



Europe Battles to Save Itself from Carter War Maniacs

In this week's International Markets Letter, Italian Foreign Minister Forlani warns Europe to unite for 'serious dialogue' with Third World on a new international economic order. NSIPS explains 'How the World Has Been Forced to Prop up the Dollar' — and why Europeans and Arabs are getting ready to remove the props.

U.S. Constitutional Forces Mobilize to Overturn Carter Cold Coup

— A complete report on the story now hitting the front pages in the U.S. — the multi-party battle to reverse the fraudulent 1976 elections.

Warsaw Pact Calls For Disarmament, Global Economic Cooperation

— Excerpts from the socialist bloc communique you won't read in the Western press — the USSR's response to the Third World's Colombo resolutions.

Exclusive to NSIPS

The Black Heart of Takeo Fukuda —
Japan's No. 1 Traitor
Milton Friedman's Nobel Prize for Butchery
Why Venezuela's CAP Went to Europe

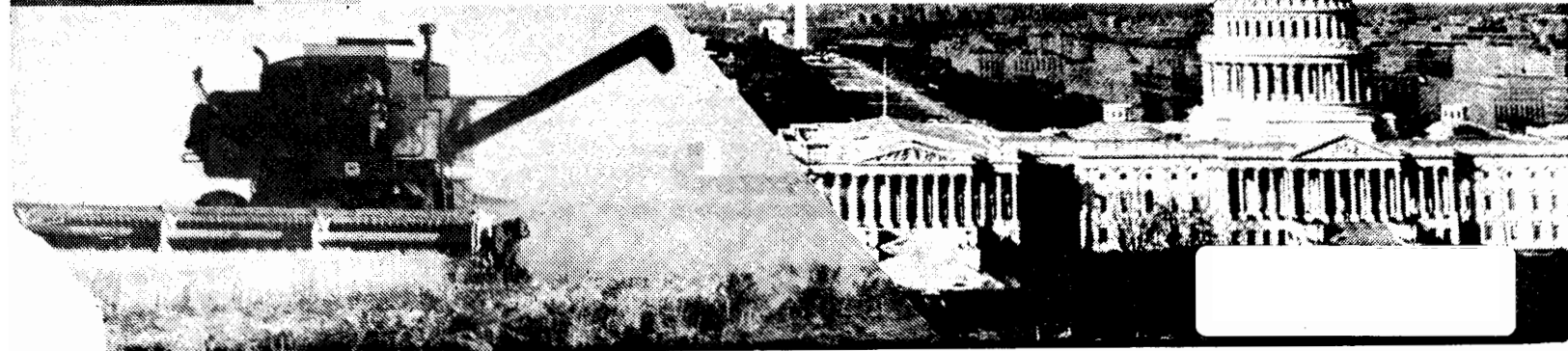
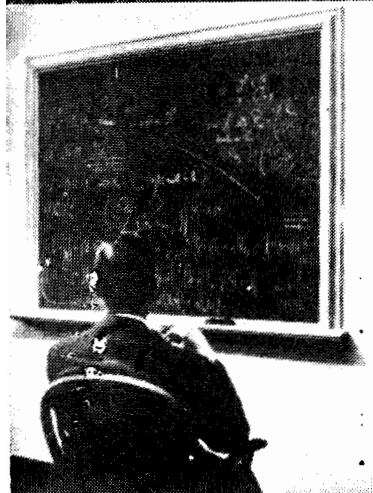
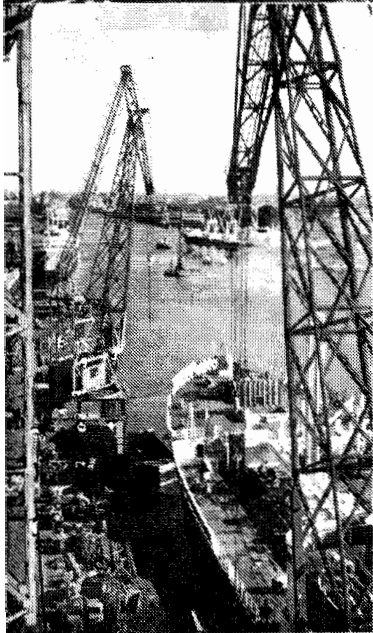


TABLE OF CONTENTS
Vol. III No. 48

INTERNATIONAL MARKETS NEWSLETTER

- 1 Italy's Forlani: Europe Must Unite For Serious Dialogue
- 2 How The World Has Been Forced To Prop Up The Dollar

EUROPE

- 3 Political Shakeup In West Germany
- 4 Gaullists Put Government On Notice

U.S. POLITICAL NEWSLETTER

- 6 Constitutional Forces Mobilize To Overturn Carter Cold Coup
- 8 Legal Strategy To Stop Carter
- 13 USLP Breaks Press Black-Out On Vote Fraud

SOVIET SECTOR REPORT

- 18 Excerpts From Warsaw Pact Communiqué

AFRICA REPORT

- 21 The Effort For African Peace And Development

MIDEAST REPORT

- 23 Gulf States Move To Break Rocky's Hold Over Shah

ASIA REPORT

- 24 The Black Heart Of Takeo Fukuda
- 28 What's Behind the Attacks On India

LATIN AMERICAN REPORT

- 29 Why CAP Went To Europe
- 31 Peru Gov't Caves In To Wall St.
- 33 Mexico Parliament Initiates Treason Trial For Montterrey Chief

SPECIAL REPORTS

- 35 Milton Friedman's Nobel Prize: Legitimizing Butchery
- 39 ELP Fined For Spreading Facts About Brandt

New Solidarity International Press Service Weekly Report is published by Campaigner Publications, Inc., 231 West 29th Street, New York, N. Y., 10001.
Single issue price: \$5.00(U.S.).
Subscription by mail are \$225 for 1 year (52 issues).
Address all correspondence to: Campaigner Publications, Inc., P.O. Box 1972, GPO, New York, N.Y. 10001.
Editor-in-Chief: Nancy Spannaus
Managing Editors: Linda Frommer and Don Baier
Production Editor: D. Asch

Europe Must Unite For 'Serious Dialogue' With Third World



EXCLUSIVE TO NSIPS

Nov. 27 (NSIPS) — On the eve of the summit meeting of nine European prime ministers, the Italian government has taken the lead in Europe for the new world economic order. Italy's position, which Foreign Minister Arnaldo Forlani set out yesterday in a Rome press conference after two days of talks with the British government, is to unite Europe behind "a global, united approach to serious negotiations with the Third World" and "radical changes" in the world economic system.

Europe's leaders will make their response to Third World demands for debt moratorium at next week's summit. Italy is leading the effort to aim a devastating shock at Wall Street — and its stooge Jimmy Carter — through support for debt moratorium and a new monetary system. Support for the Italian position has emerged out of Britain's successful battle against International Monetary Fund austerity and bitter West German opposition to Wall Street's plan to bail out the bankrupt dollar empire through world hyperinflation.

Forlani declared that he and British Foreign Secretary Anthony Crosland had worked out "a common position on all domestic and international issues," including opposition to austerity in Europe and cooperation with the Third World and the oil-producing countries. "No individual country is now able to save itself from the economic crisis," Forlani warned, "not Italy nor Britain. But this applies to France and West Germany, and to the United States and Japan as well. So we must have a dialogue with the Third World oil and raw materials producers."

Rejecting U.S. efforts to put off the next round of top-level negotiations between the industrial countries and the Third World until the Carter Administration takes over in January, the Italian spokesman said bluntly, "The dialogue with these countries cannot be postponed."

In parallel, the British government declared its commitment to the new world economic order through the Queen's Speech to Parliament, an annual affair in which the Government's summary of its legislative program is unveiled. "My government will continue to take part in international efforts to promote a more stable world economic order, and a fairer distribution within an expanding world economy of the world's wealth between rich and poor nations," Queen Elizabeth II said yesterday reading from a statement prepared by Callaghan. Callaghan has just won a major round against the International Monetary Fund, forcing the IMF to cough up a \$3.9 billion loan without austerity strings attached.

The Deutsche Zeitung Signal

With continuous press attacks on Jimmy Carter and coverage of the fight in the U.S. to overturn the fraudulent outcome of the

Nov. 2 elections, the Europeans are making clear that they have every hope that the United States will carry out the necessary housecleaning to participate in a new world economic order. However, the Europeans publicly warned this week, if the U.S. permits itself to be ruled by a Carter Administration, Europe will not stand by and allow U.S. opposition to sabotage a Third World debt moratorium and the formation of a new international monetary system. The leading West German weekly the Deutsche Zeitung, which speaks for the Ruhr industrial community, gave Wall Street a harsh warning. "America's world power depends on foreign investment in the dollar," the weekly wrote, noting that foreign central banks now hold almost one-fifth of the U.S. national debt. "This depends on confidence in the dollar. With Carter in office foreigners will lose the confidence they had in President Ford.... Carter is advised by medicine men who believe in economic hocus-pocus...."

"What would happen if only one-tenth of this \$135 billion foreign investment were withdrawn?" the newspaper asks. "There would be a chain reaction," and the dollar empire would disintegrate.

This is an explicit threat to dump the dollar, pulling Wall Street's empire down in ruins. No West German has dared to utter such a threat in the 30-year history of the Federal Republic. Throughout the long dissolution of the dollar since the 1968 gold crisis, West Germany, and other European sectors have absorbed inflation exported by the United States, and at a faster rate this year than ever previously. The Deutsche Zeitung, whose editors say they reflect the policy of the Schmidt government, has exercised West Germany's veto against the Carter world inflation policy.

Wall Street spokesmen have warned the West Germans that "their economic success depends on the NATO military umbrella, and they have to pay for protection." But the tables have turned, especially after the public outcry in West Germany against the insane proposals of NATO general Karl Schnell to hand out "tactical" nuclear weapons to field units of the Bundeswehr. Jimmy Carter's plans for nuclear war are forcing the West Germans to retaliate with financial warfare.

A similar fight is shaping in France, whose foreign minister, Louis de Guiringaud, met with Chancellor Schmidt yesterday. The French Gaullists, under the leadership of General Charles De Gaulle's former Prime Minister Michel Debre, are preparing to turn the UDR, the Gaullist political party, into a fighting machine for the new world economic order at the Dec. 5 annual UDR national conference.

West German Chancellor Helmut Schmidt and Italian Socialist Party leader Benito Craxi have also brought this fight into

the annual meeting yesterday of the Second International, the federation of social-democratic parties that has long been dominated by Atlanticist agent Willy Brandt, the chairman of the SPD. Craxi called for support for the new world economic order; a new monetary system without the chaos of the floating dollar; disarmament and reconversion of military capacity to high-technology industrial use. Schmidt blasted the Carter inflation line, ridiculing "the idea that seems to be prevailing in 140 different countries that the way to get out of economic problems is to print money." Reportedly, Craxi will take over the position of Second International vice-president with responsibility for relations with the Arab world.

West Germany Crucial

These deployments of anti-Atlanticist forces are focused on the summit meeting of European leaders next week which will hammer out the nine countries' position at the Dec. 15 final round of the year-long "North-South" talks in Paris. Italy is on record supporting the Third World's central demand for moratorium on their \$300 billion foreign debts. At the Brussels meeting of European foreign ministers last week, Italian minister Forlani proposed a straight-out European deal with the Third World, under which Europe would back Third World demands

for debt cancellation in return for holding the upcoming rise in the world oil price to a minimum. Britain and Belgium backed the Italians up, against the hysterical opposition of West German foreign minister Genscher.

But the West German hardline position has cracked open, as the Schmidt government reconsiders whether it should act as Henry Kissinger's cop in Europe. A high West German foreign ministry official warned last week that "it is not in our interests and politically unacceptable for West Germany to be isolated in Western Europe." The official, State Secretary Hermes, added that the Schmidt government "cannot block" the North-South negotiations "simply because we fear we will be asked for more concessions than we want to make." An editorial in the right-wing daily Die Welt yesterday predicted that the West Germans will make "generous concessions" on the debt issue and offer "broad, sweeping debt relief" — the first time that position has ever been attributed to the West German government.

Whether West Germany swings in behind the British and Italian axis will be crucial for the outcome of next week's summit meeting. Political associates of Chancellor Helmut Schmidt say that Foreign Minister Genscher, the Atlanticist die-hard in the Schmidt government, is threatening a governmental crisis if Schmidt goes along with the British and Italians.

How the World Has Been Forced To Prop Up the Dollar

Deutsche Zeitung — the West German newspaper which has been most closely identified with Ruhr industrial interests and the Christian Democratic faction led by Gerhard Stoltenberg — this week issued the first explicit threat by West German capitalists to break with the dollar system. In a Nov. 25 article, Deutsche Zeitung economist Wannemacher warned that "the world power of the dollar depends on foreign investment in the dollar, and with Carter's election, foreign investors will lose confidence in the dollar." Following a sharp attack on Carter's economic policies — to force reflation on West Germany and Japan in order to bail out the U.S. banks' bad loans — Wannemacher characterized Carter's advisers as "medicine men who believe in economic hocus-pocus," and ended with a "rhetorical question: "What would happen if only one tenth of the \$135 billion foreign short-term investments were moved out? This would create a chain reaction."

It is no accident that West German industrialists, up until now the Atlanticists' last bastion of strength on the European continent, have chosen this moment to "discover" the fact that the dollar system is a millstone around their necks. During the months of July to October alone, the West German central bank has had to absorb a massive \$2.9 billion inflow in foreign exchange (mainly dollars), as idle funds freed up by the ongoing depression in the U.S. ran into the deutschemark in search of quick speculative profits. The direct result of this foreign capital inflow was an explosion in the West German money supply, forcing the central bank to impose extremely tight credit conditions to avoid inflation — just at the point when West German industry was entering a new collapse-phase!

Not coincidentally, the \$2.9 billion which the West Germans were forced to monetize was exactly equal to the record trade deficit which the U.S. economy ran up in the third quarter. According to Chase Manhattan's "International Finance"

newsletter, the U.S. is heading toward a record shortfall of \$8.9 billion this year, following last year's \$9 billion trade surplus. U.S. exports have stagnated at a 7 per cent annual rate of growth, barely exceeding current inflation rates.

By continuing to accept the massive inflow of dollar IOU's, West Germany and the rest of the world have taken the brunt of U.S. inflation, reflecting the stagnation, and in recent years, actual negative growth of basic U.S. industry. This has been the case since the 1958 U.S. recession, when U.S. financiers decided that they had reached the limits of profitable investment in domestic industry, and diverted all available capital into the buying up of European equities. The next step was the creation of the Eurodollar market, the completely unregulated pool of "offshore" dollars spawned by the mammoth U.S. payments deficits necessitated by this building of an American Empire. The Eurodollar market has, in turn, become the basis for every imaginable speculative enterprise, including the 1973-74 boom in loans to the Third World based on the artificial jacking up of commodity prices.

Exponential growth of this dollar pool — lacking any reserve requirements whatsoever — has been the primary engine of world inflation since the early 1960s. A crude measure of the degree to which the rest of the world has had to absorb dollar inflation is the growth in non-gold international reserves held by governments, the bulk of which is in dollars. As of August 1976, these reserves totalled \$173 billion, compared to \$53 billion in 1970 !

This is not the least of it. Most of these dollar reserves are in the form of U.S. Treasury securities; that is, U.S. government debt. This is the result of the early 1960s swindle, in which Robert Roosa, now a Carter advisor, persuaded the Europeans to help mop up the excess dollars by investing them in non-negotiable long-term Treasury bonds, appropriately nicknamed "Roosa bonds."

As of this date, the total U.S. national debt stands at \$600 billion, with foreign investors, both private and official, holding \$135 billion of it. This is the basis for *Deutsche Zeitung's* threat — to bring down the dollar once and for all by dumping these Treasury securities. The West Germans have supported the dollar for 20 years; they can break it in a day.

The oil-producing countries have also been cynically manipulated by U.S. finance to take the brunt of the dollar crisis. OPEC's reserves have quadrupled since the 1973 run-up in oil prices, accounting for the bulk of the growth in international

reserves from 1973 to the present. But despite this apparent "enrichment," the oil producers have until recently kept these reserves in short-term Eurodollar deposits and short-term U.S. Treasury securities. As a result of the steady depreciation of the U.S. dollar in terms of real goods, one Saudi official charged last week, development projects have been stymied and the Saudis have lost \$800 million in the last year alone. These are the cold economic facts behind the recent OPEC shift out of the dollar into gold and European currencies, and the basis for the current Euro-Arab rapprochement.

EUROPE POLITICAL REALIGNMENT

Political Shakeup In West Germany

Nov. 26 (NSIPS) — A political earthquake erupted in the West German Parliamentary system this week, when on Nov. 19, the Bavarian Christian Social Union voted to dissolve a two-decade parliamentary bloc with the northern-based Christian Democratic Union. Thus far, most U.S. news agencies have glossed over this development, reporting it as a bold move by the Christian Social Union (CSU) Chairman, neo-Nazi Franz Josef Strauss, to force his way to the Chancellorship in 1980.

In fact the split has a much more immediate significance — it opens up the possibility for a far-reaching political realignment against Wall Street in the country which for the past 30 years has served as the linchpin of the Atlantic Alliance.

The trigger which forced the split, building up for months behind the scenes, is the threat to West Germany of James Earl Carter as President of the United States. A highly informed Christian Democrat denounced Carter in a private interview this week as "the creation of the most aggressive imperialist circles in the United States, the Council on Foreign Relations." He added emphatically that the break in the conservative bloc was engineered to free centrist elements in the north from CSU Chairman Strauss' hawkish, pro-U.S. policies and to pave the way for increasing collaboration with the governing Social Democracy on a program of peace and economic development. "We must insure," he stated, "that Western Europe does not break from the Third World. For if this occurs, Carter would have won half."

Virulent public attacks from West German quarters against economic and military policies pushed by Carter's backers reached unprecedented proportions this past week. The most recent issue of *Deutsche Zeitung*, a weekly representing the views of West Germany's leading industrial circles, issued a call for a calculated mass exit of foreign capital from U.S. investments. Highly respected guest writer Hans Wannemacher framed this proposal in a strong broadside against Carter economic advisor Lawrence Klein, calling him a "hocus pocus medicine man," for endorsing reflation of the western economies.

U.S. military representatives and Henry Kissinger had an opportunity recently to meet the West German opponents of their war policies face to face. At the Williamsburg, Virginia NATO Atlantic Council meeting, U.S. representatives were continuously hounded by West German and Dutch social democratic delegates' demands that disarmament and détente be put forward on the agenda in place of the U.S.-directed debate on preparations for war.

Realignment, Not Weimar

Domestically, the conservative split has strengthened the present coalition government of Social Democrats and Free Democrats, and has removed obstacles to the re-election of SPD Chancellor Schmidt on Dec. 13 at the first session of the new Bundestag. Prior to the split, the danger existed that pro-war agents around Free Democrat and Foreign Minister Hans Dietrich Genscher would bolt from the SPD before the Dec. 13 vote, and form a coalition with the CDU-CSU opposition group.

Rockefeller agent Genscher's option to do this is now virtually ruled out, since the reduced CDU fraction would not constitute a numerical Parliamentary majority with the tiny Free Democrats. In fact, numerous informed sources have revealed that SPD and moderate CDU leaders are intensively discussing the feasibility of the SPD simply dumping the FDP — the Federal Republic's notorious "swing party" — and entering into a formal coalition with the CDU fraction. Even if this does not occur on a federal level, *Der Spiegel* magazine and a number of daily papers have reported that on the regional level — for example in Hamburg — the SPD and CDU fractions are already collaborating on a number of key issues, in opposition to undesirable "radical" FDP officials.

Rumors have coursed throughout Bonn and the international press that a "Weimar-style" splintering of all existing parties could erupt as a result of the conservative crack. This panic-mongering is based on the argument that without a credible ultra-right threat in the country, disputing "leftist" and "rightist" factions in the SPD-FDP coalition no longer have a reason to huddle together.

Herbert Wehner, the SPD Parliamentary fraction's influential chairman, refuted this argument in strong terms in the latest issue of *Stern* magazine. Signalling his own intention to prevent a Weimar style dissolution of the existing forces for détente and economic development, Wehner derided the idea that an ultra-leftist split-off from the SPD could survive.

Informed observers of Bonn party politics are well aware that Wehner's warnings to the SPD "left" are at least partially directed at party chairman Willy Brandt, the thoroughly compromised figurehead created by the American secret service during his tenure as Mayor of Berlin. Brandt directs a considerable "left-wing" operation in the party, based on a program of zero growth, environmentalism, and anti-Sovietism. Just recently, Brandt endorsed a series of violent protests by armed demonstrators in the CDU-governed state of Schleswig-Holstein, organized by agent controlled environmentalist

groups to halt the construction of a nuclear power plant subsidized by the Schmidt government.

Schmidt and Wehner may well undertake measures to box in Brandt's apparatus. The SPD-linked *Nürnberg Nachrichten* reported yesterday that Schmidt and Brandt are expected to come into conflict at the meeting of the Socialist International which began today in Geneva. Brandt is sponsoring a nuclear non-proliferation program there which, in effect, is an attack on Schmidt's commitment to West German export of nuclear power technologies to Third World nations.

Gaullists Put Government On Notice

Nov. 28 (NSIPS) — Gaullist leader Michel Debre put the French government of President Valéry Giscard d'Estaing and his Prime Minister Raymond Barre on notice Nov. 23: either Giscard drops "in the coming weeks" all Atlanticist provocations — such as the demand for ratification of International Monetary Fund statutes — and resumes the task of "fighting inflation" or a Gaullist-led government of "public safety" would have to be instituted in its place, reports *Le Figaro* Nov. 24. While Debre could not muster sufficient forces to realize this very call for a "Gaullist dictatorship" ten months ago, that is not the case today much to the Atlanticists' dismay. *Le Monde* journalist Barrillon, for example, took a cursory look at the situation, yesterday, and admitted that Debre has rallied around him all of the Gaullist UDR party. Giscard is in a most "delicate" situation, Barrillon said and then queried: "Have they (the UDR) or have they not decided to overthrow the government?"

On Dec. 5, 30,000 to 40,000 Gaullists will assemble at an "extraordinary" conference in Paris to begin a "Rassemblement" (regroupment). The Gaullist action is comparable to mainstream Republicans in the United States gathering at a congress for the purpose of upholding the Constitution against James E. Carter's election-day cold coup and to announce a political platform of industrial growth and development as a declaration of their right to lead the country.

Already Debre's dictate to the Giscard government has emboldened Gaullist deputies who are now openly expressing their lack of confidence in the Giscard government. At a national Assembly debate on a controversial new "professional tax" on business, one UDR deputy challenged the Prime Minister: "What have you done with the Republic, Mr. Barre?" Flustered at this indictment, Barre rose to protest the "harsh tone," only to suffer more blows to his dignity as Gaullist deputies shouted invectives in his face while an indescribable ruckus ensued in the Assembly.

Helping to push France out of the clutches of Atlanticism is the Gaullists' correct perception of the meaning for France and Western Europe, of Carter's policies for war and fascism. In *Le Figaro*, Nov. 24, Debre attacked Carter's expected wild inflationary policy of printing dollars and making "Europe pay the price" on a much broader scale.

The fear of Carter's war policy has fed a proto-Gaullist current in and around the French Socialist Party (SP), splitting the party in a growing fight against SP head François Mitterrand, who is Carter's choice to occupy the Elysee (the French "White House") as Prime Minister. The organizing of such left Gaullists as former Prime Minister Michel Jobert has already shown its effectiveness in the endorsement by the SP

In what amounts to a blow at Hans-Dietrich Genscher, Schmidt has apparently taken control over West German deliberations within the Common Market for a joint European position on the December North-South talks. At this week's EEC ministerial meeting, Genscher performed the role of a little Henry Kissinger, blocking any joint European resolution on the December talks. The latest reports from Bonn, issued in the conservative daily *Die Welt*, is that the government is "committed" to extensive "compromises with the increasingly vocal and politically weighty demands of the Third World," and is prepared to discuss "broad, sweeping debt relief."

Directing Committee of the Gaullist "force de frappe" or "French nuclear deterrent." And today old Fabian SP member Claude Bourdet, closely tied to British intelligence, chastizes François Mitterrand with a thinly veiled reference to those who do not oppose "colonialism" because the Communists do. Bourdet attacks Mitterrand's adherence to an Atlanticist dominated Europe, stressing that the Socialists should ally with the Gaullists for an independent non-aligned Europe. Mitterrand is losing control over his own party, and increasingly isolated by his anti-Carter colleagues within the Second International. Giscard, meanwhile has resorted to seeing a psychiatrist. The Council on Foreign Relations dream of a Mitterrand-Giscard government is quickly amounting to no more than a bedroom fantasy.

Thus, when Jean Denizet, economist for the biggest French private bank, Parisbas, proposed earlier this month an alliance between Western Europe and the raw materials-oil producing countries on the basis of oil for development and a common monetary zone, he was speaking for the vanguard of French capitalist forces who are behind Debre's bid for power and are forecasting a winning strategy for all of Europe.

Gaullist Debré: Call For Unity Government

Nov. 24 — The following excerpts are taken from an article by Gaullist Baron Michel Debre which appeared in *Le Figaro*:

The period in which we live is crucial for the future of the Barre Plan. (economic plan of Prime Minister Raymond Barre — ed.)... M. Barre is not the complete master of the government's action. Economic and political initiatives are emerging from all corners. The indispensable unity of command to ensure success has not been respected...

In fact, attention has been distracted and still is by activities, some of which are secondary to the principal objective and others of which, trouble the mind and divide the opinion. Thus our Foreign Affairs minister loses his time discussing the Tindemans report. The future meeting of the heads of state and of government have inscribed this unreal document on their next agenda! Let us not repeat in times of peace that peculiar war in which our generals are preoccupied with the theatre of their armies and not the offensive. One cannot at the same time ask for a national effort and seem prepared to abandon our destiny to strangers.

There is no substitute to the economic and financial orientations called for by M. Raymond Barre... For those who still doubt the rigor which is still needed in the management of the totality of political affairs, it is necessary to underline to what extent the predictions which have been reasonably made for the future justify this tenacity.

...The coming new rise in the price of oil: it was predictable... Without a global economic recession which would provoke a reduction in consumption and without the development of new energy sources, the producing countries have decided to follow a policy of expensive oil... Another fact is probable: the effort of the new American Administration to satisfy its electoral promises... The United States has imposed a monetary system which allows them to print dollars at will. The Europeans — at least some of them — and some others have paid the price... Failure to succeed in the coming weeks, that is, failure to convince the majority that the conditions, not only technical but political, are reunited in order to assure the success of the future steps of the Barre Plan — then what solution? Several times I have raised the idea of a government, at the same time, of national unity and public salvation which would oblige the leaders to rise above their parties and relearn the great and necessary law of effort. If one thinks that this solution is impossible or premature, then the Barre Plan is practically the last chance for the government...

Press Consensus: Giscard in Trouble

The following excerpts reflect the international press' perception of the rapid deterioration between the Gaullist (UDR) party's relations with the government of President Giscard D'Estaing.

L'EXPRESS, Nov. 23: New York Times correspondent Flora Lewis commented "I believe President Giscard has a fundamental objective to recreate a large center with sufficiently widespread limits to permit policy to oscillate without drama from right to left... He hasn't succeeded. I think he could have if he had undertaken this operation from the start with more vigor and determination... But Giscard hasn't given up. But his chances now appear much slimmer, if he couldn't do it during his first two years at the height of his prestige, there is little probability he will succeed now, in the 15 months that remain before the legislative elections while his base has been eroded with time and the depredations of a coalition policy. Evidently

this is Chirac's analysis... He is organizing his own base as a challenge to Giscard. The operation is delicate... For Europe as well as the United States, it is a dangerous game, but the game has begun."

Le Figaro's editorialist Jean d'Ormesson wrote on Nov. 27 under the title "A Harsh Winter":

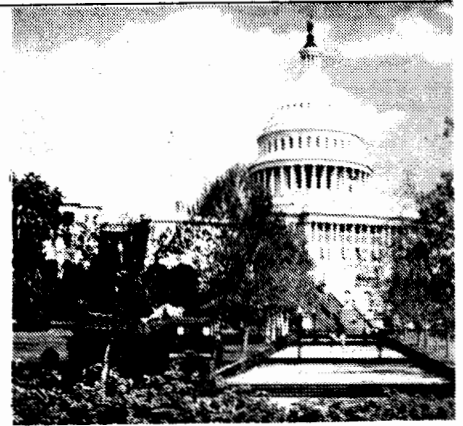
... We have been up to now supporting Mr. Giscard d'Estaing's action... It is not today, when Mr. Giscard d'Estaing's situation is turning out to be delicate and sometimes difficult, and when converging attacks coming from opposite horizons are simultaneously taking him for a target, that we will restrain our support. But it is also clear that the lesson must be drawn from the swirls experienced and the storms which are rumbling... The future of the regime is clearly linked to the economic battle which the President of the Republic has engaged with his Prime Minister... Let's not hide it. The fate of the Prime Minister, that of the President himself are at stake...

Raymond Barrillon writing in Le Monde, Nov. 26 under the title "Relations are deteriorating between the UDR and the government":

The situation is indeed deteriorating from one day to the next. The accumulation of incomprehensible political errors committed by Mr. Giscard d'Estaing in the recent period have led a UDR powerfully boosted up by M. Chirac's and M. Tiberi's electoral success to unleash itself against the Government. Mr. Debré, who continues to fume, seems today to be much less isolated than before within his own formation. The UDR seems decided not to contain itself any longer... and is raising its voice in good fashion.

The warnings which the Chief of state launched Wednesday in several newspapers from the East of France seem ridiculous. They are no more of season at some ten days from the immense fiesta during which the UDR's transmutation into a new Regroupment will be celebrated. Since his installation in the Elysée palace, Mr. Giscard d'Estaing has never had to face such a difficult situation, but it is obvious that he is not the only one on trial. The Gaullists will also have to show their cards and to answer two questions which only make one: are they decided or not to topple the Barre government against which they are shouting louder and louder, and to break with the "presidential majority" of which so far they are the most important and lively component?"

Constitutional Forces Mobilize to Overturn Carter Cold Coup



Nov. 26 (NSIPS) — Since the Nov. 2 election in which millions of American voters were disenfranchised, the U.S. Labor Party has roused constitutional forces throughout the nation to shake off their shocked stupor and face the fact that the inauguration of Jimmy Carter as the thirty-ninth President of the United States would inevitably lead to thermonuclear confrontation with the Soviet Union early next year and genocidal levels of austerity imposed at home and abroad under the regimentation of a supranational war economy. The growing recognition by the U.S. population, as well as leading Third World and European figures, of the very real dangers which face the entire globe if Carter is allowed to gain access to the Oval Office is impelling mainstream Republicans, conservative Democrats and Republicans, members of the American Party, the Constitutional Party of Pennsylvania, and the conservative Party of New York to rally to the defense of the U.S. constitution and join the vanguard efforts of the Labor Party to reverse Carter's fraudulent election.

Already the impressive array of forces propelled into motion by Labor Party-initiated legal actions in four critical states has occasioned widespread press coverage and comment and a feverish counter-deployment by the Rockefeller financial group's political operatives in the Justice Department, led by Attorney General Edward Levi himself. Code-named Operation Sidetrack, the illegal conspiracy to impose Carter on the world by means of a massive vote fraud and judicial stonewalling has suffered a significant setback due to the unprecedented nationwide media acknowledgment that Jimmy Carter relied on massive fraud to win key states like Ohio, Wisconsin, New York and Pennsylvania. This widespread public exposure is torpedoing efforts by Rockefeller-Carter saboteurs to decapitate and scatter the Republican Party, making the traitors of constitutional democracy all the more visible, and vulnerable.

The court actions against vote fraud, initiated in several states by the Labor Party, the American Party and conservatives in and around the Republican Party have forced a revitalization of the traditional GOP base — manufacturing interests, industrial workers, farmers and the rest of the mainstream. In important states like Ohio, the joint anti-fraud actions are providing the political leverage for conservative and mainstream Republicans to begin to isolate the Rockefeller associates and coalesce the forces to clean out the Party. A parallel phenomenon is occurring in conservative organizations like the American Conservative Union and the Young Americans for Freedom.

In this general environment, the splinter move towards a new party by former California Ronald Reagan and Senator Jesse Helms has run into serious trouble; the group has been forced to cancel its Northwest meeting in Seattle last week. The national conservative conference set for Chicago Dec. 10 may be the

opportunity for rejuvenated political action instead of fracturing dissension.

The Buzzards Circle

Following the Nov. 2 Carter election fraud turncoat Republicans of the Rockefeller wing carried out coordinated moves to prepare the GOP for the scavengers. The same individuals who sabotaged President Ford's campaign from the inside and advised Ford to concede, have tried to strong arm local Republicans into going with a "Carter victory." Former Treasury Secretary John Connally, Richard Rosenbaum in New York, Bob Hughes in Ohio, and Dick Ogilvie in Illinois are among those giving orders to the local party leadership to forget about vote fraud, floating "common sense" explanations of why Ford lost, e.g. that Dole was a wrong choice.

The *New York Times* has gloatingly helped out by noting "the Republicans should be proud of losing so narrowly." Immediately after the election the *Wall Street Journal* asserted that the Republican Party has "only two years to live."

Former California Governor Reagan floated the idea of a new party, and his aides have sharply discouraged conservatives from joint action against fraud. Connally toured business circles in the Southwest trying to convince them that living with Carter wouldn't be so bad nor so hyperinflationary as the Carter policies promised.

The net result of these moves so far is a mighty backfire. In the last week the fight over moving on the fraud has broken out in the Republican National Committee. In an interview with the Detroit *Daily News* Nov. 19 Rep. Guy Vander Jagt, a Michigan Republican, a close friend of President Ford, and chairman of the Republican Congressional Campaign Committee, talked about the press coverup of the fraud nationally, singling out the CBS network and Walter Cronkite for their censorship role. Vander Jagt, who has collaborated closely with the Labor Party since the election, has played a key role in decisively breaking the press black-out since that interview.

While Vander Jagt has publicly committed himself to reversing the election for Ford, Republican National Committee Director Eddie Mahe told the *Washington Star* that he has promoted some of the court challenges only because the RNC is interested in the basic legal issues involved — for the 1980 election! White House aides meanwhile have been discouraging any effort on behalf of Ford, according to a *Washington Star* report yesterday which quoted White House staffer Edward Schmults saying, "So far as the President is concerned, the election is over — O-V-E-R." Commenting on legal action undertaken jointly by the Labor Party and some Republicans, Schmults continued, "To the extent that we have any control over the Republican National Committee, we said we wanted that discouraged, and we said so clearly."

Although Ford is being counseled to maintain a low profile by

Rockefeller inside men, such as Melvin Laird who advised him to concede the election Nov. 3, many mainstream Republicans believe he is privately sympathetic to the fraud challenges. John Bradley, a 1976 Republican Congressional candidate who filed the Labor Party's Pennsylvania suit suggested, "The White House has to take a low profile on this... in the interest of national unity." In an interview with the *Washington Star*, however, Bradely noted Vander Jagt's close relationship to Ford and commented, "Vander Jagt told us to go ahead and try to get the presidential election reversed," implying the effort had Presidential approval.

Pitchforks Go Up

What has brought out the beginnings of some fight at the top levels of the Republican Party is the moral capacity for outrage among critical numbers of the GOP base — outrage at the fraud; outrage at the Carter policies of industrial shutdown; outrage at endangering this nation in war showdown on terms that cannot win. The pitchforks are going up.

Among the first to muster have been the conservative wing in the GOP and close circles in the American Party, the Conservative Party (New York), and the Constitutional Party (Pennsylvania).

For these circles, including a heavy proportion of the most politicized American workers — populist conservatives — what Carter represents is the end of progress — treason to Americans — and a sick insult to everything human.

Defending the Constitution

In Wisconsin, the fight in the Republican Party to defend the Constitution broke into the open at the last minute Nov. 15, when the Republican Party, acting on orders from the Republican National Committee, joined the Labor Party and the American Party vote fraud suit. The Republican action occurred despite the heavy-handed efforts of Melvin Laird and O.D. ("Odious") Fish, Wisconsin GOP national committee members who had been counterorganizing since former Republican Governor Warren Knowles announced election night that there were irregularities at the polls. Within an environment created by intense Labor Party cross-fire of each step and potential step against vote fraud by groups of forces across the country, conservative lawyer Joseph Wiegel and other local leaders took up the fight for the Wisconsin joint case. By the week of Nov. 15 there were several strategy meetings with upwards of 50 persons there to discuss battle plans against fraud.

A meeting Nov. 18, of more than 60 Wisconsin Republicans in Wauwatosa (Milwaukee County) served as a forum to single out the traitors. Milwaukee GOP spokesman Lou Collison moved that the group support Mary Payne, the GOP lawyer assigned to the joint case against fraud brought by the Republicans, the Labor Party, and the American Party. Payne, who has been functioning as an inside wrecker of effective action protested: "But our leaders don't want us to do this..." Shouts came from

around the room, "What leaders?", "Who?" Payne was then forced to reveal a list of the Republicans who have been sabotaging the fight for a fair election, among them George Parker, state GOP chairman, and George Inness, the state campaign coordinator. "These men," she said, "want us to keep a low profile."

Collison asked the group, "When it comes to defending the Constitution, should we keep a low profile?" The motion was passed unanimously.

A similar dynamic is operating in other states. In Michigan while state GOP head McLaughlin hedges, the rank-and-file GOPers are mustering to action.

In New York, although Rockefeller's state GOP chairman Richard Rosenbaum has pulled out all the stops since Nov. 2 to block any GOP action against vote fraud, two individual Republicans jointly filed a suit with the Labor Party Nov. 10 to gain the impoundment of the voting machines and relevant registration data needed to document the fraud. (Rosenbaum unilaterally withdrew a White House order, backed by the courts, to impound New York City voting machines the day after the election.)

Disregarding indications of fraud on a massive scale in New York City, Rosenbaum's attorney Tom Spargo ordered New York City Republican borough heads to ignore the evidence and abstain from participating in fraud cases.

Despite Rosenbaum's efforts, a follow-up case was brought in Federal Court Nov. 22 through the joint efforts of the Labor Party, the Conservative Party of Rockland County and individual Republicans. The following day Spargo attempted to obtain from the Labor Party a detailed rundown of fraud-contaminated Election Districts so as to have a map of which local party officials to intimidate. Other Rosenbaum flunkies have denied all knowledge of vote fraud cases to inquiring constituents, though they had been fully briefed on the legal suits. Meanwhile, Rockefeller had ordered a statewide black-out of major media; even newspapers which endorsed Ford, including the New York *Daily News* and the *Buffalo Evening News*, have failed to print a word on the developments in the vote fraud fight in New York or other states.

The strategy going around in local GOP circles is to repulse the Rockefeller treason the same way George Washington defeated the British: leave the traitors to rot in Lower Manhattan while the Hudson Valley and the interior are kept in the safe hands of the Constitutional forces.

The fight against vote fraud requires that Republicans go full speed ahead to root out the Rockefeller agents in the party, while at the same time pressing anti-fraud actions. This will mean the most extensive transformation of the party since the days of its founding in Ripon, Wis. in 1854. This housecleaning, essential to defeat the Carter coup, is already underway in Ohio, and in Oakland County, Mich. where the conservatives active against the fraud were elected to county office this week in an otherwise "unexpected" upset.

Carter's Certification Can Be Stopped

The Legal Battle Planned

The Labor Party and other constitutionalist forces now have 12 state and federal suits challenging the election results in nine states, with legal actions being planned in seven more. In sum these actions challenge Jimmy Carter's claim to more than half his fraudulently garnered total of 297 electoral votes, prompting media across the nation to admit the possibility that the courts will nullify Carter's much touted Nov. 2 victory.

The Labor Party's immediate legal strategy is to hit the Carter vote fraud apparatus with three levels of legal attack in each state where widespread, documented fraud has thrown the actual outcome of the elections into doubt. State-level court suits are being initiated to block the certification of fraudulently mandated presidential electors, force recounts in areas where the vote was "contaminated" by fraud, and declare new presidential elections in the many states where fraud was so dominant as to make this the only way to secure an honest vote tally. At the same time, the Labor Party, honest Republicans, and others are starting federal civil rights actions in each target state against the national-level conspiracy to defraud the U.S. electorate and prevent effective legal action against the crime. And third, criminal indictments are being prepared against the federal and state level operatives who directed and carried out the Carter vote heist. Now is the time to bring maximum political force down on these felons.

The Priority Cases

(104 electoral votes credited to Carter)

NEW YORK

41 electoral vote credited to Carter

Lawyers for the U.S. Labor Party, the Rockland County Conservative Party, GOP candidates, a Republican elector, a Republican Committeewoman, and several individual citizens filed a federal civil rights and conspiracy action in New York's Eastern Federal District Court Nov. 22. The suit called on the court to declare the Nov. 2 presidential elections null and void, to enjoin certification of electors and to order a new presidential election in the state. The suit also demands \$2 million in damages.

On the same day, a federal district judge in Brooklyn issued a temporary restraining order barring the State Board of Elections from destroying any election evidence. "The defendants, their agents, servants, employees, and all others acting in privity or concert with them," says the order, are "temporarily restrained from depositing of, relinquishing possession of (except to this Court), or in any manner altering, moving, destroying, defacing, mutilating, or rendering illegible the files, records, data," and so forth involved in the 1976 elections in New York.

The Labor Party had earlier filed a state action against vote fraud in New York, together with several Republicans, and had presented an exhaustive survey of voting registration lists showing that thousands of "voters" had registered two, three, and more times through the state's new system of "postcard registration," while many more "voters" were registered at abandoned buildings, warehouses, homes for the mentally retarded and so forth.

On Nov. 24, State Supreme Court Justice Fein dismissed the Labor Party's state action without prejudice, basing the decision in part on technical irregularities in the service of papers and most significantly on the lack of power in the state courts to invalidate general elections even in cases of widespread, documented fraud.

The federal suit was served Nov. 24 on defendants New York Governor Hugh Carey, Secretary of State Mario Cuomo, and the State and City Boards of Election. A full hearing has been scheduled for Dec. 1. Labor Party and Republican attorneys are meanwhile preparing criminal indictments of state election officials and their accomplices in fraud in the state and local government and labor organizations. A total of \$50,000 is estimated necessary for the federal and indictment actions, plus an immediate \$5,000 to initiate the indictments.

The Federal Civil Rights and Conspiracy Action

"This is an action for declaratory and injunctive relief...to redress deprivations by state officials and others, acting under color of law, of rights, privileges and immunities secured by the First and Fourteenth Amendments and various federal and New York state statutes guaranteeing the right to vote and participate in the electoral process.... Plaintiffs bring this action to remedy the deprivation of their right to vote and of their right to equal protection of the Laws in the General Election for President of the United States and for Electors to the Electoral College from the State of New York, on November 2, 1976....

"Plaintiffs bring this action as a class action....

"The manner in which the defendants conducted and affected the aforesaid Election violated rights secured to all members of the class by the Constitution and Laws of the United States, on grounds generally applicable to the class, thereby making appropriate final injunctive relief with respect to the class as a whole.... In vindication of said wrongs, the aforesaid General Election should be vacated and set aside and a new Presidential Election for the State of New York ordered....

"...defendants failed and refused to insure and on information and belief intentionally failed and refused to insure that all unqualified voters would be prevented from voting and that all qualified voters would be afforded the opportunity to cast ballots for the candidates of their choice....

"...prior to the November 2 elections, defendants put into effect and conducted a state-wide system of registration of new voters by use of 'post card' affidavit registrations, and proceeded to register hundreds of thousands of 'new' voters via 'post card' affidavits. Defendants failed to properly supervise the processing and verification of these new voters, resulting in...irregularities and unlawful practices....

"defendants failed to provide adequate voting facilities and personnel in substantial numbers of election districts, thereby permitting numerous irregularities and illegal acts to occur.

"A review of the election results, as recorded and reported by the Board of Elections after the said election demonstrates numerous irregularities and statistically improbable results....

"...Certain aspects of the election process and the tally of votes thereafter were fraudulently, purposely and corruptly conducted and...defendants condoned, permitted, acquiesced in and approved said fraudulent election.

"...The tabulated results of the said election were inaccurate and misstated the results of the election."

The Evidence

1. Affidavit from Michele Steinberg who supervised an investigation of the effects of New York's Mail Registration Bill of Dec. 1975. Thirteen duly sworn affidavits are attached concerning discussions with defendants and testifying to irregularities of registration.

"The Mail Registration Bill as implemented violated numerous provisions of Article 7 of the Election Law, that these violations in turn contributed to the fraudulent result of the November 2, 1976 elections by creating the possibility for widespread violations of State Election Law, and that some of the practices of the Democratic Party nationally and trade unions who affiliated with the 'get out the vote' drive are in probable violation of federal law.

"...Approximately 300,000 postcard registrants underwent no verification procedures whatsoever for reasons of time and lack of staff at the New York Board of Elections. The substantial portion of the postcard registrations virtually inundated the Board of Election at the very end of the registration period.

"...Elizabeth Dolan, Chairperson of the Board of Elections in New York City, instructed county officials of New York City not to send out non-forwardable first class letters to 280,000 applicants by mail in violation of Article 7, Section 153 No. 7A of the New York Election law for reasons of time and lack of staff.

"Affidavits...demonstrate that the specified procedures to weed out duplicate, invalid, and fraudulent registrations were abandoned by the Boards of Elections of at least three counties in New York City (Kings, Bronx, and New York) by order of Elizabeth Dolan...

"Despite her own knowledge that no verification was in fact taking place as required by the law, Mrs. Elizabeth Dolan extended the time limit for acceptance of mail applications by the Boards of Elections in New York City until October 8, 1976 provided the postmark was prior to or on October 4, 1976...in violation..of the...law which states that completed applications must be received 30 days before the next following special or general elections.

"The absence of verification procedures did in fact lead to illegalities and numerous fraudulent registrations...After Ramon Velez, a South Bronx New York City Councilman, informed investigators that he had overseen registering people under the postcard method at abandoned buildings, the following results were obtained: In the 59th A.D. three abandoned buildings and one driveway with seven postcard registrations attributed to the addresses... In the 78th A.D. seven persons registered at seven abandoned buildings and multiple registrations for the same voter occurred at SERA methadone center...

"There were no safeguards against frivolous and illegal registrations and the use of unqualified, untrustworthy and partisan individuals to conduct the registration... In Manhattan, School District No. 5, students at all grade levels participated in contests to see who could gather the largest number of voter registrations...

"According to estimates from Mrs. Elizabeth Dolan...the AFL-CIO Committee on Political Education and the Council of Black Elected Officials which coordinated 'Operation Big Vote,' approximately 800,000 to one million new registrants signed up by postcard... These individuals held regular meetings with Mr. Gerard Doherty, New York City Coordinator for the Carter for President Campaign...to coordinate their 'non-partisan' efforts to get out the vote..."

2. Affidavit from Edward Spannaus who supervised an investigation to determine the existence and extent of vote fraud in New York City. Nine duly sworn affidavits are attached

testifying to complete chaos at the polls, unregulated access to voting machines, electioneering, multiple voting, threats and intimidation of voters and of Republican inspectors and forgeries.

"Voters were told to vote Democratic inside the polling places... Democratic inspectors going inside the machines with Democratic voters and other persons going inside the machines with Democratic voters resulting in multiples of the vote for James E. Carter.

"...50,000 individuals entered the polls and voted on a paper affidavit ballot due to the fact that no buff cards existed for these individuals...never processed by the Board of Elections or...people simply went to the polls without registering in any fashion... 80 to 90 per cent of such votes have since been determined to be improper and invalid.

"In the 56th E.D. (of the 46th A.D.) there were 573 signed buff cards but only 425 presidential votes. In the 70th E.D., there were only 131 signed buff cards but there were 298 votes in the machine meaning that 167 votes were unaccounted for... There are a total of 723 presidential votes and only 704 signed buff cards for both E.D.'s taken together.

"I personally checked buff cards in the 46th A.D., 56th E.D. and found four possible forgeries in an examination of the cards of voters...

"...In the 1st E.D., the maximum possible number of legitimate votes was 750...nonetheless the police tally sheet read 752 votes for president. In the 17th E.D. the maximum number of legitimate votes was 693...nonetheless the police tally sheet read 699 votes for president."

3. Affidavit of Patricia W. Levitt who supervised an investigation and review of the Board of Elections records maintained at the election polls on Nov. 2. Four duly sworn affidavits are attached testifying to irregularities between the number registered on the Public Counter of the voting machine and the number of signature entries in the Registration Poll Records for each district.

"In 14 out of 15 districts examined, the number of persons entering the polling booth to vote, as recorded by the Public Counters was higher than the number of persons who signed their registration poll record (buff card).

"The results of our investigation of 15 election districts randomly chosen from four Assembly Districts in Bronx and Kings County show (that) in...14 election districts, 162, or 4.4 per cent of the number of persons voting on voting machines, cannot be accounted for.

"...The evidence indicates either uncontrolled access to voting machines, or consistently inoperative and malfunctioning voting machines, or both. Poll inspectors from two election districts in different Assembly Districts have told us that the Public Counters on machines in their polling places were running ahead during the day...

"Ballot numbers were not recorded on the buff cards as required by law, or the same ballot number was used more than once for different persons...

"Completely different names were signed on the registration poll records in some cases...

"Records for the 41 E.D. of the 56 A.D., for the 21 E.D. of the 77 A.D., and the 15 E.D. of the 84 A.D. show that persons were assigned public counter numbers and allowed to vote without signing their buff cards...

"Although we have received numerous reports of duplicate registration forms which were in the poll ledgers on November 2, the Board of Elections offices in Manhattan, the Bronx, and Brooklyn have been removing such material from the poll ledgers..."

The U.S. Labor Party filed suit against the Commonwealth of Pennsylvania in state court in Harrisburg Nov. 22 "to void the November 2, 1976 General Election with respect to the selection of presidential electors." Filed by the party's attorney John Bradley, who ran for Congress on the Republican Party ticket in the 14th Congressional District in Pittsburgh Nov. 2, the suit includes petitions from voters in Pennsylvania contesting "the election of the Democratic presidential slate of electors pledged to James E. Carter and Walter F. Mondale." Carter won the state by an unofficial vote margin of 130,000.

A hearing on the Labor Party's suit to void the election in Pennsylvania has been set for Dec. 3 in state court in Harrisburg. Papers have been filed in court to compel Pennsylvania's highest election official, B. Dolores Tucker, the Secretary of State, to appear in court to answer charges. The Labor Party and its attorney are, meanwhile, planning a parallel federal civil rights action. To cover the costs of entering the suit in state court, \$3,000 is needed immediately; a \$50,000 bond has been required of the party by Dec. 1 to guarantee court costs.

The Petition to Void the Election

"On or about July 1, 1976, the Election Code of the Commonwealth of Pennsylvania was amended by the passage of Acts Numbers 122 and 123 of the 1976 Legislative Session of the Pennsylvania General Assembly... (which) modified the voter registration procedure by authorizing non-personal enrollment of voters through the 'postcard registration' device..."

"...the final date for mail receipt of postcard registration forms was October 4, 1976."

The amendments "required a notification stub to be sent by the County Election Board via U.S. Mail to the residence... with a supplementary requirement that the County Election Board investigate or reject registrations for which notification stubs are returned marked 'undeliverable'..."

"...The Attorney General for the Commonwealth of Pennsylvania (authorized) County Election Boards to accept postcard registration forms that were received by hand-delivery by October 4, 1976 or by U.S. Mail by October 8, 1976..."

"The County Election Boards were not able to and did not perform the types of verification procedures..."

"...Plaintiffs had personally observed and were in receipt of reliable reports that irregularities in the postcard registration process and other factors indicated a high probability of massive vote fraud on election day."

"...Evidence of bribery and coercion of voters and election officials, abusive and threatening language against certain voters and officials, tampering with voting machines and other related offenses in and around polling places were observed and/or reported to Plaintiffs in Philadelphia, Montgomery, Delaware, Bucks, Erie and several other counties throughout the Commonwealth of Pennsylvania."

"Acts Nos. 122 and 123... are unconstitutional on their face... a denial to (the state's) citizens of their Constitutional rights to... a meaningful vote in federal elections... denies the Citizen equal protection under the law, also guaranteed by the Fourteenth Amendment of the United States Constitution."

"Plaintiffs... request relief in the form of a declaratory judgement that... Acts Numbers 122 and 123... are unconstitutional, and that... the election of presidential electors on November 2, 1976 which was conducted under such election laws was null and void and of no legal effect (and) do further request... relief by a mandatory injunction directing the appropriate Election officials to show cause why a Special Election should not be held to choose presidential electors..."

"The massive extent of voter coercion... multiple registration and voting, machine tampering and other serious electoral fraud renders it impossible to determine which slate of presidential electoral candidates received a plurality of votes on November 2, 1976."

"...Plaintiffs... request relief in the form of an evidentiary hearing... to show that the unofficial vote totals... are not an accurate indication of the will of the voters... and further relief in the form of a court order directing the holding of a new election..."

The Evidence

1. Thirteen duly sworn affidavits are affixed to the Labor Party's suit testifying to coercion and bribery in the pre-election period and on election day.

Henry Moss, Coordinator of the Pennsylvania Labor Party organization: "I called Mr. Jim Heslin from Falls Township who lost the local race for State Representative and he told me, 'Everyone knows that very big money... much bigger than ever before, was poured into the Bristol-Ben-Salem area by the Democratic Party and the AFL-CIO to buy the election. The money was disbursed by a Mr. Flatch of C.O.P.E. organization associated with local AFL-CIO.'"

"...a Mr. Doug Morlando of Bristol, a campaign worker at the polls... confirmed Mr. Heslin's estimation, indicating that he knew of cases where upwards of \$2,000 in walking money was going to Democratic workers on election day in a single precinct..."

"Mr. Morlando said that... Democratic pollwatchers outside the polling places (in Bristol) numbered up to eight and nine per poll, with each shouting at prospective voters..."

"...I would estimate that at least 50 per cent of the election divisions in Philadelphia City, 25 per cent of the divisions of Montgomery, Bucks, and Delaware counties were contaminated with illegal coercion, and far more money than would be necessary to pay even a large staff of campaign workers on election day..."

Frances Podhorn: "I called a Rich Chapman from a group called Independent Citizens for Carter... (who indicated) that they had requested over 40,000 (registration) cards from the Board of Elections in Philadelphia, had passed them all out, and took personal responsibility for either mailing in, or bringing in in-bulk, between 5 and 10,000 of the said cards."

Christine Douglas: "I visited... a Republican Committeewoman of the 6th Ward, 18 Election Division in Philadelphia, a black ghetto area... Mrs. Rogers reported to me death threats, assaults on her son, intimidation, and car sabotage, all associated with her being a member of the Republican Party." (She has since submitted a notarized affidavit concerning the harassment which was encouraged openly by a Democratic Party local official.)

Sixto Mendez, Jr.: "I spoke to the Reverend William H. Grey of the Bright Hope Baptist Church in Philadelphia... (he) said that 'some ministers set up church action committees to register the congregation or made voter registration materials available at the church offices... Many ministers got up in the pulpit and told people to vote and some ministers told their congregation who they were voting for...'"

Henry Moss: "I was informed by a social worker named David Murphy in the State and Federal Mental Health work area, that the Pennsylvania Association of the Mentally Retarded was making it a practice to sign up individuals who would be classified as insane from the standpoint of the Pennsylvania State Constitution, to vote."

2. Three duly sworn affidavits are affixed to the Labor Party's suit testifying to the disenfranchisement of U.S. Labor Party

voters.

Anton Chaitkin, state-wide campaign coordinator for the Pennsylvania Labor Party: "...the official results of the 1975 mayoral race for the Labor Party mayoral candidate Donald Taylor was over 1,000 votes or 12 per cent of the vote in the electoral area covering Wards 46 and 51 in the West Philadelphia area of the city... In a sample area of 90 households covering parts of Wards 46 and 51...over 10...said they voted for Labor Party presidential candidate Lyndon LaRouche... Mr. LaRouche received only 19 votes in the entirety of the Wards 46 and 51..."

3. One duly sworn affidavit is affixed to the Labor Party's suit testifying to the unenforceability of the postcard voter registration acts.

Henry Moss: "I spoke with Mr. Migatz from the Voter Registration Division of the Philadelphia Board of Elections and he informed me that the late rush of postcards into the Board and the order by Attorney General Kane extending the voter registration period by four days made it impossible for the board to comply" with regulations requiring an investigation of the individuals who had registered to vote by postcard.

"An official at the Bucks County Board of Election told me that it would be impossible for them to check late registrants, so they informed the Attorney General's office that they would not comply.

"...no more than about three per cent of the state-wide postcard registrants were checked in accordance with the provisions of the current Election Code.

The Evidence

There are three principal categories of fraud:

1. *Theft of the electoral vote from USLP candidate Lyndon H. LaRouche, Jr.* LaRouche received an unofficial tally of less than 5,000 votes statewide — an estimated 276,000 votes for LaRouche were thrown into the Carter column, giving him in part his margin of victory, with the complicity of the United Auto Workers leadership.

On Nov. 24, U.S. Labor Party candidate LaRouche held a press conference in Columbus, attended by 13 major press. His charges of widespread fraud in the election and attempts by "Carter's plumbers" to cover it up (known as "Operation Sidetrack") were carried by newspapers throughout Ohio. He announced that the USLP would petition Attorney General Edward Levi "and the U.S. Justice Department to order your representatives, the U.S. Attorneys in Ohio, to begin an immediate investigation into tens of thousands of incidents of vote fraud in the presidential election in Ohio on Nov. 2, 1976."

The 276,000 figure for the LaRouche vote was arrived at by examining USLP voter penetration in seven key counties in the state and projecting a 10 per cent LaRouche vote total for a turnout of 1.7 million; in the rest of the state, USLP penetration indicated at least a 4 per cent LaRouche vote, although this vote would not be uniform throughout.

Examining the vote in seven key counties (Lucas-Toledo, Cuyahoga-Cleveland, Summit-Akron, Stark-Canton, Mahoning-Youngstown, Trumbull-Warren-Niles-Girard, and Hamilton-Cincinnati) shows that 1.7 million voters turned out — more than 80 per cent. Carter was credited with 58.5 per cent, or nearly one million votes. LaRouche was given 2646 votes.

A worker at the Ford Brookpark plant in Cleveland has signed an affidavit to the effect that he and 40 friends voted for LaRouche — notes which did not appear in the tally in his precinct.

2. *The tombstone vote for Carter.* In Cleveland, with machines controlled by the AFL-CIO, the UAW, and the black counterinsurgent machine of Louis and Carl Stokes, 58 to 41 per cent of the vote went to Carter. 60,000 votes out of approximately 600,000 in Cuyahoga County were cast by persons whose names did not appear on the registration lists on election day, according to defeated Republican candidate for Cuyahoga County sheriff Ralph Krieger.

In Cincinnati, Republicans are challenging the results in the largely black ward 23, where 50 double computer cards were handed out only to Democratic voters, allowing them to vote twice.

In the rural counties of southeastern Ohio, where low voter turnout is traditional, the United Mineworkers is bragging that they turned out some 75 per cent of the miner vote — largely transient, fictitious or out-of-state.

3. *Irregularities and outright violations of state election procedures.* A partial sampling of several precincts in the cities of Cleveland, and Toledo have shown numerous "voters" registered in abandoned buildings and vacant lots. In Wards 17 and 11 in Cleveland, the Labor Party has uncovered 477 illegally registered non-persons. In Toledo, there were 71 phony registrations in three wards, 36 of which voted in the elections. One "Carter Roosevelt" and Carter Roosevelt, Jr." were registered to the address of a Toledo parking lot.

One United Autoworker union member told the Labor Party of evidence of fraud orchestrated by UAW Community Action Program. Several thousand dollars of UAW money was used to illegally buy votes and encourage illegal registration. In Toledo, union bureaucrats registered workers in union halls and on plant floors; personnel from the AFL-CIO Committee on

OHIO

25 electoral votes credited to Carter

Two electors each from the U.S. Labor Party, from the Republican Party and from the American Party filed suit Nov. 26 in Southern District, Eastern Division Federal Court in Columbus, Ohio charging violations of Title 19, Section 1983 of the Federal Civil Rights Law. The suit calls on the court to issue a temporary injunction to stop certification of the fraudulent results of the Nov. 2 election in the state of Ohio, to declare the election invalid, and to enjoin Ohio Secretary of State Ted Brown from certifying Ohio's 25 electors until a new election is held. The suit also calls on the court to establish a master commission to permanently enjoin the certification of election results and to supervise a new election. \$7,000 was required to initiate court action and plan for state filing; an additional \$20,000 is needed to meet costs.

On Nov. 24, the Lucas County (Toledo) Board of Elections issued 14 subpoenas after having opened an investigation based upon allegations of fraud documented by the U.S. Labor Party. Other subpoenas are expected to be issued within days by the Cuyahoga County (Cleveland) Board of Elections. There, evidence documents violation of registration procedures, registration of phantom voters and actual voting by 'phantoms.' For example, in Cleveland's Ward 11 Precinct K, 40 per cent of the votes cast on Nov. 2 were cast by phantoms; in Precinct J of the same ward, 42 phantoms voted. The phantom voters and those responsible for registering and allowing them to vote are subject to a minimum \$1,000 fine a year in jail.

Following a decision earlier this month not to certify the narrow electoral victory in the favor of James E. Carter, Brown, on Nov. 23, announced that a full recount of the state's vote would begin on Nov. 29 — at the state's expense given the narrow margin of only 0.13 per cent.

Political Education were handed full registration lists on election day for purposes of getting out the vote — dead or alive. Secretary of State Brown had attempted to stop the UAW and AFL-CIO abuses of registration codes through in-plant and union-hall registration conducted in an atmosphere of coercion and partisanship. Brown's efforts were thwarted by a Federal injunction, initiated by the UAW and not lifted until the day that the registration ended.

On Nov. 26, the U.S. Labor Party organization in Ohio issued a special report on the illegal trade union tactics for getting out the vote for Carter. Naming union bureaucrats from state AFL-CIO head Warren Smith to local coordinators and street-level "vote-getters," the report lists in detail the charges for which they should be investigated. Those charges received added clout today with the receipt of a notarized affidavit from a member of the UAW on the union's vote fraud effort.

WISCONSIN

11 electoral votes credited to Carter

The non-partisan Committee for a Fair Election entered federal court in Milwaukee, Wisconsin, Nov. 26 to seek an injunction barring certification of the statewide election results and certification of electors. The suit charged violation of Title 19 of the Federal Civil Rights Act. At the same time, the Committee filed an appeal with the Wisconsin State Supreme Court on a decision by Milwaukee County Judge Neelan rejecting on a technicality a joint vote recount demand for Milwaukee County made by the U.S. Labor Party, the American Party and the Republican Party.

The Committee will also file a Writ of Mandamus in court to compel a recount in Milwaukee County on the argument that not to recount the election returns is a clear dereliction of duty by state election officials. More than \$5,000 was needed to initiate the two court actions; an additional \$30,000 is needed to minimally cover costs.

On Nov. 12, the USLP and the American Party won the right to a recount in Milwaukee and several other fraud-contaminated counties. The Democratic Party-dominated Milwaukee County Board of Elections then reversed its decision, and by a vote of 2-1 refused to allow the scheduled recount to begin. Similar cover-up action was taken by the Waukesha County Board of Election; both have refused to order recounts to cover up the illegal registration of some 75,000 voters on the day of the election—of which only 14,000 signed the official affidavits—in clear violation of the State Constitution.

The Evidence

The fraud on Nov. 2 was so obvious that Republican former Governor Warren Knowles charged in a televised statement on election night that "they're voting twice" for Carter in AFL-CIO controlled areas. In some Milwaukee ghetto wards, which experienced a surge of new "voters," Carter margins over President Ford were 12 to 1 and 10 to 1. The Carter forces used the same-day registration to build up their fraudulent 34,000 vote margin, and stole votes from the U.S. Labor Party ticket to flesh out the "official" returns. In several Milwaukee districts, the USLP has received more affidavits from voters who voted USLP than there were Labor Party votes.

Attorney Joseph Weigel, representing the USLP and the American Party, has prepared a three-fold strategy for overturning the state-wide Nov. 2 election.

1. **Petition Recount.** Weigel cites 18 fraud counts which justify a recount, most of them centering on the "same-day" registration operation. They are: illegal and improper registration; persons

allowed to register the same day as the election; aliens and non-citizens allowed to register; persons voting at two or more polling places; persons voting in the wrong ward or wards; persons voting under fictitious names or names of deceased persons; persons allowed to vote more than once in the same voting booth; failure of election officials to investigate violations; failure of election officials to ensure that voting machines were functioning properly; failure to observe Wisconsin's six-month residency requirement; failure to check voter qualifications; allowing persons to claim temporary residences as voting residences; failure to require affidavits from persons registering on the day of polling; failure to follow proper procedures for absentee ballots; failure to supervise the election process; failure to station at least one policeman at each polling location; failure of polling officials to compare the figures for the total number of votes shown on each machine with the total vote for President shown on each machine; and allowing "same-day" registration as if a referendum question to permit "same-day" registration, which was on the ballot Nov. 2, had already passed. In almost every case, Weigel has submitted affidavits testifying to such violations of law.

2. **Overturn "Same-Day" Registration.** The Wisconsin State Constitution mandates that no change may be made in voter qualification standards without a public referendum, which in the case of "same-day" registration was not held until Nov. 2, 1976.

Attorney Weigel intends to challenge the registration procedure imposed on the state by the Carter forces, who alleged that the state had no voter qualification laws after the U.S. Supreme Court under Chief Justice Warren Burger struck down a Wisconsin voter law that provided a six-month residency requirement for voters. Not surprisingly, Carter's lead is greatest in those wards where the same day registration is greatest.

3. **Bar Certification.** Using the evidence of fraud, Attorney Weigel, the USLP, the American Party and the Committee for a Fair Election prepared the Federal civil rights suit filed Nov. 26 to bar certification of any winner in the presidential contest. These constitutionalist forces are now preparing action to secure appointment of a special state prosecutor who would conduct a full investigation of the fraud pursuant to a criminal indictments suit, and a state-wide recount at state expense.

Other Cases Filed

40 Electoral Votes Credited to Carter

Massachusetts

14 electoral votes credited to Carter

The U.S. Labor Party filed suit in federal court in Boston, Nov. 16 charging that widespread voting irregularities denied the USLP major party status by reducing its vote total to below the three per cent level required under state law. Massachusetts is the home base of the Kennedy machine, which not only threw 10 per cent of the total votes cast for the USLP in the state to Democratic Party candidates for federal and state offices, but dispatched its vote fraud experts to the states of New York, Pennsylvania, Michigan and Indiana to organize the vote for Carter.

\$5,000 is needed immediately to push for further legal action on the case.

Washington

9 electoral votes credited to Ford

On Nov. 23, the U.S. Labor Party will amend its current legal action in the state to overturn the 1976 elections on the grounds that the computerized voting procedures violated state law. The related legal action will include a challenge against eight Institute for Policy Studies zombies given ballot status without

having complied with convention or other ballot procedures required by state law. The party, called the Owls, had for its slogan "We don't give a hoot about the election!" and was credited with three times the USLP vote despite pre-election press admissions of the Labor Party's major party status.

\$5,000 is needed immediately to amend the party's court action.

New Jersey 17 electoral votes credited to Ford

The Republican Party filed suit in state court Nov. 5 to overturn the fraudulent Hudson County congressional election. The campaign committee for Republican congressional candidate Campenny has gathered evidence that food stamp recipients in Jersey City were coerced into casting their votes for Carter and the Democratic congressional candidate.

Indiana 13 electoral votes credited to Ford

Two GOP state actions have been filed to date. In one, Bruce Melchert, former chairman of the Ford-Dole state committee, is pursuing a suit filed on election day against Democratic criminal fraud in Marion County-Indianapolis. He is considering possible criminal indictments against the perpetrators of the Nov. 2 fraud. Stark County Republican Chairman Thomas Paulson is also in state court on the basis of evidence of Democratic Party fraud in Stark County. The suit charges that Ford was defrauded of a landslide victory in the state.

Texas 26 electoral votes credited to Carter

Republican congressional incumbent Ron Paul will hold a press conference this week to charge that his Democratic opponent won the just-certified Nov. 2 election on the basis of vote fraud and to announce that he is formally filing suit to overturn the election in his district which includes Houston. Depending on which newspaper you read, Paul was narrowly defeated by anywhere between 280 to 160 votes. He has evidence that in one precinct there was more than a 100 per cent voter turnout, that Chicano "voter" turnout was enforced by the Ford Foundation's fascist La Raza Unida, and that the Democrat's Operation Big Vote, locally coordinated by corporatist Congresswoman Barbara Jordan, was instrumental in the fraud. The bipartisan nature of the state's fraud effort is highlighted by nominal Republican John Connally's refusal to in any way assist in Paul's legal action as well as charges from leading state Republicans that Paul is a sore loser. Ford lost the state by only 125,000 votes.

Cases Pending

30 Electoral Votes Credited to Carter

Michigan 21 electoral votes credited to Ford

The U.S. Labor Party is considering an amendment to its current legal action against state efforts to force a primary runoff between third parties before ballot status will be granted. The Labor Party has evidentiary affidavits of harassment and coercion by UAW-paid goons at polling areas on election day which prevented USLP poll watchers from exercising their authority to check for vote fraud. There is evidence that the UAW also coerced its members to vote Carter under the threat of reprisals in this and other states.

Hawaii 4 electoral votes credited to Carter

The GOP is investigating for fraud in this state, which Carter "won" by a tiny 300 vote margin.

Mississippi 7 electoral votes credited to Carter

The GOP is investigating for fraud in this state. In one congressional district — state law requires electors to be chosen by CD — a Ford elector was defeated by only 900 votes.

Louisiana 10 electoral votes credited to Carter

The GOP is investigating for fraud in this state. There is similar evidence of narrow vote margins in favor of electors pledged to Carter.

Kentucky 9 electoral votes credited to Carter

GOP is investigating for fraud in this state where, according to congressional sources, the Attorney for Elliot County is considering holding a recount of votes in the district. According to the official tally, out of 105 votes cast 103 went to Carter and 2 to Ford. Republicans in the district have already gathered 45 affidavits from those who voted for Ford Nov. 2. Also, Republican Congressman Tim Lee Carter is opening an investigation of voting machines in Knox County.

Oregon 6 electoral votes credited to Ford

The U.S. Labor Party is considering joint legal action with the Republican Party around evidence of vote fraud in the San Francisco Bay Area.

Vote Fraud Story Can't Be Blacked-Out

Nov. 25 — On Nov. 2, a fraudulent presidential victory was announced for James Earl Carter through the Rockefeller-controlled media's News Election Service, after months of media lying and intimidation against the Ford campaign. Within the space of three weeks, the U.S. Labor Party, leading mainstream Republicans and independent conservative forces in the battle to overturn the elections, has cracked Carter's media victory and forced the fact of election fraud into the nation's headlines.

Unique in twentieth-century American press history, marching orders are now being issued to the U.S. press from both sides — the Rockefeller cabal and the constitutionalist opposition to his fascist conspiracy. In the nation's capital today, the Washington Star reports the battle, uncensored, in a major story entitled, "Election Challenge Spreads; GOP Support Grows."

The article begins, "A move to overturn Jimmy Carter's election as president is spreading and Republicans are becoming more actively involved in it." On the same day the Italian daily Vita Sera made the election fight international news when it reported that the Ohio challenge by constitutional forces including the Republicans and "the U.S. Labor Party of LaRouche... could provoke a chain reaction in other states" and return Ford to the White House.

The news of joint legal cases against election fraud brought by the U.S. Labor Party, Republican, American Independent, Constitutional and Conservative parties did not break into the press on its own merit as "objective news." It is the very essence of Rockefeller control of the national press and media — the Washington Post, New York Times, Associated Press (AP) and United Press International (UPI) wire services and the

ABC, CBS and NBC radio and television broadcasting networks — that news has no objective value. Some facts are totally embargoed for political reasons, other news is altered by the psychological warfare techniques first developed for the Rockefeller family by British World War II psywarrior Richard Crossman — the use of innuendo, “half-truths” and contextual distortions to censor news. Contrary to the conventions of news reporting, the first hint of fraud in the presidential elections appeared on the editorial pages — not the news columns — of two regional newspapers, the Oklahoma City Times and the Passaic (N.J.) Herald News, on Nov. 7 and 8. This first public admission of opposition to Rocky’s coup — a statement of subjective conviction — then signalled the go-ahead for the non-Rockefeller-controlled press to begin getting out the facts which the national press had ordered blacked out.

Leading large-city dailies, TV and radio stations— the Columbus Dispatch, the Milwaukee Journal and Sentinel, local network TV and radio affiliates — were reporting news of vote fraud from U.S. Labor Party press conferences and briefings by the end of the second week in November. But the national press blackout was still ensuring that these actions would be reported only as “local events” and not as part of a nationwide fight to overturn the elections. The first attempt to clamp down on this barrage of vote fraud coverage appearing in local press and media came with the first national wire-service mention of the story on Nov. 18 in the Washington Post. A combined AP and UPI wire appeared on page 31 of the Post on that day; it insinuated that the USLP-GOP recounts and legal actions in Ohio and Wisconsin would fail — wishful “objective” reporting.

The vote fraud cases did not disappear, however, and this hatchet effort backfired, giving the impetus to Republican Party opponents of Carter’s “cold coup” to take their story to the press. Starting with two consecutive major news stories from the Washington D.C. bureau of the Detroit News and followed by an editorial entitled “Did Fraud Elect Jimmy Carter?” in the same paper, appearing Nov. 18 and 19, the regional press opened its pages to full and prominent coverage of the actions of Republican Congressman Guy Vander Jagt, Republican National Committee Executive Director Eddie Mahe, Milwaukee, New York and Ohio Republican and Conservative Party members jointly with the U.S. Labor Party to halt certification of a fraudulent vote by the electoral college on Dec. 13. News articles and commentaries appeared in rapid succession in local papers, on TV and radio and in the nationally syndicated columns of Ralph DeToledano, Ken Carolan and the Panax news chain’s McGoff editorial column. A Michigan working-class newspaper, the Macomb Daily News, carried front-page articles twice in one week detailing the fight for an honest election. An interview with U.S. Labor Party spokesman Richard Leebove and GOP Michigan Congressman Guy Vander Jagt appeared in the San Jose (Calif.) Mercury of Nov. 23, revealing the national election challenge to that state’s readers for the first time. In Ohio and Pennsylvania, both states targeted for joint USLP-GOP legal actions, local press and other media have given daily headlines to progress in the vote fraud cases.

On Nov. 22, all three national networks, ABC, NBC and CBS television, presented news of the USLP-GOP challenge to the elections on the national evening news. The New York Times was forced to release its first mention of the story on Nov. 24 in a four-part AP release on the four “targeted states” — Wisconsin, Ohio, New York and Pennsylvania — where state and federal legal actions by the Labor Party and its co-plaintiffs are most advanced.

Countermanding orders were issued immediately from Rockefeller’s Justice Department to “kill” the national

publicity and put a lid on the story. The national press did some embarrassingly quick retakes. CBS’ Walter Cronkite returned to the air Nov. 23 to announce that even a recount of the presidential vote in Ohio “would not affect the national election,” and the New York Times pulled its story from its largest-circulation morning edition Nov. 24. The attempted clampdown backfired and the Washington Star published its major story on the election challenge.

Within the independent news media the battle lines are being drawn as well. One reporter from a Westchester-Rockland County Gannett chain newspaper described to NSIPS this week the censorship by which that chain’s headquarters is withholding AP and UPI wires on the USLP-GOP cases from its own reporters who want to cover the cases! The Washington D.C. office of the Chicago Tribune is parroting the Justice Department lie that “there is no story,” while the rest of the Washington press corps is getting its stories directly from the Washington GOP leadership. The Charlotte Observer, closely tied to the Institute for Policy Studies’ Fund for Investigative Journalism, headlined its first mention of the vote fraud fight today, “Challenges Won’t Change Carter Win,” begging its readers not to believe massive evidence which even the Observer admits exists to the contrary.

In the past week, major articles have appeared in the Sacramento Union, the Macomb Daily News, the Rochester Times-Union, the Cleveland Plain Dealer and Cleveland Press, the Detroit Free Press, the Christian Science Monitor, the Trenton (N.J.) Trentonian, the Passaic (N.J.) Herald News, the Washington Post, the San Jose Mercury and other major city dailies, some of which are excerpted below.

San Jose Mercury:

Could Reverse Decision: Dissidents Challenge Carter’s Victory

by Gil Bailey
Mercury Washington Bureau

(Nov. 22) Washington — As President Ford and President-elect Jimmy Carter met Monday in a cordial transition meeting at the White House, a coalition of some Republicans and members of the U.S. Labor Party and the American-Independent Party continued efforts to change the results of the election.

If the coalition succeeds, President Ford wins the election by obtaining a majority of votes in the electoral college....“The White House is continuing to discourage the effort, but we are plowing ahead,” said an aide to Rep. Guy Vander Jagt (R-Mich.), chairman of the Republican Congressional Campaign Committee. “We are trying to interest the Republican National Committee.”

Conservatives belonging to the American Independent Party (AIP) — first formed to support Alabama Gov. George Wallace — have joined in the Wisconsin suit. The Young Americans for Freedom also have been active in the effort....

“There is substantial evidence of vote fraud,” said Bernard C. Nagelvoort, administrative assistant to Vander Jagt.

He said that in one case investigators found 130 people in Cleveland registered as living in an abandoned building.

“Members of Young Americans for Freedom are joining in the investigation,” he said.

A suit has been filed in Wisconsin challenging an estimated 200,000 votes in Milwaukee County. The votes involved were those of people who registered on Election Day. If the suit is successful it would eliminate enough votes to produce a Ford victory in that state, according to Nagelvoort.

However, a judge has rejected the suit and an appeal is being considered. Former Republican governor Warren Knowles is pushing the effort.

In addition, charges of voter fraud are being levied in New York and Pennsylvania....

The Macomb Daily News:

"Ford Should Have Supported Recount"

by John P. McGoff, "On the Issues"

The recently completed presidential campaign was a tough, hard-fought one with both major candidates and their backers working exhaustively on behalf of their cause.

It is, thus understandable that President Ford felt a tremendous letdown when it appeared he had lost the election. The harder fought a contest is, the more devastating defeat is.

What is not understandable, however, is his refusal to back any attempts by his supporters to look into possibilities of voter fraud or to secure recounts of extremely close elections....

We aren't talking about attempts to change the results of the election through some sort of chicanery. What we're talking about are attempts to make sure that the initial hurried count of votes is the way things actually are.

The election was a very close one, one of the closest in history. A change of 30,000 votes in selected states would have swung it to Mr. Ford.

When an election is that close, it would seem to be a necessity to double check all the totals to make sure there were no mistakes or outright fraud.

Mr. Ford did not reach his current status in life by being a quitter, by giving up when the going got tough....

The Cleveland Plain Dealer:

Ghost Voters: Labor Party Charges 20,000 Ohians Cast Ballots Illegally In Nov. 2 Election

by Robert J. McAuley

(Nov. 23) The U.S. Labor party said yesterday more than 20,000 persons in Ohio voted illegally Nov. 2, including 5,000 to 10,000 in Cuyahoga County.

Allan M. Friedman, state chairman of the Labor party, also charged that the United Auto Workers and the AFL-CIO conducted illegal voter registration drives aimed at electing Jimmy Carter president.

Although the charges are serious and the secretary of state's office is investigating, Friedman offered no concrete evidence of any wrongdoing.

He displayed polling lists that he said showed that 111 of 290 voters were registered illegally in Ward 11, Precinct J (Martin Luther King High School). He said 40 of those illegally registered voted.

Friedman said the registrations were illegal because the registrants had used addresses of vacant lots and abandoned buildings. He and others in the party labeled these "ghost" voters.

Reporters were driven down streets near E. 68th St. and Hough Ave. NE, where the Labor party contends many persons registered to vote using nonexistent addresses. Asked for a copy of the registrants and voters a spokesman for the party said the list had been turned over to an investigator from the secretary

of state's office shortly after it was shown to reporters.

The investigator, Kenneth F. Crisafi, confirmed that he was given the list and said Secretary of State Ted W. Brown had instructed him to look into it....

Friedman said the Labor party may file suit today in U.S. District Court in Columbus in an attempt to force a new election in Ohio. He said the party will make similar demands in Pennsylvania and Wisconsin....

Trentonian:

Strange Bedfellows

by Ken Carolan

...(Former USLP Congressional candidate Elliot) Greenspan and the U.S. Labor Party claim Carter was elected only because of massive voter fraud in several states. The party has already started legal action in four of those states — Wisconsin, Ohio, Pennsylvania and New York — to have the elections invalidated....

"Is this an exercise in futility?" Greenspan was asked.

Thereupon he produced a pile of documents (for which he requested a small donation to his party, by the way — and didn't get) which almost made his case seem plausible....

"Believe it or not we are working with the Republican Party and the conservative American Party and Constitutional Party of Pennsylvania in this," Greenspan replied. "All the 'constitutionalists' are getting together to overturn what we call Carter's coup"....

Newspaper accounts from Ohio and Wisconsin confirm that the American Party is indeed cooperating with the U.S. Labor Party in their legal action. Top officials of the Constitutional Party in eastern Pennsylvania deny any association with the U.S.L.P. but admit some of their members in the Harrisburg area have suggested joining in the legal action to investigate voter fraud.

But the most interesting information came from Edward Mahe, executive director of the Republican National Committee in Washington, D.C.

"Yes, we have been inundated by requests from the Labor Party — but we have not joined in any suits, we have not contributed to their legal fund, we are not associated with them in any way," Mahe stated.

"Would you say you are interested by-standers?" he was asked.

"That would be a good way to put it. We are watching the events very carefully and are ready to jump in at the right time," Mahe replied.

"Do you see any merit to their case?" was the next question.

"In New York and Pennsylvania I doubt if the results will be changed. In Ohio they have a real chance. Our information indicates that in Cuyahoga County (Cleveland) apparently every man, woman, child and telephone pole voted.

"In Wisconsin there was a massive registration by new voters on the day of election. Interesting that the referendum to permit same-day registration was on the ballot that day. It had not been passed before — they tied some kind of 'grandfather clause' to it. What would the vote be if that referendum had failed? Is it legal to do it the way they did? We don't know," Mahe said.

I don't know either. But maybe, just maybe, the election is not over yet — and never count your peanuts before they hatch.

The Washington Star

Thursday, November 25, 1976

Election Challenge Spreads; GOP Support Grows

By Lyle Denniston

Washington Star Staff Writer

A move to overturn Jimmy Carter's election as president is spreading and Republicans are becoming more actively involved in it.

Court challenges are being started in four states, and Republicans are either openly involved, thinking about joining in, or helping to pay the costs.

President Ford's aides say he is not involved, that he wants the Republican party to stay out of the cases and that he hopes Republicans won't give money to cover legal and court fees.

"So far as the President is concerned, the election is over — O-V-E-R," commented Edward Schmults, Ford's deputy White House counsel. "Gov. Carter won. He is the president-elect."

FORD LOST TO CARTER by a margin of 56 electoral votes on Nov. 2. Ford could be the winner if some of the legal challenges succeeded, because 103 of Carter's electoral votes came from the four states involved: New York, Ohio, Pennsylvania and Wisconsin.

Some of the lawsuits seek recounts, others claim violations of constitutional rights due to registration laws, and one seeks a new election. Republican leaders generally do not seem optimistic that the election can be turned around by legal action.

Although the national Republican

party itself is not directly involved in any of the cases so far, there are increasing indications that Republican figures do support the legal moves:

- Various Republican politicians who would vote for Ford in the Electoral College are joining or preparing to join cases in Wisconsin, New York and Pennsylvania and have called for a recount in Ohio.

- A county Republican organization is publicly supporting a new case about to be filed in Wisconsin.

- Rep. Guy Vander Jagt — a Michigan Republican, a close friend of Ford and chairman of the Republican Congressional Campaign Committee — has been involved in one way or another in nearly all of the challenges. His staff has made it clear that Vander Jagt is primarily interested in converting enough electoral votes to make Ford the winner.

- The Republican National Committee's top staff member, Executive Director Eddie Mahe, has been promoting some of the challenges by telephone. He insists that the RNC is interested in the basic legal issues at stake more than in trying to produce a victory for Ford.

- About \$7,500 has been raised so far to pay the costs of the lawsuits in Wisconsin and Ohio, and those who solicited the money estimate that 90 percent of it was given by Republican donors.

BASICALLY, ALL of the chal-

lenges have been started or pursued primarily by the U.S. Labor party, a small, leftist organization that had its own presidential candidate in the race this year.

The party has been raising money for the lawsuits through the "Committee for a Fair Election," a new organization purposefully set up so that donors would not be giving money to the Labor party.

White House aide Schmults says that he has told a number of Republicans who have been solicited for money that they should not donate. "I told them that I thought it would be exceedingly ill-advised," he said.

Schmults said Ford "has been very firm" about having his staff try to discourage the challenge in Wisconsin. "To the extent that we had any control over the Republican National Committee," Schmults added, "we said we wanted that discouraged, and we said so clearly."

The recount move in Ohio, the aide said, is "a local effort" that the White House believes it cannot control. "There hasn't been any contact with that," Schmults said. He indicated he was unaware of what was happening in New York and Pennsylvania.

Schmults noted that he had been supervising the Ford campaign's "ballot security program" — that is, prevention of vote fraud of the kind that is being charged in the four states. His over-all feeling, the aide

said, was that "it was quite an honest election."

A LEGISLATIVE aide to Vander Jagt, Bernard Nagelvoort, said the congressman was aware that the President and his staff were not in favor of the challenges. Nagelvoort said Vander Jagt has not consulted with the President Ford Committee. (The congressman was in Europe, and unavailable for comment.)

Nagelvoort discussed at length the specific roles of Vander Jagt, RNC aide Mahe and of various state Republican leaders in promoting the legal efforts.

Mahe also discussed his role in urging action in Wisconsin, but insisted

from Ford's interest." The challenges there and elsewhere are based primarily upon new laws making it much easier for voters to register — laws that the GOP generally opposes, according to Mahe.

"We think we'd be remiss not to make effort effort we could to keep up with this," the party professional said.

SOME OF THE STATE GOP leaders said in interviews that they had talked with James Juliana and Michael Farrell, two staff members of the President Ford Committee, about the ballot challenges. Schmults said that those two aides presumably were contacted because they had been working on the "ballot security program."

A young Republican lawyer and politician in Pittsburgh, John F. Bradley, filed the Labor party's lawsuit in Pennsylvania.

Bradley, who unsuccessfully ran for a congressional seat this year, said that he had not heard from the White House or the Republican National Committee, and thus he "presumed" that there was no basic opposition to the challenges.

"The White House has to take a low profile on this," Bradley suggested. "If the President were involved, and this failed, it could complicate the transition (to Carter's administration). In the interest of national unity, the President has to avoid being involved."

However, Bradley added: "The President has an obligation to the people who voted for him. He really shouldn't try to scuttle this effort."

Bradley noted Vander Jagt's close relationship with Ford, and then commented that "Vander Jagt told us to go ahead and try to get the presidential election result reversed."

THE CONGRESSMAN'S staff leaves no doubt that he has been involved from the first in the challenges. According to Nagelvoort, the effort actually grew out of a dispute in Michigan when Vander Jagt tried to get his Labor party opponent not to insist upon "equal time" when the congressman was invited to appear on a national television show.

A relationship was established, and right after the election, Labor party leaders in New York got in touch with the congressman with complaints of widespread vote fraud in New York, Ohio and Wisconsin.

Party leaders also urged him, according to Nagelvoort, "to intercede with Ford not to concede until this was resolved." (Ford did concede, the day after the election.)

Among others with whom Vander Jagt has consulted are former Republican Gov. Warren Knowles of Wisconsin, who had made public claims

of heavy fraud in his state, and three key Republicans in Ohio — state party Chairman Kent McGough, Secretary of State Ted Brown, and the lawyer for the state GOP, John McElroy.

"We've devoted our initial attention to the efforts in Wisconsin and Ohio," Nagelvoort said.

THE CONGRESSIONAL aide noted that Ford won 241 electoral votes, and would gain 36 more if he could win Wisconsin and Ohio. That would give him 277, seven more than enough to win.

Those two states are considered the most promising because of the closeness of the popular vote. The winner of the popular vote gets all of a state's electoral votes.

All of the legal action and any recounts must proceed rapidly, because the Electoral College meets on Dec. 13. The electors have the constitutional duty of actually electing a president.

Generally, the lawsuits have been opposed by state or local election officials, and Carter's legal staff has not yet become involved heavily.

A Carter aide, Douglas Huron, said the cases have been monitored so far by Democratic National Committee legal aide Ralph Gerson. "We're still surveying the situation," Huron said. "We don't anticipate any change in the result."

HERE ARE THE political and legal situations in each of the four states where challenges are being filed:

OHIO

Carter won Ohio's 25 electoral votes by a margin of 9,333 popular votes.

That is close enough that the state will pay for a recount, and a recount has been demanded by 24 of the 25 Ford electors. The recount is to begin Monday, and be finished by Dec. 9.

The Labor party has argued that there was vote fraud in southeast Ohio, claiming that unionized mine-workers were bused cross the border from West Virginia to vote in communities where there is no registration, and in the Cleveland and Toledo areas, where faulty registration allegedly occurred.

Secretary of State Brown has sent investigators into the Cleveland area, and county election boards there and in Toledo have approved subpoenas for an investigation.

A federal civil rights lawsuit is to be filed by the Labor party tomorrow, claiming that the fraud nullifies thousands of votes. No Republican official is yet involved in the planned lawsuit.

However, Labor party committeeman Stephen Pepper says that Republicans gave most of the \$3,000 raised so far for the Ohio lawsuit.

Ohio GOP officials say they are pursuing the recount primarily because of their concern about losing delegates to the party's 1980 national convention if they have in fact lost the state in this year's election.

GOP counsel McElroy seems doubtful about the lawsuit, commenting: "I don't think there's any grand conspiracy."

WISCONSIN

Carter won the 11 electoral votes in Wisconsin by a margin of just over 34,000.

The Labor party has filed lawsuits in state courts in Milwaukee and Waukesha counties seeking to force recounts. The claim is that the state's new election-day registration law is invalid, and that this will invalidate more than 70,000 votes — the bulk of them Carter votes — which obviously enough would change the outcome.

Both of those lawsuits were dismissed this week. Shortly, an appeal of those cases will be filed with the Wisconsin Supreme Court.

A new lawsuit seeking to require a recount in Milwaukee County, and perhaps in Waukesha County, too, is expected to be filed tomorrow by the Ford electors from those areas.

This is a suit to be sponsored by the Milwaukee County Republican organization. Mary Payne, the Milwaukee lawyer preparing the case, said state party leaders do not endorse the legal move.

However, RNC aide Mahe said the state party was interested in the case, particularly after he had assured Wisconsin Republicans that the national committee was interested.

Besides the new state court case, a federal civil rights lawsuit is due to be filed tomorrow by the Labor party. It may draw some Republican support, according to party lawyers.

The Labor party estimates that it has raised about \$4,500 for the Wisconsin action — again, mostly from Republicans.

NEW YORK

Carter won New York's 41 electoral votes by a margin of more than 275,000 votes.

Because of that margin, GOP officials do not seem strongly interested in the legal challenge going ahead there. Mahe says that New York Republican leaders have "undertaken a limited action to see if there is any pattern of fraud."

A federal civil rights lawsuit, based on the new postcard registration law, has been filed in Brooklyn by the Labor party. A hearing on it is scheduled Tuesday.

A Ford elector is expected to be added as a party to that case. One local Republican candidate is a party now.

PENNSYLVANIA

Carter won the 27 electoral votes in Pennsylvania by a margin of more than 128,000.

A lawsuit by the Labor party, seeking a new presidential election in the state, was filed earlier this week and is due for a hearing next week. The complaint there, as in New York, is based on the new postcard registration law.

The GOP is not directly involved in the case, but attorney Bradley says that several Ford electors have expressed interest in it. He indicated that financing of the case has come "indirectly" from Republicans.

A federal civil rights lawsuit is being prepared, and is expected to be filed in Harrisburg shortly.

Warsaw Pact Calls For Disarmament, Economic Cooperation

Nov. 26 (NSIPS) — The Warsaw Pact summit meeting concluded today with the release of a communiqué calling for immediate disarmament measures, dissolution of the NATO and Warsaw Pact military blocs, and expansion of international economic cooperation.

* In a firm warning that bellicose people in the West are trying to "create a new conflict situation," the Pact declared that it is ready to dissolve itself if NATO does the same simultaneously. The Pact declared it is ready to enter into negotiations immediately on how this can be done. It agreed to give up paragraph 9 of the Pact treaty if NATO gives up its paragraph 10: these are the clauses which permit the expansion of the blocs to additional countries. The Pact offer directly hits NATO schemes to declare the whole Middle East part of its "southern flank" and also at the South Atlantic Treaty Organization.

* In order to remove the danger of a nuclear world-war, the Pact countries proposed that a world treaty be signed against first-use of nuclear weapons in a challenge to the "forward defensists" of NATO like Bundeswehr Gen. Schnell and Carter defense advisor James Schlesinger. The communiqué also called for nuclear non-proliferation, but specified that this must not sabotage peaceful use of energy.

* Attributing special significance to the question of Berlin, the communiqué stated that strict observation of the 1971 four-power agreement is the precondition for making Berlin a cornerstone of peace and détente in Europe. All attempts to use Berlin for hostile conditions, the Warsaw Pact countries are ready to expand all-around cooperation with West Berlin.

In a section of the communiqué largely blacked out by the Western press, the Warsaw Pact stated that it is "ready for expanded bilateral and multilateral economic cooperation with all countries in the world in various forms." The Pact endorsed the resolutions of the September meeting of the Non-Aligned Movement which called for debt moratorium and a new world economic order.

The following are communiqué excerpts which have been ignored by the western press:

Paragraph 3:

"... The participating states in the Warsaw Pact deem it important to pursue the elaboration and realization of comprehensive measures for cooperation in the areas of environmental protection; transport; and energy on an all-European plane, as provided for in the concluding declaration of the all-European conference... Taking into consideration the experiences at hand on international cooperation, particularly in the framework of the U.N. Economic Commission, it is appropriate in the near future to examine these questions practically at multilateral consultations in the all-European framework.

The participating states in the Warsaw Pact greet the readiness of the Soviet Union to introduce, upon agreement with

interested nations in Moscow, a multilateral consultation on questions of energy.

The participants at the meeting of the political advisory committee begin from the assumption that the development of economic cooperation in Europe cannot be isolated from economic relations on a world scale. They support a reformation of international economic relations on a just, democratic foundation, on the basis of the equality of all nations, large and small, socialist and capitalist, developed and developing. In this context, they support the principled orientation of the program for international cooperation which has been presented by the developing countries and the non-aligned group of states.

... However, it has also become obvious that certain forces are striving to take advantage of the development of these relations for goals opposed to understanding and friendship between peoples and for intervention into the internal affairs of other states. The participating states of the Warsaw Pact consider it necessary to emphasize once more that these efforts follow a hopeless path, which they decisively reject.

... It is also necessary for the mass media to service the public with truthful information on world events, as well as on the rapprochement between peoples, and that use of the media against the cause of peace and cooperation on the continent not be permitted. The participants... who devote great attention to the solution of humanitarian questions, start from the principles of socialist humanism, and consider it important for all inhabitants of the continent worthy work and living conditions, the removal of unemployment, and free access to the accomplishments of science, technology and culture be maintained.

Paragraph 4:

"... The participants of the meeting emphasize the firm intention of these countries to develop also in future a multifaceted cooperation and a comradly coordination with the young nations of socialist orientation. Irrespective of all possible differences in the choice of the form for the construction of a new society, the nations of socialism and the states with a socialist orientation are natural allies in the struggle for peace and the security of peoples. With satisfaction, the increasing weight of the developing states of Asia, Africa, and Latin America in international endeavors was emphasized. The fifth conference of nations and heads of states of the Non-Aligned group in Colombo demonstrated anew their positive role in the international community. The nations represented at the (Warsaw Pact) meeting are firmly committed to strengthen their cooperation in the struggle against imperialism, colonialism and neo-colonialism, to strengthen national independence, peace and social progress."

Pravda:

"Old Songs"

Nov. 22 — The following are excerpts from an article by Pravda correspondent G. Vasilyev in Pravda on the Williamsburg, Va. 22nd annual session of the North Atlantic Assembly:

The first to sound the alarm at the meeting was J. Luns, the indefatigable servant of the 'cold war.' The General Secretary of NATO reiterated his usual array of anti-communist, militaristic banalities. He intimidated his audience with a supposed "growth" of the Soviet military budget and painted a gloomy picture of the future of Western Europe if it does not hurry up and build up its armed forces.

The Pentagonians actively buried themselves (in workingover) parliamentarians from 15 countries in the committees of the assembly. Admiral Kidd, Jr., threatened the delegates with the "dangerous plans" of the Soviet Navy.

It is no secret that the general improvement of the international situation intensifies the unwillingness of the public in the NATO countries to gratify the insatiable appetites of the militarists. But the serious economic and social problems of the western states are an imposing reminder of the real needs of peoples. The repercussions of these realities and not the fabricated woes and cares of the West could be heard in the speech on economic questions by the West German representative E. Lange: economic instability, mass unemployment, inflation, unstable currencies and the energy shortage. Speeches on "Atlantic solidarity" could not cover up these real and extremely serious political and economic contradictions which show up in relations between NATO countries. The Turkish and Greek representatives skirmished, while the English and West German delegates clashed on the question of prices of industrial raw materials and agricultural products.

As has become known, serious excitement was caused behind closed doors in one of the committees by the report on the political problems of the bloc, prepared by Netherlands representative P. Dankert. It stated that NATO's attitude to the military might of the USSR and to the fact of the growing influence of communists in Western Europe is "formed under the influence of outdated conceptions and exaggerated fears." The speaker recommended a "more balanced approach to these phenomena, based on objective analysis and not pathological suspicion and emotional rhetoric."

It is not surprising that this speech was hostilely received by the representatives of the reactionary NATO circles and under their pressure it was rejected by the session of the assembly as "underestimating the communist danger."

According to observers, the whole course of work of the North Atlantic assembly demonstrated that it has long since become a political anachronism.

Red Star On:

"The Nuclear Ambitions Of The Atlanticists"

Nov. 21 — The following are excerpts taken from an article by Colonel M. Ponomarev in today's Red Star, the Soviet military daily.

This week in London, the Nuclear Planning Group of NATO met. According to the press, the defense ministers of the eight NATO members discussed 'measures relating to the use of

nuclear forces in a combat situation,' as well as problems of improving American nuclear weapons stationed in western Europe.

The details of the discussion and decisions taken in London, remained unknown to the general public. The sessions of the group took place in strictest secrecy and the final communiqué was couched in deliberately foggy language. But nevertheless, it clearly reveals the intention of the group's members to increase the nuclear might of the North Atlantic bloc.

Such an intention glaringly contradicts the interests of the peoples of Europe... The progressive public connects the decisions taken in London with the demands for immediate use of tactical nuclear weapons in case of a conflict and a simplified procedure for deciding on this, which are ever more frequently being put forward by certain NATO circles.

West German General K. Schnell, in particular, has come out with this demand. He is the chief commander of NATO's forces in the central zone of Europe. In a report he made at the Academy of the High Command of the Bundeswehr in Hamburg, as well as for Bundestag deputies from the SPD and FDP, and in an interview to the Frankfurter Rundschau, General Schnell proposed to consider certain categories of nuclear weapons, particularly the so-called 'atomic mines' and the warheads of Zenith rockets, 'conventional tactical weapons.' On the surface, this is a matter just of a change of classification, but behind this, are far going and extremely dangerous plans.

First of all, the classification of the use of 'atomic mines' as 'conventional tactical weapons' would not require permission from the president of the U.S. Secondly, such weapons could be used by NATO troops on the first day of combat. And thirdly, against existing bans, it could be given to the West German Bundeswehr.

It is not surprising, that Schnell's demands provoked a sharp reaction from the European public. Even the French bourgeois paper Figaro expressed alarm. It recalled that Schnell is not alone. Not so long ago, English Vice-Marshal of Aviation S. Menol and French Colonel Jenest spoke out in the same spirit. The paper also recalled rumors that West Germany (FRG) already has control over the British nuclear weapons on its territory.

The dangerous intentions of the NATO militarist circles, the nuclear ambitions of the Atlantic generals, are poisoning the political climate in Europe. All this again brings to mind the necessity of high vigilance in regard to those forces which come out against détente.

Horizont:

The Sexennium Of Echeverria — A Balance

Nov. 26 (NSIPS) — The following are excerpts from an article in the German Democratic Republic weekly magazine Horizont. The accomplishments of the six-year term of Mexican President Luis Echeverria are evaluated.

On December 1, 1976, the six-year term of office of Mexican President Luis Echeverria Alvarez ends. This sexennium occurred under the burden of increasing contradictions, attributable on the one hand to the worldwide crisis of the capitalist system, and on the other to the fact that the recent development of capitalism in Mexico occurred on the basis of dependence on the imperialist nations, above all the USA.

The Mexican governments — aside from the so-called Final Stage of the Revolution under Lazaro Cardenas (1934-1940) — have 'neglected', to implement in deed the slogan of social justice.

On Sept. 1 of this year, President Echeverria delivered his final state of affairs report before both chambers of the Congress, giving a picture of the immense accomplishments of this man, in relation to what his government wanted to and could achieve. ... The President also detailed negative tendencies and unresolved problems: for example, the devaluation of the peso — which to even mention was practically considered state treason previously — linking this to the general currency crisis, inflation, the increase of the petroleum prices, the necessity to make exports competitive, the flight of capital. He promised a rapid evening out of wages, intensified price controls through the agency of CONASAPO (National Association for Food Stuffs). He mentioned the deficit of the payments balance (approximately \$3.5 billion), foreign debts (according to latest official reports, approximately \$15 billion), as well as the burning problem of creating jobs, which must occur on the level of 950,000 work places per year.

... In fact, a certain unrest is noticeable in Mexico. Despite broad-sweeping reforms, despite the emerging restructuring of the country, which includes the formation of collectives and the modest initiation of the construction of small industries, there are continual land occupations by land-hungry peasants, leading to their violent dispersal, even to the deployment of the military against impoverished Indians... Dead, wounded, burned heads, deserted towns mark the trail which these expeditions for 'the restoration of order' leave behind them.

Obviously, such things and related events do not occur under orders from Echeverria. Nevertheless, as unlimited as the executive powers of the President are, an economically powerful reaction, which aims to defeat his policy of reforms, continually succeeds in breeding unrest. This reaction attacks, sometimes here, sometimes there, in the dark, or openly, through the deployment of paramilitary formations, and finds its victims among progressive university professors, teachers, students, and above all, among 'rebellious' peasant leaders... The crimes initiated by these fascist elements liquidate not only opponents, but also are used for the purpose of spurring anti-communism, in that they are attributed to 'left extremists' of the 'League of the 23rd of September', an enraged terrorist group with which the communists have no connection.

... Many claim that a contradiction exists between the domestic and extremely progressive foreign policy of the President. Nevertheless, one can trace certain negative tendencies in both areas to the same root: Echeverria not only rejects class struggle, but for him, class struggle does not even exist. Even though he calls Mexico 'a nation of workers,' he does not pose the question of power; similarly, he always speaks of an imperialism with 'various signatures.' Nevertheless: Who could forget that Mexico is an important factor for the maintenance of peace; that, at all international forums, it has raised its voice against colonialism, against intervention in the internal affairs of other states, against the injuring of sovereignty and of human rights; that Mexico has condemned the arms race, and

decisively demands disarmament; that Echeverria's 'Charter of the Economic Rights and Obligations of Peoples', brought before and endorsed by the majority of the UN, strengthened the just demands of the developing countries.

...Echeverria gave new content and depth to relations with Cuba; after all, his country remains the only Latin American nation since 1962 to maintain these relations. Despite the economic dependence of Mexico on the U.S., Echeverria has always been known to defend the honor of his nation, and it remains today, with its weaknesses and greatness, the hope of many Latin Americans, the sanctuary for thousands who are being pursued by fascist or semi-fascist dictators on the continent...

Neues Deutschland: Gaullists Call For Renewal

Nov. 20 — The following are excerpts from an article by Gerhardt Lee, Paris correspondent, in the East German Party newspaper, Neues Deutschland:

"We have not come together to draw up a balance sheet of our disappointments and our resentments..." These bitter words came from Claude Labbé, the chairman of the strongest bourgeois faction in the French parliament, the UDR (Union des Démocrates pour la Vème République). They were spoken at the latest conference of Gaullist deputies in Rocamadour... At Rocamadour, and even in the party's central committee meeting that followed it, it was evident that the Gaullist politicians were not just standing ground. If we were to put their speeches and decisions together, then we could confirm that first of all, what has prevailed in spite of everything is that they will remain united and that they will continue to carry out the heritage of Gaullism by supporting the president and his government, as in the struggle against the Union of the Left. The UDR has not become an opposition party.

Nevertheless, the shocks that the party experienced have not receded without leaving their trace. First of all, it lost its left wing, whose representatives had played a large role in the past in winning over working class layers. Its leading representatives such as former Gaullist Minister Jean Charbonnel and Léo Hamon, Admiral Sanguinetti, and General Binoche, have been advocating an alliance with the Union of the Left. Jean Charbonnel, the mayor of Brive (Corrèze) recently said in an interview, "As far as we are concerned, we can ally ourselves with the left wing parties without being absorbed into them and without disowning our past. We believe that we can serve Gaullism this way because its work is unfinished due to the faults of the right wing." The PCF, and recently even leading politicians in the SP, have repeatedly called on the Gaullists to draw the consequences from their disappointments and to join up with the Union of the Left...

The Effort For African Peace and Development

Nov. 27 (NSIPS) — The motion by key European and Arab forces toward a break with the dollar monetary system has pried off the dollar lid imposed on Africa since the post-World War II period and has opened up opportunities for African countries to work out new alliances and orientations which have the potential for a rapid increase in trade and development.

The East African country of Tanzania, Nigeria in West Africa, and the north African countries of Algeria and Libya are playing key roles in realizing this realignment, in cooperation with Europe and the Comecon.

Tanzania, with India, is organizing oil supplies for eastern and southern African countries independent of the Rockefeller seven sisters oil companies to combat oil blackmail threats. And a independent West African economic organization, Ecowas, including for the first time both French and English-speaking countries of the region, has been pulled together recently under the guidance of Nigeria.

The activity of Great Britain is in part responsible for both these developments. Britain is working closely with its Commonwealth partners, including Tanzania and Nigeria, in its fight against International Monetary Fund austerity demands and economic blackmail. Tanzanian President Julius Nyerere visited Nigeria a week ago. At the end of his visit, Nigeria and Tanzania issued a joint communique Nov. 22 demanding that Britain do its part in eliminating the primary stumbling block in anger posed by the Ian Smith illegal regime in Rhodesia, backed by Henry Kissinger and Jimmy Carter. Britain has now complied with the African request.

In north Africa, the pro-development governments of Algeria and Libya this past week reiterated their intention of organizing a regional development bloc including the Sahel states of West Africa. At a meeting in Tripoli, Libya Nov. 23, the Presidents of Algeria, Libya, and Niger discussed how to move internationally to achieve regional development. Algerian President Boumedienne called for broader participation, mentioning specifically Chad and Mali. Mali and Niger are also both members of the newly formed Ecowas.

Indian Cooperation

The basis for the present intervention by India into African development was laid by Prime Minister Indira Gandhi during her October trip to the front-line states of Tanzania and Zambia. Her explicit purpose was to aid in the economic development of the African countries involved in the confrontation with the minority regimes in southern Africa, and agreements of cooperation were made.

In addition to organizing new oil supplies for African countries, India is sending experts to aid in development projects in Mozambique and Tanzania.

The Commonwealth Secretariat, headed by a Nigerian, also involved in coordinating Indian cooperation in African development is helping to expand several industrial enterprises in Tanzania and improve the quality of their production. An Indian consultant firm, engaged by the Commonwealth Secretariat through the Commonwealth Fund for Technical Cooperation will examine the working of 21 industrial com-

panies formed by the Tanzanian National Development Corporation. The National Industrial Development Council of India has extensive experience in development consultation in many fields of industrial development in India, as well as several countries abroad including Iran and Libya, in addition to Tanzania itself.

All Indian ambassadors to Africa have been called to New Delhi for a Dec. 14 meeting, according to the Indian press.

Nigerian Initiative

The Economic community of West Africa (Ecowas), is made up of the 15 West African countries. Under the initiative of Nigeria, Ecowas intends to make the region into one economic entity, concentrating on freedom of trade between members, and a freedom of movement of the populations, and coordinated strategies of industrial development.

The treaty just agreed to provides for cooperation on agricultural policy, including setting up agro-industry concerns and joint agricultural research. Ecowas also intends to harmonize infrastructural development and monetary policy of the member nations. Industrial cooperation will include creating a "uniform industrial climate" so countries will avoid unnecessary duplication of projects, and will exchange feasibility studies for various development schemes, as well as sharing the services of experts.

Comecon Input

The Comecon sector has reinforced the surge in development activity in Africa. The East German magazine *Horizont* this week addressed the question of African development by singling out the African Development Bank (ADB), headquartered in West Africa. *Horizont* notes that the ADB is set up to carry out regional development projects, and distinguishes the ADB from the International Monetary Fund's Inter-American and Asian Development Banks because its shares are distributed among contributing countries, freeing it from domination by imperialist monopolies and banks. But *Horizont* adds that the ADB is not able to carry out regional development projects, despite cooperation with several United Nations planning organizations, because it cannot get enough capital. *Horizont* also points out that the ADB participated in the last executive meeting of the International Investment Bank of Comecon, hinting that Comecon may be thinking about how to remedy the sabotage of Africa's development.

Coordination With Europe

The most evident example of Europe's involvement in this African realignment has been the European-African cooperation to defuse the Rhodesia war threat being used by Kissinger-Carter forces to destabilize the emerging anti-dollar line up. On Nov. 24 Italian Foreign Minister Arnaldo Forlani and British Foreign Secretary Anthony Crosland discussed the Rhodesian crisis, and the role Britain was planning to play in guaranteeing a transfer to majority rule which would satisfy African leaders. This meeting, which took place in London between representatives of two of the prominent anti-dollar forces in Europe, came just after Crosland went to Yugoslavia and after the joint communique from Tanzania and Nigeria

governments called on Britain to declare without qualification March 1, 1978 as the date for Rhodesian independence.

This communique was issued Nov. 22; the following day Britain did just what the communique demanded. Rockefeller allies Ian Smith and South African Prime Minister Vorster are now isolated, and the way is open for Britain to take the necessary measures to guarantee the transition, including the appointment of a British Governor-General for the interim period until independence, as well as a Commonwealth

peacekeeping force.

Yesterday the African nationalist delegations at the Geneva talks on Rhodesia agreed with the British proposal, opening the way for serious negotiations to get underway on majority rule. Any war moves now by Smith and Vorster should backfire, since the present commitment from Europe and Africa for a peaceful settlement will make it next to impossible for Smith to depict himself as the victim of unwarranted attack in hopes of justifying aid from the Carter-Kissinger forces in the U.S.

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE



Can You Afford To Be Without NSIPS Weekly?

NSIPS Weekly Report

- \$225 1 year subscription
- \$ 40 3 month introductory
- \$ 5 single issue

Check or money order enclosed

NSIPS Weekly Report plus hard-cover wire service daily reports for the week

- \$350 1 year subscription
- \$ 60 3 month introductory

Bill me

Name _____

Address _____

City _____

State _____

Zip _____

Affiliation _____

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
Vol III No 46 November 15, 1976 \$5.00

**The Atlanta Mafia:
The Ring Around Jimmy Carter**

A report on the men who surround the winning Mr. Carter, make his decisions, tell him what to do and say

PLUS:
Zbigniew Brzezinski: The Man Who Taught Carter To Smile

**Soviets Attack Committee
On The Present Danger**

The Committee on the Present Danger went public this week with a no-holds-barred drive for war: the Soviets have given their answer

**Arabs, Europe Buck Wall Street To
Seek Peace, Independent Oil Deals**

Carter Unveils Domestic Program:
Slavery For A War Economy

Arab Gulf States Move To Break Rockefeller's Hold Over The Shah of Iran

Nov. 26 (NSIPS) — The Arab states of the Persian Gulf are rapidly maneuvering to establish the gulf as a sea of peace and neutrality through the establishment of a Persian Gulf Security pact. The Arab states, under the leadership of Saudi Arabia and actively supported in this effort by the Europeans, principally Great Britain and the Soviet Union, are aiming to break all military dependency on the United States. The most important aspect of successfully defusing the oil rich gulf militarily is the containment of the despotic drive by the Shah of Iran to impose Iranian military domination over the Persian Gulf and simultaneous tighten up the CENTO alliance with Turkey and Pakistan. The Shah is acting openly on behalf of Rockefeller allied financial and pro-war circles, the same circles advising Jimmy Carter. The Arabs growing perception of the Carter threat has accelerated their efforts to extricate the gulf from longstanding Rockefeller domination.

The successful formalization of the long sought Persian Gulf Security Pact is a vital precondition to enable the Arab oil producing nations to engage in negotiations to establish a new international monetary system and accompanying oil for technology arrangements with the advanced sector — primarily Europe. Integral to such a new international economic system is the full nationalization of Arab oil producing capacity.

In recent months, a coordinated and intense diplomatic offensive on the part of Iran's Arab neighbors has been designed to organize the Shah's political and military base which has been at variance with the Shah on the question of a neutralized Gulf perspective. The Saudis have had numerous high level secret meetings with Iranian government officials. At the same time, at the behest of Iran, a Kuwaiti military delegation this month engaged in lengthy talks with the Iranian general staff. According to a West German Foreign Ministry official, the Soviets have been working through Iraq which has been collaborating with the Saudis in order to pry Iran away from military control by the Rockefeller-allied armaments firms which run Iran's enormous military complex.

Shah Playing With Fire

In a recent interview with the New York-based *Mid East Reports*, the Shah raved about what he perceives to be a threat emerging from stepped up Soviet-Iraqi military cooperation, most forcefully demonstrated this week when Soviet naval vessels sailed through the Gulf to the Iraqi port of Um Qasm. The Shah's programmed anti-Sovietism has been deliberately fueled by such Rockefeller allies as Sen. Abraham Ribicoff (D-Conn), who just led an eleven-man delegation to Tehran. Ribicoff threw a giant sop to the Shah's imperial aspirations to dominate the gulf by approving of unlimited future sales of arms to the Shah's already cumbersome arsenal, valued at \$10 billion. He further stated that Iran was the "only nation" militarily ready to protect the oil lifeline through the Gulf. It was Ribicoff who was implicated along with Sen. Jacob Javits (R-NY) in calling for the legitimization of Israel's nuclear weaponry internationally, while at the same time, Israel warhawk Defense Minister Shimon Peres has openly invited Iran to join in a military alliance against the Soviet Union to also include the massive Turkish army.

Just following the Ribicoff visit to Iran, the *Washington Post*

yesterday reported a newly signed agreement between Iran and the U.S. whereby the U.S. would send 450 more military advisors to Iran through the Lockheed corporation. The announcement follows a series of strongly worded warnings from the Soviet Union regarding the deep involvement of U.S. military activity in Iran. According to the *Financial Times*, Nov. 23, the Soviet Union has heightened concern over the tightening up of Iran-US military relations with the turning point being the release three months ago of a provocative report on the scope of U.S. military operations in Iran, released through Senator Hubert Humphrey.

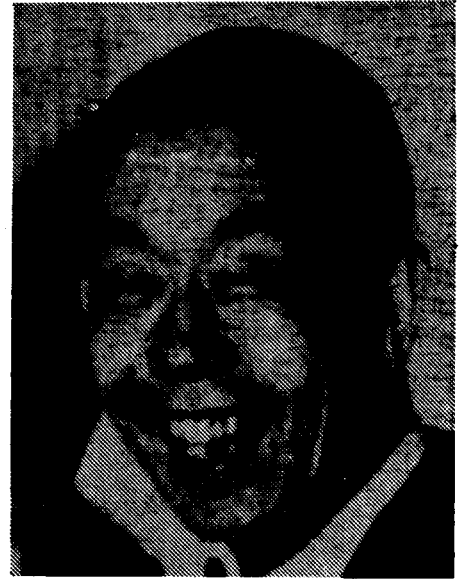
The Soviets have additional strong leverage over the Shah based on a dramatic upsurge in Iran-Soviet trade. Iran has been forced into this by unmanageable and inflationary trade relations with the U.S., which have in the last year driven the Iranian economy into near bankruptcy. Since January 1976 Iran has borrowed well over \$2.5 billion on the Euro-market, a significant portion of which has gone to funding food imports as a result of a collapse in Iran's agricultural self-sufficiency program. Despite the economic crisis, the megalomaniac Shah stubbornly adheres to a multi-billion dollar defense budget and his dream of recreating the Persian empire.

Iran has been actively involved in sabotaging the Nov. 26 meeting of the gulf states to set up a formal Gulf Security Pact. The day before the conference began an Iranian fighter violated territory of the Soviet-allied People's Republic of South Yemen. Both the Soviets and the Saudis have been active in securing guarantees from Yemen that its backing of the dhofar rebellion in neighboring Oman would cease, a key element in unity of the region. Both Iranian and Jordanian troops have had troops stationed in Oman as a result of the on again off again rebellion. At the same time, the *London Times* reports that at the last minute Iraq announced that it would boycott the meeting because of a clash with Iran over its agenda. Iran condemned the admission of Soviet ships into the Gulf, accusing Iraq of collaboration with the Soviets to "stangle the Persian Gulf."

The noises coming out of Iran, while extremely provocative, represent a last gasp by the Rockefeller wing of the international bourgeoisie as an increasingly coordinated Arab-European-Soviet cooperation bloc emerges. The West German Foreign Ministry this week minimized efforts on the part of the Shah to get the CENTO scheme, masterminded by Henry Kissinger, off the ground. Similarly, Saudi Arabia, in a surprise move, this week extended a \$1 billion grant to Pakistan as a means of undercutting Pakistani military cooperation with Iran. Involved in the transaction is a commitment on the part of the Saudis to establish an independent arms factory in Pakistan to encourage military independence while the Arab states are negotiating a similar independent Arab arms industry with joint British and French technical assistance. A well placed Gulf watcher told NSIPS last week that the Saudis are well aware of plans on the part of the Carter administration to force Europe into a pro-war alliance against the Soviet Union and are thus using the threat of a large oil price rise to swing Europe away from the U.S. In a recent interview, Saudi King Khalid personally condemned the Shah's CENTO drive, which would effectively extend NATO domination over the Middle East.

Japan's No. 1 Traitor

The Black Heart Of Takeo Fukuda— Part I



EXCLUSIVE TO NSIPS

Introduction

In this issue *New Solidarity International Press* is publishing Part 1 of a two-part series exposing once and for all Rockefeller's top agent in Japan — former Deputy Prime Minister Takeo Fukuda. Fukuda is now being promoted for the Japanese premiership by Wall Street to force Japan into a policy of military rearmament.

Part 1 reviews the vital role Fukuda played for the Rockefellers in sabotaging Japanese moves to work with Europe and the Third World in establishing a new international economic order, especially during the critical period of the Rambouillet summit meeting in Paris in November 1975. Also covered is Fukuda's attempt to split apart the ruling Liberal Democratic Party, in order to reshape the party under his direct control, through his manipulation of the Wall Street-created Lockheed Scandal.

Part 2 of the exposé will appear next week and will outline the actual Wall Street—CIA network which stands behind Fukuda. The history of this network, stretching from rightist U.S. thug Ryoichi Sasagawa to the top banking houses on Wall Street will bring the "dark side" of Japanese politics for the last 30 years to light. The planned Wall Street "watergating" of Kakuei Tanaka in 1974 through the Fukuda-Sasagawa-Wall Street operation was done by a top political intelligence network called Moral Rearmament set up in Japan in the 1930s by an American named Frank Buckman.

This network was headed in Japan by the wealthy Shibusawa family, key collaborators with the U.S. CIA in the 1950s, and LDP leaders like Kishi, Fukuda, Okinori Kaya, Saburo Chiba, in alliance with top U.S. business families headed by the Rockefellers. It is these same families, who through their newspapers like the *New York Times* and the *Washington Post*, are creating a phony "expose" over the Buckman network's "Unification Church International" in Korea — to pressure Japan into accepting expanded military production and open anti-communist policies. The connections of Washington-Wall Street law firms like Corcoran, Youngman and Row to the Fukuda-Sasagawa-Unification Church operations will also be investigated. All these agencies — the real Wall Street controllers of Japan — make up the real "black history" of Takeo Fukuda.

Today Japan faces its most dire threat since 1952 — the reoccupation of Japan by the Wall Street gang through their

puppet Fukuda. Just as the Rockefeller family used the "Watergate" scandal in the United States to illegally destroy the constitutionally elected Richard Nixon and to prepare the grounds for their own personal U.S. puppet peanut farmer and Trilateral Commission member Jimmy Carter, these same Wall Street forces have used the "Lockheed" scandal for one purpose — the illegal ascension of Takeo Fukuda into the premiership of Japan. Small wonder Fukuda himself is Jimmy Carter's leading supporter inside Japan's Liberal Democratic Party. They are but two puppets with the same master — David Rockefeller.

The "Fukuda scandal" is not a tired story of an apparently "clean" politician with "dirty money" ties which will be exposed. Fukuda's crimes are far more heinous. He is (and has been so for the last 28 years) a conscious agent of the most reactionary element of U.S. capitalism. He is a leading member of a conspiracy led by Wall Street to subjugate Japan to an economic policy of mass austerity and zero growth, while steering Japan into the arms of a policy of full-scale military production and an anti-Soviet alliance with the United States — the policy of men like Paul Nitze, Henry Fowler and C. Douglas Dillon of the "Committee on the Present Danger" and David Rockefeller protege Zbigniew Brzezinski — the men who are the "brains" behind Jimmy Carter.

The "Necessity" Of Takeo Fukuda

To understand the importance of Fukuda for Wall Street it is necessary first to grasp the growing "panic" in high Japanese political and economic circles over the crisis in Japan's economy. Japan's economy is in a highly precarious state. The growth of protectionist measures against Japan both in the United States and the European Economic Community (EEC) — so graphically evident in the recent disastrous visit of Keidanren's Toshio Doko to Europe — spell the end of Japan's export-led recovery from the "oil shock" of October 1973. Even a usually sensible economic commentator, the Yomiuri Shimbun's Mitsuo Kono, gave way in a recent column to hysterical ravings about the return of the world's economy to the "law of the jungle" which dominated world trade in the 1930s. Kono's articles reflect the mood of confusion and panic that has swept major Zaikai (business leader) circles.

Faced with this danger, many Japanese businessmen like Industrial Bank of Japan senior advisor Sohei Nakayama, former Nippon Steel head Shigeo Nagano, Keidanren boss Toshio Doko, as well as Ministry of International Trade and

Industry head Toshio Komoto and Prime Minister Miki, realize that Japanese subordination to a Carter-Rockefeller bankrupt dollar empire can only lead to further global economic collapse. These business leaders met with leading Arab OPEC spokesmen in Tokyo last week to map out a joint policy of Japanese support for Arab political and economic demands, such as Japanese support for a general approach to Third World debt moratorium at the final North-South talks in Paris, in exchange for secure Japanese sources of oil. Such a Japanese move would be in keeping with the policy of "watergated" Japanese Premier Kakuei Tanaka who, in the wake of the October 1973 Mideast war, incurred U.S. Secretary of State Henry Kissinger's wrath by sending then MITI-head Yasuhiro Nakasone and Deputy Prime Minister Takeo Miki to the Middle East to improve Japan's oil links with the Arabs, instead of toeing the pro-Israel U.S. line.

Fukuda's aim is to crush any such move by business away from his bosses at Chase Manhattan Bank. Fukuda's first step has been to attempt to shatter the anti-Rockefeller forces inside Japan's LDP by engineering a split inside the party. Commenting on Fukuda's blatant anti-party moves in a campaign speech in Osaka on Nov. 17 Prime Minister Miki warned: "On the one hand anti-Miki leaders are calling for the elimination of LDP factions, but on the other hand they seem to be causing a split in the party."

If one tries to explain Fukuda's current "election campaign" attacks on Prime Minister Miki from the standpoint of LDP partisan politics, his attempt to weaken the party vote at a time when many inside the party feel the party is dangerously weak already (as it is after the "Lockheed" case) his motives would seem incomprehensible. However Fukuda's decision to split the party does not come from any concern for the future of Japan. Fukuda wants Prime Minister Miki out of the LDP and in the arms of the CIA-controlled "Association to Think About a New Japan" led by U.S. agent and right-wing Japanese Socialist Party (JSP) leader Saburo Eda. With Miki out of the way, Fukuda believes he can break the influence of Japanese nationalist Yasuhiro Nakasone over Japan's "New Right" group inside the LDP. Through such splitting maneuvers Fukuda hopes to convert the LDP from a party capable of politically voicing the demands of Japan's anti-Atlanticist businessmen to a "factionless" Fukuda-run fascist machine. Nor should Fukuda's current maneuvers come as any surprise. As early as 1960, after the Security Treaty crisis, Fukuda headed up a "party modernization committee" in the LDP to "build a 'peoples front' against 'Chinese and Soviet imperialism' by combatting factionalism which had made the LDP unable to cope with the growing threat of international communism." Fukuda's "Tofusashin renmei" committee (which later dissolved into the Fukuda faction) is the model for his current LDP wrecking operation, the Kyotokyo.

The destruction of the potentially anti-Atlanticist LDP party machine has been a long-term goal of Wall Street, especially after the LDP itself put Kakuei Tanaka — Japan's first premier to defy Wall Street in a long, long time and a bitter Fukuda rival — into power in 1972.

A few weeks ago Fukuda resigned his post as head of Japan's Economic Planning Agency in the second Miki cabinet — a clear signal of his desire to overthrow the premier. Until then Fukuda had played a crucial "inside" role in league with his opportunist factional crony, Japan's Minister of Finance Masayoshi Ohira, in sabotaging the Miki government's attempts especially at the Rambouillet meeting to shift Japan to a more independent political and economic stance in favor of the developing countries and against the New York banks. A brief review of the period preceding and following the November Rambouillet meeting clearly shows Fukuda's sabotage at work.

On Aug. 26, 1975 the Kohjin company collapsed — one of the most spectacular bankruptcies in post-war Japan. Business fears accelerated when August export figures showed a downturn for the fourth month in a row to 18 per cent below levels for August 1974, the largest decrease in Japanese exports in 22 years. Japan's export decline, which had begun in April 1975, had been principally to Third World countries, and if that market was ever able to receive Japan's capital intensive exports of technology the Japanese government would have to take the lead at the upcoming talks between the advanced nations in France in lobbying for worldwide economic growth. Sensing that Japan must move Miki and his top economic aide Saburo Okita appointed Kakuei Tanaka's former Foreign Minister and Third World supporter Toshio Kimura, Japan's representative to the special session of the UN in September 1975 called to discuss "the new world economic order." To concretely back up their moves towards the "South" nations, Okita, head of Japan's Overseas Economic Cooperation Fund (OECF) proposed to the Association of Southeast Asian Nations that the ASEAN nations work with Japan on a program of doubling the region's rice production in 15 years through use of modern agricultural methods. Miki's moves towards the Third World stemmed from big business understanding that growth of the world economy, especially of the lesser developed nations, was crucial for the prosperity of Japan, Europe and the United States.

This same understanding of the importance of economic growth determined the Miki government's attitude toward the socialist nations. Miki's historically pro-China sentiments are well known, as are his dependence for many years on the advice of pro-China LDP Dietman Tokuma Utsonomiya on foreign policy questions. However, as with his policy toward the Third World, the key to Miki's attitude toward the Soviet Union lies with big business. In early September Japan's economic press was filled with banner headlines announcing a Soviet decision to conclude a \$1 billion shipping contract with Mitsubishi Heavy Industries, IHI, and Nippon Kokan to assist the USSR's new five-year plan. Two months later the Ministry of International Trade and Industry announced it would ignore the U.S. created COCOM restrictions against the Soviet Union and help the Soviets with the development of new nuclear power generation facilities. MITI's decision was strongly supported by then LDP secretary-general Yasuhiro Nakasone, a consistent advocate of expanded Japanese-Soviet energy cooperation deals. It was in this atmosphere that Miki advisor Kazushige Hirasawa dropped his bombshell article in the October issue of Foreign Affairs, proposing a "deal" between Japan and the Soviet Union which would put a "freeze" on the issue of the northern islands dispute between the two nations in exchange for a Japan-Soviet Peace and Friendship Treaty to be backed up by large scale Japanese economic investment in Siberia.

The U.S. Counterattack

A few days after the Kohjin collapse, U.S. nuclear war maniac and then Defense Secretary James Rodney Schlesinger came to Japan on a scheduled visit. A few weeks earlier Schlesinger had created a scandal by publicly launching his "nuclear retaliation" talk against North Korea. Schlesinger's purpose in Japan was to push Japan's military forces into increasing integration with the U.S. military — the "NATOization" of the U.S.-Japan Security Treaty. Schlesinger was met by the cowardly head of Japan's Defense Agency Michita Sakata, who "proposed" to Schlesinger an old U.S. scheme to set a joint body to integrate the two military establishments further in the event of an "emergency." The real purpose of Schlesinger's visit to Japan was clear. Japan's Self Defense Forces are a military

joke in the event of a nuclear conflict with the Soviet Union. All the integration of Japan into the U.S. military means is that — until there is a massive expansion of Japanese military production — Japan's capitulation to the U.S. only **weakened** the Miki government's attempt to improve relations with the Soviets. This split inside the Miki administration itself, with its "two premiers," Miki and Fukuda, would become obvious by the time of the Rambouillet summit. Schlesinger's anti-Soviet organizing was followed up a few days later by "Readers Digest" editor and top Rockefeller goon former U.S. Defense Secretary Melvin Laird, who made a speech to Japan's Foreign Correspondents Club warning the government not to be "lulled" by detente and economic deals with the Soviet Union.

The Takeo and David Show

At the time of the Kohjin collapse, Takeo Fukuda was on an ostensible tour of Latin America, and in particular Brazil. However on Sept. 22 NSIPS was informed by a usually reliable source inside the Gaimusho that Fukuda made a special secret one day stopover in New York City (Aug. 29) to meet with David Rockefeller at Chase Manhattan Bank's head offices. This was to be the first of two secret meetings between the servant and master during the stormy pre-Rambouillet period.

The results of Fukuda's first visit with Rockefeller became obvious during the second week of September, when Fukuda announced that "fiscal stimulus" was the way to economic recovery in Japan. Fukuda ruled out any attempt to stimulate consumer spending as "inflationary," and warned that new capital investment was useless due to already low existing capacity utilization, while export increases would also fail because of the world slump.

The absurdity of the Fukuda-Rockefeller policy of "fiscal stimulus" at the expense of the expansion of real production through growing trade is now showing up in a total breakdown in world trade. The "international upswing" that supposedly occurred beginning in the fall of 1975 has itself been the cause of accelerated collapse of real production. To fuel this "boom," Europe and Japan ran up budget deficits of over \$50 billion of which 90 per cent went to maintain government and industry debt payments, while the remainder financed a short-term shot in the arm to consumer goods. Behind the purely cosmetic "upswing," the capital goods capacity of the advanced sector — the guts of any industrial economy — has deteriorated exponentially. For the Third World the "upswing" was nothing but political hype meant to keep the governments of the underdeveloped sector from declaring debt moratoria against the dollar.

The Rockefeller "wait until the U.S. upswing" line, so clearly mouthed by Fukuda as "his" economic policy, had a darker side as well. In order to terrify Japan's business community into line, the U.S. banks began a massive arm-twisting job on the Japanese yen. By late October it had become known that Japan had spent \$6 billion in reserves (of which \$5 billion was from hidden reserves) to keep the yen stable since August. Not unlike the time of the Herstatt collapse in West Germany, when Japan and Italy were being classified as equal "risks" by the New York banks, Wall Street seized on the Kohjin collapse and subsequent downturn in Japan's exports to spread "black propaganda" rumors that Japan, normally their most valued customer, was a sudden "credit risk." This operation was aimed at further terrifying the Finance Ministry bureaucrats like Ohira and the "respectable" old zaibatsu bankers into sabotaging Japan's industrial community's endorsement of a high growth policy. The first fruits of the U.S. success came at the UN Special Session in September, when Takeo Kimura was

forced to denounce his own Foreign Ministry written speech as "disgraceful" — indeed more conservative than the speech that Kissinger gave! It was also at this time that Wall Street began its final preparations for the launching of the Lockheed Scandal against **both** Kakuei Tanaka and Takeo Miki — for reasons which will become apparent later.

Fukuda Meets the Emperor

Fukuda's second meeting with the Rockefellers (this time he met all three) came when he escorted Japanese Emperor Hirohito to the United States. While Hirohito was enjoying the sights at Pocantico Hills Fukuda made sure his own visit was not devoted to sightseeing. In Washington Fukuda held a meeting with Ford economic officials Greenspan, Simon, Dunlop, Dent and Burns. Fukuda also renewed acquaintances with Pepsico head Douglas Kendall, "old friend" George Schultz, new head of the Bechtel Combine, and Robert Murphy, the former U.S. ambassador to Japan, Kishi's mentor and guide to the U.S. CIA circles and a top Rockefeller operative in the huge ex-Nazi network taken over by the CIA after the end of World War II.

But despite the best laid plans of mice and rats, the Rockefellers' ability to police the world was dealt a serious blow by President Gerald Ford's shakeup of Rockefeller agents in his cabinet — the so-called "Halloween Massacre." Ford's decision to fire "limited nuclear war" nut Schlesinger and to dismiss CIA director William Colby triggered Nelson Rockefeller's announcement that he would not be vice-president in a new Ford government. Ford's shakeup, done with the support of major Midwest industrial interests like the Ingersoll family and other proponents of expanded U.S.-Soviet trade, led to Schlesinger's replacement at Defense by former banker and midwest Congressman Donald Rumsfeld.

The show of force by Ford against Rockefeller had an enormous impact in Japan. The changed U.S. political climate led Miki to propose that Japan's position at Rambouillet be centered openly around Third World economic development, expanded trade with the Soviet Union, vastly increased world food production, a global program to develop fusion power and political endorsement of a recent UNCTAD resolution which itself called for general debt moratorium.

Equally terrifying for Fukuda, Miki and Kakuei Tanaka begin their first talks together since July 1974 through their aides, Ichitaro Ida and Toshiki Kaifu for Miki, and Nonoru Takeshita and Susumu Nikkaido for Tanaka. Miki's reported topics included a cabinet reshuffle.

Rambouillet

Right before Rambouillet the Japanese government virtually split in two. Despite the publication of Miki's proposals for the conference in the Yomiuri and Mainichi, every pro-U.S. agent in Japan, led by Takeo Fukuda and his simple-minded sidekick Masayoshi Ohira, raised such an outcry over Miki's moves that the premier was forced not to give his printed speech at the conference! Meanwhile, Finance Minister Ohira stormed out of the meeting early in protest against Miki's moves while Foreign Minister Keiichi Miyazawa also downplayed the significance of Miki's ideas. Significantly, only Toshio Komoto's MITI openly backed the premier. In the wake of Rambouillet Secretary of State Kissinger himself stopped off in Japan Dec. 7-8 after meetings in China, to further attempt to pressure the Miki government into supporting a political alliance between Japan, the U.S. and Peking against the Soviet Union. Not surprisingly also at this time there was talk of a new Fukuda-Ohira alliance inside the LDP.

The Bribe

The pressure ploys of Ohira and Fukuda on Miki notwithstanding, the Rockefellers regained their control over Japan through a simple trick — a promise of an “export boom” to the United States. And Japan’s major business leaders fell for it lock, stock, and yen. Despite Fukuda’s talk of fiscal stimulus, Japan’s exports by November 1975 had fallen 17 per cent from November 1974 while bankruptcies had hit an all time high, and industrial production in November declined 1.7 per cent.

In essence Japan’s business leaders sold their souls to Fukuda and Rockefeller in return for the short-term right to dump, especially inside the United States. The political and economic consequences of this sad blunder have come home to roost in Japan today. By buying Fukuda’s story of the “U.S. upswing,” Japanese businessmen have been for the past year supporting the United States in every disgusting U.S. action against the Third World, including the recent hideous CIA-aided coup in Thailand. In exchange for the right to stockpile hoards of cars and color TV’s in the United States and Europe, Japan’s own credibility with both Europe and the Third World has plunged, resulting in the current bitter calls of European businessmen for protectionist measures against Japan. In order to play the role (in Henry Kissinger’s words) of “the little Sony salesman,” Japan has castrated itself politically. This is where Fukuda’s “economic brilliance” has left Japan — alone and isolated.

The Hoax

Even more pathetic, the entire export fraud itself was rather shortlived. Exports grew at a 40 per cent annual rate from December 1975 through March 1976 and then essentially stagnated until July, when they began falling again (with the exception of the September flip). Now exports for October are about 10 per cent below that of March 1976!

As should be obvious to every Japanese businessman who now sees the U.S. International Trade Commission breathing down his neck, the United States itself had never any intention of allowing Japan’s exports to the United States for any reasonable length of time, despite banker homilies on the principles of “free trade” and “international competition.” As the Brookings Institution resident hippy and top Carter advisor C. Fred Bergsten has demonstrated, the United States is more than willing to use the threat of protectionism to force Japan into a more “malleable” position on, for example, Japanese support of the dollar.

“Political Economy”

The majority of Japanese businessmen today are still acting like frightened children whose childhood fantasies of grabbing more and still more candy bars have been cruelly interrupted. This is because most businessmen are afraid to grasp the meaning of the words “political economy” which the New York banks understand so well. What was the purpose of the “export boom?” Lockheed!!

The “big bad Japanese businessmen” and “toughguys” like Tanaka have been played for suckers by David Rockefeller and

his little friend Takeo Fukuda. It was Rockefeller, with Fukuda’s support, who ordered Frank Church to create the Lockheed Scandal. As has already been partially documented by Seichiro Tahara in his famous “Kakuei Tanaka” series in the Japanese magazine Chuo Koron, and to a lesser degree in the Bungei Shunju, the Rockefeller family set up the Lockheed scandal.

The reasons for the Rockefellers’ moves are also obvious. After first lulling the majority of Japanese businessmen asleep, the Rockefellers and their agents went after Japan’s three main anti-Atlanticist political leaders, Tanaka, Miki and Yasuhiro Nakasone in a massive operation aimed at insuring that Fukuda seize power. This plan today is very close to becoming a success. And all by a pathetic exposé of a bankrupt company which a Rockefeller-controlled consortium of U.S. banking interests headed by Lazard Freres took over in 1973 as their own personal toy!

The Real Payoff

Japan’s reward for being so cowardly about exposing Rockefeller’s and Fukuda’s manipulation of Japan’s fragile democratic system will be nuclear war under a Fukuda administration. The first step to such a war will involve a massive push by Fukuda for a policy of massive war production to fuel a general U.S. led escalation under a Schlesinger-Brzezinski-Rockefeller-Carter administration.

Ironically, instead of being enraged at Fukuda for duping them into such a disastrous plight, many Japanese businessmen find themselves debating whether Japan will indeed now have to expand war production under a Fukuda administration, since “exports” won’t prevent bankruptcy any more. It is precisely this state of psychological panic that Fukuda hopes to use against businessmen in his hopes to get into office. To sweeten the deal, Fukuda is now promising businessmen that a Fukuda administration will “insure” the insane Nikkeiren proposal of a 0.00 per cent wage hike next spring! Fukuda is right now telling his cohorts that if the trade unions expect to get more than nothing in the light of the “terrible” protectionist attack on Japan, they too must accept expanded war production. Fukuda’s push has been aided by U.S. crony Michita Sakata who has used his phoney “dove” cover to inform Japan’s parliament recently that defense spending should be “around” 1 per cent of GNP and not below it.

The Korea Hoax

A classic U.S.-created psychological warfare game is being used to further aid Fukuda around talk of U.S. troop withdrawals from South Korea. The Carter gang is attempting to terrorize Japan into believing that the U.S. would completely pull out of South Korea as part of a blackmail threat. In “return” for a U.S. promise to stay in South Korea (which has been the U.S. policy all along despite the absurd scare stories) Japan will **increase** its own defense expenditures. And new premier Takeo Fukuda, “under U.S. pressure and in support of his old friend President Park” will “reluctantly” agree with his U.S. masters.

What's Behind the Attacks on India and Her Neighbors

Nov. 24 (NSIPS) — On Nov. 14 a bomb went off near the podium where Pakistan's Prime Minister Zulfikar Ali Bhutto was scheduled to address Northwest Frontier Province tribesmen. In Sri Lanka last week, scores of students were injured and one was killed in riots provoked by agent Trotskyists and rightwing provocateurs. In Bangladesh, the government two days ago, after repeated provocatory incidents, announced the postponement of elections scheduled for February 1977.

These incidents are part of a full scale attempted Rockefeller destabilization directed against the entire Indian subcontinent. The main target of the operation is India, a catalytic force throughout the region because of its close connections to the Soviet Union, Britain and the Arab nations and a "bridge country" for the creation of a new world economic order. Under immediate attack are the efforts of India and Sri Lanka, with backing from the USSR, to turn the Indian Ocean into a "peace and development zone."

High-level Indian delegation visited Saudi Arabia, Egypt, Iraq, Kuwait and the United Arab Emirates over the last two weeks, making contributions to the Organization of Petroleum Exporting Countries (OPEC) oil policies and discussing new technology to exploit the newly found oil reserves off India's west coast. The search for technology has extended to Europe with delegations meeting with French National Oil (CNP), and the Norwegian and British governments. The Indian government has announced the total takeover of the Caltex Oil operations in India effective Jan. 1, indicating that India wants to go in for government-level oil exploration and contracts shutting of the Rockefeller multinationals. In negotiations India has stated its willingness to exchange its technological and infrastructural skills to develop the Mideast region. Informed sources have indicated that India has made available its gold market in Bombay to Arab countries purchasing gold.

Looking toward Asia, the Indian government announced this week that India and Indonesia will sign an agreement next month on mutual cooperation for the optimal utilization of natural resources. The announcement came on the eve of a visit to India by important Japanese industrialists, to discuss Indo-Japanese collaboration in the development of Southeast Asia. Such collaboration in the region is the concretization of the military concept of a zone of peace.

The Rockefeller forces have zeroed in on India and her neighbors because they recognize that these initiatives are preparing the way for an open break with the dollar. Robert McNamara, president of the World Bank, and Orville Freeman, a Carter advisor and member of the board of World Watch, have been sent to the subcontinent to coordinate wrecking operations. McNamara gave his seal of approval to mass sterilization projects in Bangladesh, Sri Lanka, Pakistan and India. A visit to the infamous Rajastan Canal rural slave labor projects was the high point of his trip.

Pakistan

The most explosive situation is in Pakistan, the one-time U.S. satrapy which is now a chief Third World spokesman for debt moratorium at the North-South talks in Paris. After the election of Carter, reliable sources revealed Pakistani Prime Minister Bhutto's growing desire to break formally with the economic and military subservience demanded by the U.S. Bhutto is contemplating a pullout by Pakistan from the NATO-style

Central Treaty Organization, which includes Iran, and Turkey as well. Saudi Arabia, which two weeks ago extended a \$1.1 billion loan for development and armaments aid to Pakistan, gave Bhutto the critical support to pull away from Pakistan's long-time "benefactor," the CIA-puppet Shah of Iran. The Saudis specifically earmarked the loans for development — not for debt repayment — enabling Pakistan to remain solidly pro-debt moratoria, and draw back from any role as policeman for the region.

Two weeks ago, the warmongering CIA-linked Interior Minister of Pakistan, Abdul Quayyum Khan submitted his resignation to Bhutto — the first stroke of "sudden internal problems" for Bhutto. Bhutto quickly responded by purging Quayyum's allies in the bureaucracy and warning of similar dismissals in the military. On Nov. 14 came the assassination of attempt against him. The modus operandi of the attempt was an exact replay of the Quayyum-engineered assassination of Bhutto's closest aide in the same province two years ago. At that time, Bhutto capitulated by allowing a huge red scare and a round-up of the entire left and moderate elements in the country. This time, in a major departure from his usual positions, Bhutto significantly pointed out that neighboring pro-Soviet Afghanistan is "Pakistan's friendly neighbor" and "no foreign hand could be seen in the frontier province's troubles." Afghanistan and Pakistan are at the present time involved in talks to normalize relations.

Sri Lanka

To stunt the initiatives of Sri Lanka, India's southern neighbor and chairman of the Non-Aligned Movement, provocations were set off resulting in riots which have since become the banner of the Opposition parties' demand for the government ouster. The riots coincided exactly with Prime Minister Bandaranaike's visit to Japan, where she asked Japanese Premier Miki for Japan's collaboration to solve the deadlock in the North-South dialogue. The goal of the Carter forces is to create as much chaos as possible in as short a period to make it impossible for Bandaranaike to run the country, let alone hold elections. This has already been understood by the agents within the Opposition parties. The Trotskyist Lanka Sama Samaj Party (LSSP), led by IMF agent N.M. Perrera, has called for a nationwide strike Nov. 23 in sympathy with the students. The party of the plantation owners, the United National Party, has added to this crisis by pledging in Parliament that it will do everything possible to oust Bandaranaike's regime for its "repressive measures" against the students. All the Opposition parties staged a walkout on Nov. 24. Sources report that Bandaranaike may be considering a postponement of elections, scheduled at the latest point for May 1976.

As Bandaranaike continues to push within the non aligned for the consolidation of the Indian Ocean zone of peace and development, inside Sri Lanka, the pro-Soviet Communist Party, a coalition partner in the Bandaranaike government, has denounced this conspiracy to destabilize the regime, signalling Soviet support for Bandaraik. An investigation into the student riots has been initiated by the government.

Bangladesh

The most vulnerable spot in the subcontinent is Bangladesh, which lacks institutions, outside of the military, to hold the country together. A month ago, *Far Eastern Economic Review*

reported that the remnants of the old Pakistani and NATO-trained military and bureaucracy in Bangladesh are strongly pushing for elections this February to overturn the military regime. These forces are led by the ultra-rightwing Islamic Khondakar Mustaque, the man who took over the civilian government in August 1975 after plotting in connection with the CIA the assassination of Bangladesh national leader Mujibur Rahman.

Organizing on a platform full of communalism, anti-Indian and anti-Hindu propaganda, the Mustaque forces were expected

to win. These expectations were further strengthened by the death last Wednesday of Maulana Bhashani, the communalist moderate Islamic populist who had allied himself with stability and stated clearly that the population does not want the civilian butchers to return to power. On Nov. 24, ending this election pressure, president Abu Sayem announced that elections will be indefinitely postponed because "in most cases, personal and party interests took precedence over national interests, creating a situation that is repugnant to national unity and solidarity at this critical juncture."

LATIN AMERICA

Why CAP Went To Europe

Nov. 26 (NSIPS) — The tumultuous welcome that has greeted the current diplomatic and trade offensive of Venezuelan President Carlos Andres Perez in Europe over the past ten days, in contrast to the hysteria it has evoked in Atlanticist circles, is a measure of how far CAP has slipped away from Wall Street control. CAP's European tour is seen by a groundswell of forces internationally as a rallying point for establishing the triangular trade mechanisms between the EEC, the Comecon, and the Third World which are the prerequisites for moving into a new world economic order. In terms of press coverage, policy statements, and trade initiatives, the degree of coordination among these sectors is unprecedented, suggesting a tremendous urgency to settle the key global problems of trade and debt. This urgency is the shared perception of the imminent danger of nuclear war if James E. Carter gets into the White House.

Throughout his dramatic tour, Perez has repeatedly emphasized that the failure of the Paris North-South talks to successfully negotiate a new world economic order will result in a "threat to world peace" and eventual "disaster." "It is clear," CAP told reporters in Rome this week, "that the task at stake is to avoid a general war." The daily of the Italian Socialist Party, *Avanti*, reported that Perez also cautioned, "If the great powers attempt, through the use of force, to obtain control over raw materials (the result will be) something similar to the Nazi-fascist madness."

Twice during these ten days Perez directly warned Carter that the advisers of President Kennedy brought the world to the edge of nuclear holocaust as a result of the 1961 CIA invasion of Cuba. CAP is acutely aware that the "Kennedy team" consisted of the same Wall Street brinksman now serving as Carter's advisers.

Simultaneously, Venezuelan U.N. ambassador Simon Alberto Consalvi granted an interview to the Caracas newsweekly *Resumen*, in which he flatly stated that in Carter's entourage there are hawks that would take us directly to nuclear war." Noting that Carter "used 'hardliners' during the campaign," Consalvi singles out nuclear maniac James Schlesinger as one who has made it into "the ranks of the team that will be entering the White House." Equally significant, Consalvi, voicing a policy that is not unique to the Venezuelan government, revealed that his regime is suspicious of Carter's designs toward the Third World by labeling them "unknown," and by praising American U.N. ambassador and Ford Republican William Scranton.

The economic basis of CAP's historic tour is the exchange of oil for the capital-intensive inputs necessary for rapid industrialization. In Italy, CAP negotiated wide-ranging oil-for-technology deals with the anti-Atlanticist government of Prime Minister Giulio Andreotti and allied pro-development industrialists in the areas of auto, steel, aluminum, and electric power. In exchange, Italy is guaranteed a reliable independent source of oil, possibly at a preferential price — a strategically crucial move that could free the Italian economy from the blackmail of the Rockefeller-dominated Seven Sisters cartel. Perez and Andreotti agreed that they would serve as liaisons between the OPEC and the EEC, respectively, whereby the Italians will organize the EEC around Third World demands at the Paris North-South talks next month, while Venezuela will push for preferential treatment of the EEC by OPEC. CAP assured Andreotti that he is aware that any oil price increase of over 10 per cent would "create serious difficulties," adding that "the fate of the Third World is closely tied to the industrial recovery of the industrialized economies."

But even more surprising was Perez' pledge to deposit Venezuelan petrodollars in Italian banks, a direct slap in the face to Wall Street, which for the past two years has used Caracas as a convenient clearing house for recycling petrodollars back to New York. According to the Italian daily *La Repubblica*, Venezuela has already transferred \$500 million of its reserves from New York to Italy. "We have confidence in the recovery of the Italian economy," Reinaldo Figueredo, Perez' official spokesman, said in Rome.

In Britain, representatives of 16 key industries met with CAP, offering "the most advanced technology" for Venezuela's industrialization plans, according to Figueredo, in the areas of coal, petrochemicals, rail, steel and auto. At the same time, CAP delivered a promise similar to the one made to the Italians when he said he has "full confidence" in the recovery of the British economy, as shown by the fact, he added, that Venezuela has deposited some of its reserves in London "...and we have no intention of taking them out of there."

However, the most politically significant leg of CAP's tour is his current stay in the Soviet Union. In a speech in Moscow two days ago, CAP told Soviet President Nikolai Podgorny that the Third World "expects more active and definitive action" from the socialist countries in the fight for the new world economic order, and called for Soviet participation in the North-South dialogue. Perez also signed a three-year package of economic

cooperation accords under which Venezuela will supply Cuba with oil, while the Soviet Union will send industrial equipment to Venezuela. The strengthening of relations between the socialist sector and the Third World, he said, "opens to us extraordinary perspectives" in industrial, technological and scientific development. This opening is only appropriate to what the Venezuelan chief executive called "the deeds and heroism of the great Soviet nation, which have contributed such great sacrifices for the history of independence and freedom on the world." And in an indirect reference to the traditional U.S. hegemony over Latin America, CAP emphasized that as a result of the "new world reality," Venezuela is subjugated to no particular sphere of influence.

Why CAP?

It is no secret to the Soviets, the Europeans, and the Third World that the Venezuelan government had until recently served as Wall Street's Trojan Horse. The maneuverings of such New York-directed ministers as Manuel Perez Guerrero and Gumersindo Rodriguez to sidetrack the Third World away from the crucial issue of debt are legendary. But by the middle of this year a series of developments began to make Perez aware that going along with the game of the Atlanticists would mean his own demise.

CAP had been called upon by Wall Street to implement austerity in a country where an estimated 68 per cent of the population suffers anemia as a result of malnutrition. Twenty of the leading 27 causes of death in Venezuela are directly related to starvation. There were widespread reports in the press of children collapsing in school as they waited in line for a glass of milk. All this in a country that has among the highest foreign exchange reserves in the world, a country with an unlimited potential for development.

Venezuela never really got its hands on the earnings it made from oil sales. The Atlanticist ministers in CAP's cabinet have funneled 95 per cent of the nation's foreign reserves straight into Wall Street, the World Bank, the bankrupt Eurodollar market, and U.S. Treasury notes.

This glaring contradiction hit CAP and domestic pro-development industrialists in the face when a three-month torrent left more than a third of the country under water by the end of last June, wiping out as much as 90 per cent of the crops in key agricultural areas. This disaster intersected with more than two years of organizing for debt moratoria and a new world economic order by the Venezuelan local of the Latin American Labor Committees (CLLA), confronting key Venezuelan leaders with the sensuous necessity for these proposals. Within weeks after the CLLA called for an emergency debt moratorium for the nation's agro sector, the largest growers federations in the country echoed this demand.

Although CAP's ministers have succeeded in stalling this critical issue, the current collapsed state of Venezuelan agriculture is key in shaping the President's present pro-development thrust. Speaking before the U.N. Food and Agriculture Organization in Rome last week, CAP identified "hunger and food production" as the most serious problems facing humanity. "The traditional problems of agriculture, undernourishment, and malnutrition have nothing to do with natural disasters," said Perez, but are the result of a lack of financing, infrastructure, and technology. "It will not be possible to resolve the food drama of the world if the developed countries do not program agricultural production in terms of world requirements," he said. "Only the scientific and technological calacity of the developed world, with its immense economic resources, can make agricultural development in all regions and countries viable and possible." By the summer, Perez, sensing the need to spur sagging oil revenues, had

already begun to make subtle moves to free Venezuelan oil from dependence on the Rockefeller multinationals. Mines Minister Hernandez Acosta, closely tied to pro-development industrial interests such as Mendoza Enterprizes, visited Moscow as a followup to previous Soviet offers to provide technical assistance.

At the same time, the U.S. State Department drive to militarize Latin America, highlighted by the July 16 cold coup in Peru, made it clear to CAP that he was either slated to become a powerless figurehead of a de facto military regime, or be overthrown altogether.

This was to be accomplished through the activation of the Rand Corporation scenario printed in 1975, calling for regional wars on the continent as a means of insuring against any break-aways from U.S. hegemony. Beginning in July, various Atlanticist press conduits, particularly UPI, AFP, and AP, began to heat up the historical border dispute between Colombia and Venezuela over the Gulf of Venezuela. CAP and Colombian President Alfonso Lopez Michelsen quickly issued a joint communiqué condemning "multinational (news) agencies that spread inexact or tendentious reports." Earlier UPI falsely reported that Lopez had been assassinated by "terrorists," a maneuver that was immediately identified by Caracas sources to NSIPS as part of a muffled coup plot that would have triggered a simultaneous military takeover in Venezuela. CAP ordered government TV and radio stations to cancel subscriptions to UPI, according to an Interpress report.

Mere days after Lopez and CAP met to defuse the Rand operation, the Venezuelan government was rocked by a destabilization operation when rightwing thugs within the Disip, the political police unit that has served as a haven for CIA-deployed Cuban exiles, murdered Liga Socialista secretary general Jorge Rodriguez. At this point it was clear to all observers that reactionary circles were embarked on a course that would gradually put the right wing of the military in de facto control of the country.

In September, the Perez forces responded favorably to a Soviet invitation for a visit to Moscow by a delegation of Venezuelan congressmen, which included two of CAP's key factional allies within the Accion Democratica party, Gonzalo Barrios and Canache Mata, who returned praising Soviet economic development and peace initiatives. Simultaneously, the collapse of the British pound jolted Venezuelan industrialists to awareness of the fact that the impending collapse of the Eurodollar market would completely obliterate the nation's dollar-dominated reserves. Comments began appearing in the Caracas press about "a new international monetary crisis," further prompting industrialist support for CAP's quest for new trading arrangements with non-dollar spheres, particularly the Comecon.

Wall Street responded by pulling the old arch-Atlanticist godfather of AD, Romulo Betancourt, out of retirement. On Sept. 13, in his first public appearance in months, Betancourt tried to launch a McCarthyite anti-communist witchhunt designed to pull CAP away from his rapprochement with the Soviets and foment a split between Venezuela and Cuba. CAP refused to be duped and publicly thwarted Betancourt's attempted crack-down against leftist parties. On Oct. 6, CIA-directed Cuban exiles blew up a Cuban airliner, killing 73 persons, in an effort by Jimmy Carter's controllers to recreate the Missile Crisis climate for a nuclear faceoff with the Soviet Union, as well as to quash any further pro-Soviet motion in the Caribbean, particularly by Perez. Here again CAP refused to buckle, and has since been cooperating fully with the governments of Cuba and Guyana in exposing the CIA's hand in the mass murder. At his press conference at the United Nations, he challenged the

United States to answer the evidence of "connections to official agencies" surrounding the bombing.

While all these developments have been crucial in pushing Carlos Andres Perez away from Atlanticist domination, the consistent role of the Latin American Labor Committees has been key. For two years, the CLLA has been the only voice in Venezuela organizing for debt moratoria and the new world economic order. The CLLA has been the only accurate source of information on the historic struggle of Mexican President Luis Echeverria for the new order, and on the Wall Street imposition of a bankers' dictatorship in Peru. It was the CLLA that first proposed a program of exchanging Venezuelan oil with the advanced sector in terms of the necessary capital goods and technology required for Third World development, the groundwork of CAP's present policies. Thousands of copies of Nueva Solidaridad and special briefs have made their way into industrialist, journalist, and political layers laying out Wall Street's schemes around the Rand scenario, the Rodriguez murder, the collapse of agriculture, the World Bank design of turning the five-year V Plan into a labor-intensive Schachtian looting operation, and the nuclear war danger of the Carter fraud. Hundreds of meetings have been held with government officials, political figures, union leaders, and businessmen on the only way a military coup can be averted in Venezuela: an internationally-focused fight for a new world economic order and debt moratoria.

The Military Danger

As a result of CAP's current offensive, Wall Street is forced to turn to the open coup alternative at the first sign of a weakening in CAP's international position. A coup right now would merely force Europe and the Third World to break immediately with the dollar, but the groundwork is being set should CAP and his allies falter. Perez is well aware of this, as he pointed out in his press conference in London this week. One of the "essential reasons" democracy is increasingly weak in Latin America, he said, "is precisely the result of the economic instability that provokes this political instability."

The signals are clear, as a coordinated fascist front to stop CAP has emerged stretching from the CIA's Cuban exiles, through the old falangist wing of the Christian Democrat party, Copei, to the Betancourt faction in AD. The political boss of the extensive Cuban exile community in Caracas, CIA agent Felix Martinez Suarez, publicly endorsed terrorist violence in a prominent newspaper ad two weeks ago. This week, two notorious Cuban exile CIA fronts, CORU and Condor, threatened to bomb Venezuelan airliners if the Perez government persists in its prosecution of CIA-Cuban exile terrorists.

Copei is now split down the middle, with the faction around

leaders such as Luis Herrera Campins and Abdon Vivas Teran heading up a pro-development faction similar to the Andreotti forces in Italy. But the old reactionary falangist wing around former President Rafael Caldera has been forced to surface in an effort to undermine CAP's motion. Aristides Calvani, Caldera's foreign minister, in an interview in the right-wing Caracas daily El Universal this week, warned Perez not to snub the U.S. "It is incongruent that a Venezuelan President who has yet to pay an official visit to the United States, travels to the U.N. without making an official visit to that country," he said. "Especially in the case of President Perez, who on this occasion is going to the Soviet Union." Giving away the unholy matrimony between these falangists and the "liberal" Jimmy Carter, Calvani snapped, "Nothing should have prevented his seeing President-elect Carter. I just can't understand what happened."

It is widely known that the right wing of Copei is closely linked with the fascist elements in the armed forces. Other falangists have recently tried to stir up animosities within the military by publicly alleging dissatisfaction over salaries and promotions—a typical pre-coup rumor.

Meanwhile, the Atlanticist "left" press service, Interpress, hysterically screamed this week that the "objective" of CAP's tour "is to split the Europeans from the U.S." Further, Copei columnist Sanin, in El Nacional of Nov. 19, nervously wrote, "The bad part about it is that he is being compared with the Mexican Echeverria."

However, another El Nacional columnist, Jason, the same day ironically noted the success of CAP's trip and the fact that the inroads made with the Andreotti government have left even the pro-development faction of Copei flatfooted. "You'd think he was Andreotti's cousin," he remarked, citing the warm reception from the Italian press on Perez' arrival in Rome. As to the devastating effect CAP's drive is having on the right wing of his own AD party, Jason quipped, "It looks like CAP is closer to President Leoni (of Italy) than (former Venezuelan) President Betancourt."

It is obvious that for CAP to survive he cannot stop in midfield. The right wing is waiting to pick him off should he even slow down, as a Wall Street think tank source told NSIPS two weeks ago. "The threat of a military coup should keep CAP from going too far," he said. Within Latin America, he must strengthen the geopolitical position of potentially pro-development forces through trade. The scheduled visit to Caracas by Peruvian President Morales Bermudez upon CAP's return from the Soviet Union is an opportunity to give breathing room to the Peruvian centrist forces trying to fight off a Chilean-style bankers' coup. But more broadly, CAP absolutely cannot afford to have the North-South talks in Paris be sabotaged.

The CADI—76 Meeting:

Peruvian Regime Announces Turn From "Peruvian" Development Model

Nov. 27 (NSIPS) — A parade of Peru's right-wing cabinet members swore to a gathering of Peruvian executives at the CADE-76 economic planning meeting this week that they would wipe out all remaining vestiges of the "Peruvian Revolution" in order to facilitate labor-intensive looting of the country's natural and human resources. The wholesale reorganization of the Peruvian economy which they outlined is based on the rejection of the premises of the 1968 Peruvian Revolution which

held that the government's role was to promote nationalist "Integral Development" for the purpose of raising the living standards of the population. The new system promises "new openings" for foreign capital for massive extraction of oil and metals and "a climate of business confidence" in which local entrepreneurs can mobilize the population to scratch out and export whatever marginal resources are left.

In order to effect this transformation to Schachtian looting

programmed by the World Bank and the slashing of the population's living standards to subsistence or below, the social institutions of popular participation built up during the Revolution must be destroyed.

Prime Minister Arbulu has thus promised that the nation's agrarian reform program will be truncated, Labor Minister Galindo has pledged that union rights and job security will be legislated out of existence, and President Morales Bermudez found himself detailing the effective elimination of worker co-management bodies (Labor Communities) which were the hallmark of the Revolution. Morales has also joined the businessmen in charging that Peru's state sector "has grown at too fast a rhythm in recent years." The state enterprises and national bureaucracies — necessarily permeated by pro-development planners and administrators — are to be triaged by a committee half of whose members are from the capitalist sector.

The largest cuts in state sector allocations will involve the elimination of major mining and irrigation projects and a cut of one third in Peru's food imports. Morales Bermudez is apparently conscious that he has caved in to the triage demands of the New York banks, designed to be administrated by their fascist collaborators in the occupation army. Two weeks ago a desperate Morales blurted out that his call for foreign capital under the liberal conditions needed to compete on capital markets with such countries as Chile, "doesn't mean that I'm selling out the country, as some people will think."

Bankers Lead Peru Down Deadend

For the last six months the New York bankers have been aiding fascist elements in the Peruvian military win control over the country. This has been done primarily by dangling a \$200-400 million loan in front of Peru's nose, to which only a few simple conditions were attached. As is well known the loan was conditional on the regime purging nationalist ministers such as pro-debt moratorium Foreign Minister Gen. de la Flor and bonapartist Prime Minister Gen. Jorge Fernandez Maldonado. These men were eliminated in a July 16 coup. Many of their associates have since been forced into retirement. Another condition was drastic currency devaluation and ending of food subsidies so as to pay debt out of reduced popular consumption. These so-called "corrections" in government economic policy have also been made. Next, the bankers ordered the dismantling of the state sector and the smashing of the union movement, in other words the destruction of the social forces capable of resisting the even tighter austerity measures which will be required in the future. A 38-day fishermen's strike against the denationalization of the state fishing company is now the focus of this battle. Despite hundreds of arrests and massive repression, black propaganda, and scab-herding, the government remains unable to smash the fishermen.

Despite the relatively successful efforts of the Peruvian fascists to push and cajole centrist President Morales Bermudez into implementing the policies ordered by the bankers, Peru has yet to receive a penny of the permanently imminent multi-million dollar loan. In the weeks before the CADE-76 meeting, Wall Street has made known its continued dissatisfaction with the Peruvian regime's performance. One of the bankers organizing the six-bank consortium spoke with NSIPS shortly before the CADE-76 meeting. He replied to a question about the effects of July's 44 per cent devaluation and drastic austerity measures by saying: "I'm a bit worried. Since then (July) nothing has happened. Peru is lacking leadership. They don't have ideas. They promised all kinds of things. But when the time came to lead, to cut inflation, to cut the fiscal deficit, they just sat down and did nothing."

Program for Looting

Even a cursory analysis of the economic policy outlined by the occupation government ministers at the CADE-76 conference reveals its sole purpose of paying off Peru's foreign debt at the expense of industrial and agricultural development and the consumption standards of the population.

Finance Minister Barua offered figures which show that the government expects foreign capital inflows in 1977 to be insufficient to even meet the foreign debt due (and overdue) during the year. Thus, if debts are to be maintained, much of the debt service and all productive investment must be sliced out of cuts in imports consumed by the population. What little resources are available for investments will be allocated, according to the guidelines mandated by the World Bank, primarily towards transforming Peru's relatively capitalized industries into labor-intensive sweatshops.

This anti-technological orientation was blatantly expressed by Agriculture Minister General Luis Arbulú Ibañez. He condemned the coastal sugar and rice cooperatives for buying large quantities of foreign machinery. This, according to the minister, has not only created problems tied to the import of spare parts, but was a "violent and uncontrolled eruption of technology" which "frustrated the creativity of our technicians and inserts in our reality elements made for a different one." Arbulú called for the replacement of advanced technology by "a type of technology which uses machinery and equipment to bring to fruition the physical force of man, rather than marginalizing him from employment." He said that the 62 per cent of the rural population which is under- or unemployed should be put to work in virtually capital-less projects of planting trees and tending tomato patches.

The capitalization of such labor-intensive projects will come from increased taxes and cuts in real wages on the modernized cooperativized plantations, whose workers were accused by Arbulú of having "an excessive consumptionism which contrasts with the deprived areas surrounding them." Privately-owned agricultural firms utilizing labor-intensive methods to replace machinery will be given tax cuts, and possibly even total exemptions, Arbulú declared.

President Morales Bermudez offered a similar perspective for the worker-managed social property sector which will be forbidden from competing with capitalists and from having "its pernicious effect on the stability of enterprises" by being available as an option for workers in bankrupt firms. Morales said that the social property system should provide "minimum subsistence incomes to a multitude of families" through enterprises which "provide the greatest number of job slots...with the least financial cost per job" and are sure to be profitable.

Anti-technological arguments were also wielded by Industries Minister Ibañez O'Brien as part of his justification for the elimination of the Labor Community worker co-management system from the private sector. (The Industrial Communities were corporative bodies of all wage-earners in each company who were collectively represented on the company's Board of Directors in proportion to the share of ownership held by the Community. These shares came from the community receiving 15 per cent of each year's profits for obligatory reinvestment in the company's expansion.) Ibañez claimed capitalist opposition to worker co-management and the reinvestment forced on industry by the Industrial Community Law has "created a disincentive to investment" in new companies, while resulting in excessive modernization and expansion of capacity through imports of machinery in existing industries.

Now workers will receive all or part of the profits formally reinvested by the Community in the form of transferable in-

dividual stocks. In line with this "correction" of the Labor Communities, the National Confederation of Industrial Communities (CONACI), created by the government in 1972, was again banned by the Interior Ministry from holding a leadership meeting.

Dismantling the State Sector

The bulk of President Morales' speech at CADE-76 was devoted to reassuring Wall Street that the state sector would be stripped of its role as the dynamic force of the Peruvian development process. Morales echoed banker criticism, saying "the public enterprises have grown at too fast a rhythm over the last few years, not so much in relation to the economic objectives of the government and the need for increased production of essential goods, but also in relation to the financial possibilities of the country." Morales then blamed the "excessively rapid" development of state-owned industry and infrastructure for budget deficits, shortages of foreign exchange, lack of capital

for private investors, and inflation. He insisted that "managers and workers jointly assume responsibility for demonstrating the entrepreneurial capacity of the State by acting according to the same criteria for profitability which prevails in the private sector."

While terminating worker-participation, Morales announced that state sector investment policies and operations in the future will be made with "the active participation of business organizations" to produce "a concertation of goals for investment, production, employment, etc." between the various forms of ownership. A week ago a committee was established with 50 per cent state and 50 per cent business representation to decide which state operations and projects should be triaged. Whether the development program forged in earlier years is scrapped or not depends largely on the outcome of the 40-day fishermen's strike against the dismemberment of the deficit-making state fishing company and on the international situation.

Mexico's Parliament To Put Monterrey Chief On Trial For Treason

Nov. 26 (NSIPS) — Mexico's Chamber of Deputies announced yesterday that it would officially charge Andres Marcelo Sada, top Monterrey Group spokesman, with "treason and sabotage" for his role in the Chile-style campaign of rumors and economic sabotage aimed at toppling the progressive regime of President Luis Echeverria. This action marks a high-point in the mobilization of the pro-Echeverria forces which took off with the historic Presidential decree Nov. 19 through which President Echeverria, in strict adherence to the Mexican Constitution, expropriated without compensation, over 200,000 acres of land illegally concentrated in the hands of 72 wealthy landowner families of the northwest state of Sonora and distributed it to over 8,000 landless peasant families.

Throughout the week preceding the expropriation, rumors of an impending coup d'etat flooded the capital city with the international press reporting that President Echeverria was not expected to yield the presidency to his successor, Lopez Portillo. Together with rumors of an imminent third devaluation of the battered peso, the outflow of currency was running at \$10-15 million dollars a day. Immediately following the land distribution in Sonora, a massive run on the peso — precipitated by the pro-fascist Monterrey Group of industrialists — took place. That Friday alone \$150 million dollars worth left the country.

To prevent a further flight of capital, on Monday morning President Echeverria ordered the Bank of Mexico to impose temporary controls on peso-dollar exchange — unprecedented in recent Mexican history — although the measure was partially revoked the following day after an all-night meeting of bankers with the right-wing head of the Bank of Mexico.

The general reaction by the right was violent.

Coordinated by Andres Marcelo Sada, president of the ultra-right National Employers confederation, large landowners in Sonora, as well as in the neighboring state of Sinaloa, began Chile-style strikes and shutdowns with support from some of the national business and industrial confederations of the country, demanding that the government give back the expropriated land. By Nov. 25, business and landowners in eleven other states had joined their fascist counterparts in the Northwest in a one-day lockout "in protest over the (government's) violation of individual rights, and the economic political and social chaos"

supposedly created by the government-decreed land distributions. "We will not take a single step back, and while Echeverria remains in power, we will continue the strike," said Sentencio Terminel, a top latifundist in Sonora. The reaction by the controlled Anglo-American press has also been hysterical. The Washington Post today ran an article entitled "Mexican Peons Threaten to Seize More Farmland," describing how "the shabby peasants who had suddenly received stretches of the perfectly plowed and fully irrigated fields still feel dumb-founded." "Any further actions by the impoverished Mexican peons, whether spontaneous or government-controlled, will add to a highly explosive situation in Mexico's northwestern farm belt south of the Arizona border," threatening "the planting of winter vegetables destined largely for exports to the United States." The notorious CIA-conduit Alan Riding, in an article yesterday in the Financial Times, lashes out at President Echeverria for "further complicating the economic and political situation that (President-elect) Jose Lopez Portillo will inherit." According to Riding, Echeverria did this solely to "be in a position to agitate and control the peasantry." The article sings extensive praise of the latifundists as "models of efficiency and productivity," and concluded with the remark that Lopez Portillo would prefer productivity to social justice, but that Echeverria has tied his hands.

The latifundist-businessmen strikes, which ended yesterday, were met with a fully mobilized Pacto de Ocampo (peasant federation) which demanded that the land idles by the strikers — around 200,000 acres in Sonora — be turned over to the peasants to continue agricultural production — an action which the Mexican President is legally and constitutionally empowered to take. The mobilization by the nationalist pro-development forces against the right-wing drive were stepped up by Celestino Salcedo, a pro-Echeverria Congressman and head of the country's largest peasant confederation, the CNC — part of the Pacto de Ocampo — who issued a call to bring Andres Marcelo Sada — the Rockefeller of Mexico — to trial for treason and sabotage. His call was then presented as a resolution in the Chamber of Deputies by a deputy representing organized labor.

But the right continues its offensive, determined to turn Mexico into another Chile. The right's intention is to force Portillo into the role of administrator for the International

Monetary Fund's genocidal plans for collecting Mexico's foreign debt through drastic austerity and the dismantling of the state sector. Their strategy is two-fold, designed to maintain the utmost pressure on the incoming president with strikes and rumor campaigns against the Echeverria regime while offering a hand of conciliation to the vacillating Lopez Portillo. An unrelieved "collision course" with the present regime, they are all too aware, could provoke an uncontrollable civil war situation, a sentiment perhaps best expressed by an editorial in the right-wing daily El Heraldo which warns: "Let us not be carried away with baseless rumors — the best form of suicide... We must not fall into the trap of strikes and shutdowns, nor of confrontations, nor give pretexts for the shedding of blood."

"The Authors of the Rumors in Mexico"

Nov. 24 — In an article today, excerpted below, Mexico's largest evening daily, Ultimas Noticias, reports on Celestino Salcedo's call for indicting Andres Marcelo Sada for promoting anti-government rumor campaigns which provoked the massive flight of capital out of Mexico:

Celestino Salcedo Monteon (head of the National Peasants Confederation, the largest Mexican agrarian organization-ed.) declared today that Mr. Andres Marcelo Sada, Engineer and President of Coparmex (Mexican Employers Confederation), is the "author of rumors in Mexico," and more concretely, that "the rumors against the Federal Government originated in his offices."

Peasant leader Salcedo added that Sada is "heading up the imperialist attack on Mexico. The CNC (National Peasants Confederation) and the organizations within the Pacto de Ocampo (confederation of peasant organizations) say this of him because he has taken money out of the country in order to cause a scarcity of capital. He is mixed up with the traditional mafia of Las Vegas and Chicago, where vice, gambling and prostitution play an important part in the trafficking of dirty monies."

His (Sada's) "criminal objective," said Salcedo Monteon, "is to ingratiate himself with the most reactionary foreign circles through his campaign against national institutions."

The agricultural strike in Sonora (of latifundists) "was a frustrated attempt to destabilize the country." The intentions of Sada and company is to "create in Mexico what happened in Chile, where democracy was murdered."

The peasants maintain, he added, that the expropriation of the hundred thousand hectares was legal, both in respect to the Federal Agricultural Reform Law and to the Constitution, and was an act of justice, long-awaited by the peasant sector, as affirmed by Deputy Victory Manzanilla Schaffer in a Parliamentary tribute to ("Pancho") Villa.

Salcedo said that the peasants are sure that the real nationalist businessmen will repudiate Sada, as his activities seriously endanger the sector he claims to represent.

Finally the peasant leader declared that Sada is "a grotesque caricature of Pinochet, pretending to give us lessons in law and morality. His treachery disqualifies him as a Mexican."

Echeverria: Mexico Must Resist!

The following are excerpts of the speech given by President Luis Echeverria on Nov. 24 in the southeast state of Quintana Roo. In response to this speech, the military commander of the state's troops declared that the Mexican army is "willing to die" in defense of the government.

We have been subjected to much criticism for our attitudes and actions, our many trips abroad, and for the fact that over the past six years we have doubled the number of countries with which we have diplomatic relations. But we do not want to resign ourselves to a geopolitical dependence, nor develop an inferiority complex with respect to any power, whatever its size.

We will continue gaining ground (as long as) we Mexicans open our eyes and learn as much as we can from whichever country...

There are small minorities who have amassed much capital, who have also been efficient industrialists. They have, however, bad political advisors who cannot imagine any other alternative for Mexico's destiny but an alliance with powerful foreign interests to hand over the destiny of the nation to. But when they see a popular movement, when they see a democratic tendency form, when they observe a self-critical vocation — which is what we need — they become suspicious, criticize and create rumors.

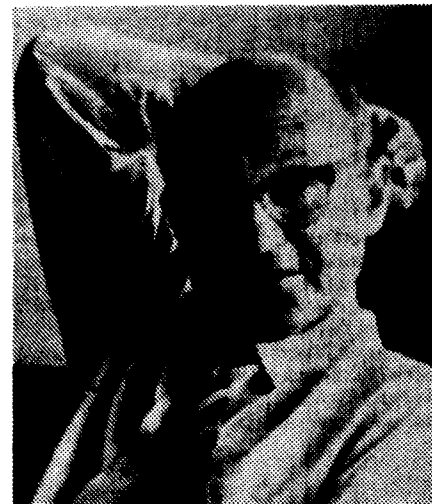
A little while ago we said in the state of Tabasco and then in Mexico (City) that these latest rumors — which arrived diluted in Quintana Roo — were synchronized, concerted and orchestrated in special technical offices to alarm Mexicans and to cause anxiety and worry in their children; they wanted to decapitalize us to that afterwards, they could promote a suddenly-provoked capitalization from the outside; so that the efforts we are making in agriculture, in cattle raising, in education and in tourism, among other areas of national activity, were handed over indiscriminately to foreign economic interests.

Mexico must resist; it has the capacity to do so.

David Rockefeller's Invisible Hand:

Milton Friedman

Legitimizing Butchery



EXCLUSIVE TO NSIPS

The Swedish Nobel Committee insulted humanity last month by awarding the Nobel Memorial for "Economic Science" to Milton Friedman, the butcher of Chile and a long-time political-intelligence operative for the Rockefeller family interests. Sufficient outrage at this insult has already been expressed at the award to sour the taste of victory for Dr. Friedman.

However bitter Dr. Friedman's attackers have been about his open support of genocide in Chile — or his more recent televised proposal to give Britain the same treatment — they have let stand his claim to "positive," or value-free, contributions to economics. This we must destroy. Friedman's "economics" are the public rationale for the plans, also publicly stated, of the men in control of Jimmy Carter to exterminate one billion human beings in the developing sector and to impose fascist regimes in the industrial countries. Awarding a Nobel Prize to Friedman in 1976 is comparable to giving a Nobel Prize to Hjalmar Schacht, the "Financial Wizard" of Nazi Germany, in 1937.

Apart from a brief and unhappy liaison with the Nixon Administration, which ended abruptly when the Penn Central went bankrupt, Friedman got the chance to show what he could do in charge of a nation's economic affairs only once, in Chile. Friedman was invited to Chile as the official advisor to the fascist Chilean junta in 1974, when the inflation rate exceeded 800 per cent a year.

Friedman and his Chilean trainees began what was to be called "shock treatment": they collapsed the money supply; slashed the government budget, including crucial food subsidies, for every category but the military; dismantled the industrialized state sector; and reduced per capita consumption to 1200 calories a day.

Dr. Friedman's "positive economics" program for Chile was assessed recently in the French scientific institute L'Evolution Psychiatrique's report to the Organization of American States: "...its most dramatic consequences are observed in the psychomotor development of children. The spirit saddens to see a two-year-old child seated on the ground, scarcely able to keep its balance. It cannot smile, or play, or look at its hands; it cannot stand, much less walk or speak. It weighs only nine kilograms (about 20 pounds—Ed.)....Why even talk of the lack of maternal attention, the increase in child prostitution, the deterioration of all forms of social aid? Why need one speak of mental health under a regime of terror, of systematic torture?"

Dr. Friedman himself has freely offered his own-considered assessment: "My only concern is that they push it long enough and hard enough."

Almost immediately on receipt of his award, Friedman left for South Africa, consulting with the Nazi Vorster regime on its economic program — which consists of rounding up black labor into "Bantustan" work camps on the SS model, and race war against its black neighbors. Friedman then appeared in Europe as a public-relations advance man for the International Monetary Fund missions en route to Britain and Italy, demanding immediate wage cuts, reductions in public services, and a forced march for industrial "productivity" as the price of continued democratic government. Britain has only a "50 per cent chance of remaining a democracy," and will "follow the same path as Chile" and suffer the "totalitarian solution," he told a British television audience, unless it crawls before its international creditors.

In the wake of Friedman's visit, the Labour Party-connected New Statesman named Friedman as party to a "plot" to "deliberately destabilize" Britain and install a Chile-style fascist government. "Are the Chicago boys champing to be unleashed here? Are we also in for a 'shock treatment' of the economy, or has it already begun?" the New Statesman asked.

Friedman ended his junket in Mexico, where virtual civil war conditions have emerged in response to the efforts of the fascist Monterrey industrialist group and Mexico's international creditors to impose a Chilean solution there.

What Is Milton Friedman?

Friedman is known to generations of perplexed graduate students and third-string security analysts as the exponent of the preposterous idea that economic activity is the direct function of the money supply... whatever that is. Initiates in the economic profession are aware that Friedman ostensibly won the Nobel Prize for alleged contributions to "consumption theory," to wit, the proposition that rates of saving — the proportion of payments in the economy turned into convertible liquid assets — are relatively constant among different income groups, not bigger for rich people and smaller for poor people, as John Maynard Keynes had argued.

Friedman's consumption theory dates back to his pioneering 1956 "restatement" of the monetarist "quantity theory" of money — a treatise financed by the Rockefeller Foundation. In that study, Friedman enumerates the monetarist's "five forms of wealth" — an incantation of the primitive money-lender's calculus of loot — and proceeds to set out the mathematical equation to measure the rate of return on each category. First there is money, then stocks, then bonds, then physical goods.

At the fifth so-called form of wealth, Friedman pauses. It is

something which, he confesses, "we cannot very well define." Dr. Friedman is here referring to what he calls "human capital" — what the serious economist appreciates as the creative conceptual capacity of human beings to collectively innovate and apply scientific and technological breakthroughs to the task of social reproduction that is the content of human labor power, the motor of human progress, and the origin and sole determinant of real wealth.

Dr. Friedman's incapacity to distinguish between the double-digits on a scrap of paper and the social needs of real economies does not prevent him from promptly assigning a rate-of-return formula to "human capital" anyway. But not before he issues a disclaimer: his problem of definition is due to the fact that, in Dr. Friedman's own words, "in modern non-slave societies, there is only a limited market in human capital."

The wistful characterization of human slavery as one of the five fundamental "forms of wealth" is the kernel of the fundamental world outlook Friedman shares — despite verbal differences — with John Maynard Keynes and Nazi Finance Minister Hjalmar Schacht.

It is no irony that the workers' "savings" plans now being devised by Wall Street planners along the lines developed in Friedman's work are intended specifically to provide the financial prop for slave-labor "job creation" and investment "stimulation" schemes of the sort precisely prescribed by "liberal" Keynes. Nor is the resemblance between the "savings" proposals of "free enterpriser" Friedman and the Winterhilfe swindle of arch-corporatist Schacht merely coincidental.

All three are concerned with the forms of looting of populations — down to precise calculations for genocide — required to prop up bankrupt capitalist monetary systems. Stripped of their verbiage, the economic scribbles of all three are seen to be recipes for insolvent financiers to evade the economically sane and sound solutions of debt moratorium and orderly bankruptcy.

Friedman's fundamental "difference" with Keynes is that he has given a "right-wing," "free enterprise" cover to the corporatist policies of Schacht and Hitler, whereas Keynes cloaked them under the mantle of liberalism.

Underneath the Verbiage

In dealing with economists, it is more useful to look at deeds than at words. Friedman's "monetarism," like Keynes' "General Theory," is a textbook "synthetic ideology" useful for the assembly-line manufacture of graduate students with a Schachtian mentality. The complex of Friedman's writings — the relation of money supply to economic activity, the long discoursed in monetary history, the fascination over "rates of saving," and the indexation proposals plagiarized from Keynes — imbue a definite world-view to anyone who takes them seriously. The world-view is identical to that of Hjalmar Schacht. Friedman is concerned with the relationship between the rate of looting of "human capital," as he calls it, and monetary behavior.

In method, Friedman and Keynes are identical — as Friedman has frequently bragged in proclaiming himself more Keynesian than the Keynesians. Keynes' "General Theory," the nemesis of 40 years of American university life, is a theoretical jumble designed to "legitimize ideas already in circulation" when Keynes wrote in 1936, in the frank estimation of J.K. Galbraith, who adds that those ideas were mainly those of Schacht.

Keynes, however, who was concerned to give his looting schemes a liberal, "social welfare" cover, concentrated on showing how the state can squeeze, stretch, and tickle the monetary system to reduce real wages and turn "savings," like

Nazi unemployment insurance deductions, into "investment," like arms industries or CCC camps.

Keynes derided the desirability of a high rate of "savings" at a point in time when depression and panic had destroyed the capacity of the advanced sector's banking system, no matter how liquid, to lend for purposes of industrial expansion. He proposed that the state simply spend off liquid convertible assets in the economy as the aggressive agent of the capital markets. In this spirit, Schacht drained off all of German's liquid assets and all that could be looted through halving the 1928 real-wage level and creaming another 20 per cent off through deductions. He used the proceeds to finance Germany's rearmament through the issue of Reichmark 12 billion in bills drawn on the MEFO dummy corporation. Within four years — by 1937 — available "savings" were inadequate to support the monetary mass and Nazism went to war for its solvency.

Friedman, who does not blush at his association with a Pinochet, approaches the same problem — "savings" — from a different perspective: what is the behavior of the monetary system under conditions of stress? How can the monetary system remain functioning under a variety of circumstances?

Friedman's boast that his policies "out-Keynes Keynes," in fact amounts to the attempt to "out-Schacht Schacht": to attempt to salvage the dollar-based monetary system at the point that Schacht's model collapsed, under the most genocidal looting methods.

His cure for the great Chilean inflation shows what Dr. Friedman's equations reduce to. Following the collapse of the Schacht "experiment," Friedman was the first economist to make a leading principle out of the stabilization of the monetary system at all cost. His methods are identical in practice to the type of deflationary massacre the Bank of England used to deal with inflation on the European continent during the 1920s. In this context, Friedman is accurately identified as an exponent of the monetary "old time religion" of British imperialism. But never previously, certainly not until Schacht's backers in Wall Street spent six long years of war pondering where they went wrong, has any economist dignified this dirty work as "stabilization theory."

There is more than a little irony in Friedman's 1956 attempt to revive the "quantity theory of money." Nominally this theory was the 1809 creation of the "classical" economist David Ricardo, who in fact plagiarized it from a handful of Restoration pamphleteers. Ricardo proposed to deal with the then depreciation of sterling against gold by 50 per cent through augmentation of taxes, and the crushing of fledgling economics activity to stabilize the uncontrolled expansion of national debt. He succeeded, through the Poor Laws program of his colleague Jeremy Bentham, the prototype of all subsequent slave-labor plans, and the opening of the world to plunder under the Pax Britannica.

But Dr. Friedman's shameless apology for austerity, the mentality of the Exchange and Stabilization thugs at the Monetary Fund, and his plagiarized indexation scheme are lesser aspects of his work. The Nobel Committee had a reason to identify "consumption theory" as the ground for their award. Friedman's work there is an attempt to place the fundamental relationship of economics in an equation between rates of looting and the behavior of money supply and interest rates — an attempt to square the vicious circle of Hjalmar Schacht.

As presented, Friedman's difference with Keynes is the notion, based on statistical series of empirical data, that very high rates of savings can be obtained from low income populations as well as high income populations. For working-class families, "savings" are that portion of their income the government removes for social security, unemployment, and

related programs, plus what they are compelled to hand over to the savings banks and life insurance companies out of necessity and fear.

There is a lie still in circulation that the West German "economic miracle" of Friedman's post-war collaborator Economics Minister (later Chancellor) Ludwig Erhard was built on workers-savings. This example, along with Hitler's forced-savings campaign, would provide most appropriate "statistical series" to validate Friedman's prize-winning hypothesis, and it is not surprising that Friedman played a direct role here. In fact, West German workers handed their money to the Sparkassen (savings bank) in sufficient volume to finance the rebuilding of most of West German cities at a point when (until 1957) their wages were lower than under Hitler!

The "success" of Erhard's forced-savings program, however, differed principally from the "failure" of Hjalmar Schacht's similar program (under identical personnel) in the availability of large amounts of U.S. capital to finance West German exports.

Friedman: the Statist's Statist

As the financiers proclaim the "end of Keynesianism" under conditions of general inflationary collapse in the industrial countries, Milton Friedman is the prophet waiting in the wings. His explicit standpoint is now the basis for the application of Schacht's methods to the advanced sector populations, and the extermination of half the developing sector's population.

The vicious irony of Friedman's public coronation is that he has found it useful to represent himself as the extreme ideological exponent of the free market. Friedman is not an "ivory tower" academic; he actively practices the butchery he preaches, as his personal involvement in such atrocities as the 1973 Chilean coup attests. In fact, he has always been the most extreme statist by experience and outlook, and his link to Schacht is more than ideological; for 30 years he has been the quasi-official economist for right-wing intelligence networks which consolidated the remains of the Nazi machine.

Today Milton Friedman bears Schacht's mantle as "chief economist" of the mercenary "Die Spinne"-CIA destabilization, assassination and fascist coup networks. It was his predecessor "economist" Schacht who, after "rehabilitation" following his token imprisonment for war crimes after World War II, worked with CIA founder Allen Dulles to consolidate the Nazi "Die Spinne" ("The Spider") networks of preserved Nazi criminals and their second-generation proteges that form the core of the Rockefellers' "invisible government." Since the late 1940s, Friedman's career has been primarily that of a practicing intelligence operative in this right-wing side of the far-flung Fabian Society subversion networks operated by the Rockefeller interests. For despite its carefully nurtured public image of liberalism, the semi-secret Fabian Society, organized by the Rothschild-British Roundtable bankers in the 19th century, actually created numerous synthetic, radical anti-Marxist ideologies and movements of both the "left" and the "right" aimed at subverting and containing both the working class and industrial capitalist to maintain the financiers' holdings and hegemony. Even Friedman's touted "anti-statist" free-enterprise economics, we shall see, are only an aspect of his right-wing Fabian activities.

Friedman was plugged into the right-wing Fabian operations shortly after David Rockefeller gave him the "Chicago School" franchise in 1946, and has worked for years as an editorial advisor to Rockefeller Family operative and right-wing CIA agent William Buckley, his crony Bill Rickenbacker and their magazine, National Review. The Buckley Family holds an operations franchise on the "Die Spinne" networks, and Friedman collaborates actively with William Buckley and Co. in

directing the full range of economic and political warfare operations carried out by these networks around the world — the Falange in Spain and Lebanon, the Greek junta colonels, the Cuban counterrevolutionary terrorists, the South African neo-Nazis, the Nazi Argentine Anti-Communist Alliance, the fascist Chilean secret police unit DINA, and others.

The 1973 Chilean coup was one such operation. Dr. Friedman and his "Chicago School" cohort Arnold Harberger, himself a 20-year veteran in the CIA's Agency for International Development (AID) in Latin America, personally trained Chilean Economics Minister Sergio de Castro and the little crew of "Chicago Boys" who handed Friedman's 300-page economic program — financed by the CIA — to dictator Pinochet hours after the bloody coup. It is no accident that "Die Spinne" staged a ritual demonstration of Dr. Friedman's scientific authority just days before he took home the Nobel Prize, the cold-blooded murder of former Allende cabinet minister Orlando Letelier, one day after Letelier had been fingered in the Wall Street Journal for opposing Friedman's Chilean atrocities.

"Free Market" Fabianism

Friedman's loud opposition to FDR-style corporatist programs is a theoretical song-and-dance routine which was actually concocted at the arch-Fabian London School of Economics, and which now forms the basis of the Buckley family's "free market ideology" intelligence operations.

Before and during World War II, in fact, Friedman, the free market tribune, gained what is virtually the entirety of his practical experience in economics writing tax legislation and executing an assortment of statistical jobs for the eminently statist New Deal government bureaucracy. As chief of the New Deals Division of Tax Research in the Treasury, Friedman drafted the tax package to finance the government war build-up.

He only launched his career as a "free market" economist at the University of Chicago in 1946, with a strident polemic in behalf of mortgage bankers and landlords. Friedman insisted that the speculative bidding up of rents was the only solution to the severe post-war housing shortage. In the meantime, he advocated that people "economize on space" by "doubling up."

Dr. Friedman's Fabian collaborator in his turn to advocacy of the "free market" was Austrian economist Friedrich von Hayek. Von Hayek had been picked up out of the rubble following the Nazi Anschluss by Fabian scions Beatrice and Sidney Webb and carted back to the Webbs' own London School of Economics to earn his keep as the "free marketeer" in residence and right-wing special operations man. Together the two set up the core of the postwar international economics braintrust for the Rockefellers' "Die Spinne."

The "Milton and Maynard" routine that has been running in the United States since is the "economics" act in the Fabian Society ideological side show.

Keynsianism, the "left" Fabian belief structure codified by John Maynard Keynes, was imported into the U.S. as academic packaging for the New Deal economics programs modelled on Mussolini's fascist corporatist schemes. Immediately following the war, the Friedman-von Hayek "right-wing" Fabian concoction was exported to the U.S. for the edification and entrapment of conservative business layers who had smelled a rat in Keynsian corporatism, but never knew what had really hit them in the New Deal.

The radical "right" and "left" Fabian economists, political operatives, and so on, are variously identified with "left" corporatist solutions such as the Roosevelt New Deal or its early Mussolini prototype, or the "right-wing" police solution such as Franco's Spain — or Chile today. Finance capital's "left" and "right" wings, moreover, actively coordinate their efforts to contain populations within the genocidal confines of financiers' parameters. Where the financiers decide that the "left" cor-

poratists are failing in their mission to collect debt with a "human face," the jackboot, "right" Fabian contingents are deployed to effect the "final" solution.

The Chicago Solution

But the Friedman theory of looting is only now coming into its glory as the guiding rationale for the efforts of Carter's shadow Administration to turn the United States into a Schachtain economy. The "consumption theory" that impressed the Nobel Committee is the inspiration of the "Keynesian" Brookings Institution economists, Felix Rohatyn of Lazard Freres, and their friends in the Carter camp. Rohatyn's problem is to provide immediate finance for several score of billions of projects on the model of the proposed Regional Energy Development corporation and related schemes discussed at the recent Northeast Governor's conference in Saratoga, New York. Under conditions of extreme instability of the dollar monetary system, Rohatyn, Brookings and Co. intend to double the deficit of the U.S. government.

They are banking on two things to prevent an immediate monetary collapse as the result of these plans. The first is an

extremely low level of economic activity, which will "free" the "savings" of the economy to absorb Rohatyn's refurbished MEFO-bills. The second — and several Wall Street brokerage houses have already done precise calculations on this account — is a rate of "savings" in the order of magnitude of \$40 billion a year, to continue to pump funds into the life insurance companies and savings banks, which will absorb the MEFO-bills. This \$40 billion a year, diverted from working-class incomes and kept away from capital investment in industry, will provide a "cushion" against which the initial Schachtain credit expansion of the Carter Administration can be issued. On top of this Rohatyn, Brookings and Co. intend to proceed to a further dimension of looting, suggested in "Monetarist" Arthur Burns' proposal last year to give the unemployed government "Labor Front" jobs at less than the present cost of unemployment, as the economists of Lazard Freres expect they will, the Carter gang will revert to Friedman's "Brazilian" variant of total indexation.

With this reassuring arithmetic, for which Milton Friedman won the Nobel Prize, Wall Street settles its accounts in the business of destroying the world.

Committee for a Fair Election

I wish to support the fight for a fair election. Enclosed is my check for \$ _____

Name _____

Affiliation _____

Address _____

City _____

State _____

Zip _____

Please contact me to discuss further work with the Committee.

telephone: _____

home _____

business _____

Please make checks payable to the Fund for Fair Election

The Committee for a Fair Election is composed of individuals from the U.S. Labor Party, the American Party, the Republican Party, the Democratic Party and many Independents committed to overturning the Nov. 2 fraud. Executive Director, Jim Lloyd, Denver (phone: 303-831-1855). Contributions and correspondence to P.O. Box 1901, G.P.O., New York, N.Y. 10001. Direct contributions can be wired to Account No. 0314-1343, CITIBANK, 34th St. and Seventh Ave, N.Y., N.Y.

Nazi Justice in W. Germany:

ELP Leader Fined Heavily For Spreading Facts About Brandt

EXCLUSIVE TO NSIPS

Nov. 27 (NSIPS) — A public court in Wiesbaden, West Germany has fined European Labor Party Executive Committee member Gabriele Dannenberg a punishing sum of 10,500 Deutschmarks (\$4,000) for allegedly spreading well-documented but "adventurous distortions" about the past and present policies of Willy Brandt, former West German Chancellor and current Chairman of the Social Democratic Party (SPD). Dannenberg was found "guilty on all charges," which consisted of eight assertions about Brandt's associations with the policy-making circles of the Central Intelligence Agency and Rockefeller-allied banks, assertions which Brandt claimed are slanderous and "injure his public reputation."

Brandt's attorneys lifted these assertions, usually out of context, from the Feb., 1976 issue of the European Labor Committee's *International Bulletin*, which is edited by Dannenberg. This issue, which contains an article entitled "Brandt: History of an Agent's Career," was confiscated by West German police shortly after its publication and has been banned from sale in the country. Even though the presiding judge, Mr. Ranft, did acknowledge the validity of every piece of documentation contained within the article, he nevertheless insisted that "not one shred of evidence" had been presented to justify the interspersed "incorrect assertions."

Even before the trial's conclusion, Judge Ranft and public prosecutor Dörbritz made it known that they intended to make the trial a "lesson" to any individual or organization who attempts to level attacks against Brandt's fundamental policies and backers. The 10,500 DM fine was deliberately not adjusted to Dannenberg's extremely low personal income of 400 DM monthly, but rather to unsubstantiated police estimates of the European Labor Committee's income.

But this potential blow against the ELP's financial capabilities is not actually a "lesson" delivered by Brandt. Much rather, it is part of Brandt's "Battle of the Bulge" against a majority of European leaders and parties who are on the verge of announcing an open break with the bankrupt dollar system and with the genocidal policies of the major U.S. manipulators of inflated dollar holdings.

As a result of the recent historic internal party shakeup in West Germany (see elsewhere in this issue), Willy Brandt has been ordered by his U.S. backers to encourage a maximum of chaos within the SPD. He aims thereby to undermine Chancellor Helmut Schmidt's tightening grip on SPD policy before Schmidt openly joins with Italian Prime Minister Giulio Andreotti and British Prime Minister James Callaghan in negotiations with the Third World on the new world economic order.



His strategy consists in giving encouragement to a collection of anti-Communist, proto-fascist groupings within the SPD's nominal "left wing." Following a bloody demonstration of zero-growth environmentalists at a nuclear plant construction site in northern West Germany, Brandt announced the formation of an SPD working group to deal with how to cut down investment in nuclear capital equipment and halt the export of "dangerous" nuclear technology to other countries. An even bloodier confrontation occurred at the same site on the following weekend. Brandt also plans to push these same issues at the Nov. 26 meeting of the Second Socialist International in Geneva, Switzerland, as a means of halting any decisions on collaboration with the Third World.

Following a time-worn scenario, Brandt is attempting to stir up anti-Communist ferment through his endorsement of folk singer Wolf Biermann, an East German whose anti-Soviet songs got him kicked out of the socialist sector. Various West German newspapers are already predicting the formation of a new "movement" out of the lovers of Biermann and the haters of industrial growth.

As SPD parliamentary fraction leader Herbert Wehner has commented, however, these scenarios have little chance of getting off the ground under the present political configuration in Europe. In fact, a key omission from the formal charges against Dannenberg proves that Brandt is clearly on the defensive. In all previous "Brandt trials," the prosecution put special weight on the ELP's description of Brandt as a "fascist." The ELP's argumentation on this point was extremely difficult to refute for two reasons.

First, Brandt's endorsement of Schachtian labor policies such as "corporatism," "investment control," and "The Swedish Way to Socialism" conform even to dictionary definitions of "fascism," and are backed up by the description in the March-April 1975 issue of *Challenge*, which defines corporatism as "fascism with a human face."

Second, West Germany's post-war constitution (the "Basic Law") contains numerous clauses designed to prevent a return of fascism to Germany. As a result, judges and prosecutors in previous cases had to resort to a variety of legal trickery and covert slander of the ELP (as itself an allegedly "fascist" organization) in order to avoid any rigorous discussion of these questions.

The charge that the term "fascist" damages Brandt's character was therefore dropped from the Dannenberg trial. Out of the ELP's basic accusations, what remained was the description of Brandt as a "CIA agent." The irony of this charge

is that, in all main respects, Brandt has complained that he is accused of associations which he has not only never denied or repudiated, but which he, under other auspices, repeatedly and consistently professes as a virtuous policy. The examples of the role played by former High Commissioner of Germany John J. McCloy, Sr. in launching Brandt's career, and of Brandt's publicly-professed associations with leading members of the U.S. intelligence establishment, are well known and well documented.

Nevertheless, the Wiesbaden court rejected out of hand any use of the widely-applied generic term "CIA agent" to describe policies and associations, in favor of the rigidly nominalist definition of an agent directly *paid* by the CIA, complete with signed receipts and cancelled checks. This rejection, of course, entirely ignores the context of the ELP's presentation, but from Brandt's standpoint it manages to skirt any constitutional issues.

As Dannenberg stated during the proceedings, the most vicious fallacy underlying the entire series of "Brandt trials" has been the assumption that the ELP's attacks are primarily aimed at, or have the primary effect of, injuring Brandt's "public reputation." Such charges, the ELP has argued, are based on feudal laws of *lèse majeste* which take no account of the nature of modern political debate. On the contrary, the ELP's attacks are only aimed at him personally to the extent he embodies illegal *policies* or advocates illegal *acts*, such as mass genocide as defined under the Nuremberg Code.

Dannenberg asserted that Brandt has been using these archaic laws of *lèse majeste* in order to deliver political counter-attacks against the ELP, and definitely not because a number of scattered assertions allegedly injure his public image.

This is substantiated by reviewing the circumstances of the previous two major "Brandt trials."

In the latter half of April, 1975, the European Labor Party learned of the existence of plans by a circle of Rockefeller-allied military officials to revise NATO's present basic strategy document, named "MC 14-3," into an updated "MC 14-4." The revision was to entail immediate preparations for the fighting of a "limited" nuclear war on European territory. During the same period, the ELP was circulating leaflets and posters accusing Brandt of advocating labor policies qualifying as "Crimes Against Humanity" in the Nuremberg Code. It was under these circumstances that a contingent of police raided the ELP's main office in Wiesbaden at gunpoint, under the pretext of searching for the "slanderous" Brandt literature. The excruciating thoroughness of the police search, however, evidenced that they were actually under instructions to search

for the ELC's source of the military "MC 14-4" leak.

ELC National Executive Committee members Anno Hellenbroich and Jürgen Spahn were subsequently charged with slandering Brandt, while other similar complaints began to be lodged against local ELC members in Bochum, Munich, Hannover, Frankfurt, Hamburg, and Wiesbaden.

The Spahn-Hellenbroich trial was in early December, 1975, in the midst of the European Labor Party's mobilization against the first test maneuver for the revised NATO strategy, the so-called "staff maneuver" called "Hilex 75." After the proceedings had tied up much time and money, the final sentence of a 2,000 DM (\$600) fine each was handed down. (The judgment is being appealed, and the second trial is scheduled for early January, 1977.)

By the time of publication of the "Brandt" issue of the *International Bulletin* in February, 1976, the ELP had built up a substantial base of actual and potential working-class and other supporters on the basis of a year of continuous mobilizations. When the magazine arrived from its Italian publisher at the Frankfurt Airport on Feb. 10, it was blocked for two days by customs authorities, and then handed over to the ELP. After two weeks of successful sales of the issue, the 800-900 remaining copies were confiscated on Feb. 27 in a nationally coordinated police raid on every ELP regional office. During the period between Feb. 10 and Feb. 27, Brandt was obviously judging the political effect of the ELP's organizing with the bulletin, since his "public image" was already at an all-time low.

Since that time, Brandt's actions against the ELP and associated forces in Europe has displayed more than a tinge of desperation. A complete turnaround against him was heralded on Aug. 24, 1976, when a Bremen judge issued a restraining order against Ernst Waltemathe, a local SPD bigwig, threatening him with heavy fines if he continued to publically spread the lie that the ELP was "financed by the CIA." Since then, SPD and trade union officials have learned to tread more softly in the ELP's presence, but it seems that Brandt has learned nothing from this.

Concluding her final plea before the Wiesbaden court, Dannenberg predicted that "As a leading cadre of the Labor Party, I can assure you that in five years, after the New World Economic Order is realized, the Brandt Bulletin will be understood, in public as well as in such circles as the court, because the background of our attacks against the Atlanticists' policy will be out in the open." If the present motion against Jimmy Carter and his backers — Brandt's backers — continues in Europe, the Dannenberg trial might well be the ELP's last legal defeat at the hands of Brandt's legal lackeys.