to raise the level of socio-economic and cultural development of their peoples. They emphasized in this connection the urgent need to eliminate discrimination and other obstacles in international trade and to put an end to inequality and exploitation in international economic relations. India and the USSR will promote the consolidation of peace in Asia and throughout the world.

## Bhutto on Unctad IV

*Pakistani Prime Minister Ali Bhutto made the following remarks on the closing of the United Nations Conference on Trade and Development in Nairobi, Kenya (UNCTAD IV). Prime Minister Bhutto was at the time in North Korea on a state visit.*

It is in resistance to this threat that the Third World faces the sternest challenges to its unity. Neo-colonialist designs aim to disrupt and destroy this unity or to feed us on false hopes with a view towards gaining time in order to oppose our just demands. We must ask ourselves whether exercises in dilatory tactics, such as international conferences, are to be endlessly tolerated, or whether the time has come for all the Third World countries to unite their strength and forge a common platform at the highest political level in a great conference of Asian, African and Latin American countries, to establish a more just new world economic order.

Our struggle for economic independence is obstructed by an international economic order that seeks to perpetuate an unequal and exploitative relationship between the industrialized nations and ourselves.... We are entering an era in which domination has begun to assert itself in its new shape of economic exploitation. States like Pakistan may have achieved political freedom but our fight for economic emancipation has still to be won. For 30 years, there have been conferences on the issues, but nothing has happened. For us there is only one humanity and one world. We live in this world and we will die in this world. We do not come from other planets. Neither have we come from the moon or Mars, nor do we visit relatives there. We are on earth. Out of the three worlds, it is our duty to create one world. There should be justice. There is no law in any sacred book that Latin America, Africa and other places are to remain poor forever. 30 years is a very long time for talks and dialogue. There are no results.

The time has come for the Third World countries to take cognizance of their vital interests and resolutely strive for fundamental remedial action to redress the grave injustice to the peoples of the world. We have to ask ourselves whether the time has not come to give expression to the massive force of Third World solidarity in a summit conference of the countries of the Third World in order to dismantle the present economic order and replace it with a more equitable system of international economic relations. There is a great upsurge in the Third World.... The economic palliatives held out to the Third World by the industrialized nations (at UNCTAD IV) were only designed to preserve the obsolete and abominable status quo.