

# National News

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## Weinberger cuts DOD progress payments

Defense Secretary Caspar Weinberger, under intense media pressure, has cut Department of Defense progress payments to defense contractors, in order to achieve a reported "one-time" cut of \$2 billion in the fiscal 1986 budget. These phased payments for work-in-progress will be cut from 90% to 80% for large contractors, and from 95% to 90% for small contractors.

The higher rates were set during the 1970s to protect contractors from runaway inflation and interest rate charges.

Weinberger's announcement April 11 reflected the "recovery" myth as the justification for lowering the progress payments starting on April 30, 1985. He also announced that the required contractor investment as a proportion of progress-payments will be raised from 5% to 15%, also at the end of April.

The announcement came after the White House, on the advice of chief of staff Don Regan, agreed to a compromise with Senate Republicans on the FY1986 budget mandating deep cuts in Pentagon spending. According to press reports, the main provisions of the deal call for the defense budget to be increased by only 3%—half the 5.9% compromise the President agreed to in January. As part of the same compromise, the Social Security cost-of-living escalator will be limited to 2% per year, even if inflation is higher.

Due to similar deals in the past, the Reagan administration actually spent \$26 billion less on defense between 1981 and 1984 than the Carter regime had projected for a second term.

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## Mexicans demand probe of Mullen, FBI

Perhaps the FBI should be asked what it knows of the Camarena killing, the Mexican weekly *Quehacer Político* suggested in early April. It noted that the former number-

two man at the FBI, Francis "Bud" Mullen, was head of the Drug Enforcement Administration at the time that DEA agent Enrique Camarena was kidnaped and murdered in Mexico, and that Mullen had been "implicated in drug dealings" while working as an FBI agent in New Orleans.

The magazine asks if Camarena's written reports might not contain "leads which could be the key to finding his intellectual assassin, perhaps a comrade." The information on Mullen's shady background first broke in *EIR* (April 9, 1985).

*Quehacer Político's* editorial was seconded by the president of the Mexico City Bar Association on April 12. Mullen, he said, should be called to testify before the Mexican Senate on his office's links to drug trafficking. Lawyer Roberto Pola Rodríguez noted, "We cannot forget that the former director of the DEA, Francis Mullen, was implicated in drug traffic, besides accepting bribes from the drug mafia when he was an FBI agent in New Orleans."

Mexico's *La Prensa* reported April 11 that there were three DEA agents among the 24 thugs captured with the Mexican mafia's "Numero Uno," Ernesto Fonseca Carrillo, according to leaks from Mexican police circles.

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## President creates two policy councils

On April 11, President Reagan announced the creation of two new cabinet-level councils, the Economic Policy Council and the Domestic Policy Council, according to a dispatch of the White House News Service. The two new councils will replace existing cabinet councils ranging from Food and Agriculture to the Senior Interagency Group on International Economic Policy.

The Economic Policy Council, the Domestic Policy Council, and the National Security Council will thus serve as the primary channels for advising the President on policy.

Vice-President George Bush and Chief of Staff Donald Regan will serve as *ex officio* members of both councils.

The Economic Policy Council's membership will include the secretaries of State, Treasury, Agriculture, Commerce, Labor, Management and Budget, Trade Representative, and the Council of Economic Advisors chairman. When President Reagan is not available to chair its meetings, Treasury Secretary James Baker III will preside.

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## Nitze: ABM treaty doesn't ban defense

A "defense-reliant strategy managed jointly by the United States and the Soviets . . . in which defensive technology would be phased in, while offensive nuclear arms would be gradually phased out." That is how arms negotiator Paul Nitze characterized the President's new military doctrine ("Mutually Assured Survival") in a speech on April 11 before the convention of the American Society of Newspaper Editors.

Nitze pointed out that the 1972 U.S.-Soviet ABM Treaty "never outlawed defense in general. . . . The Russians refused to sign anything with that kind of philosophical underpinning. . . . Also, the treaty addresses the possibility of defenses based on 'other physical principles,' and includes provisions for negotiating about them."

"Other physical principles," of course, are precisely what are involved in the range of laser, microwave, particle, and plasma beams encompassed in the research effort around the President's Strategic Defense Initiative.

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## Weinberger scores *Times'* opposition to progress

*The New York Times* also thought the airplane was "technologically impossible," Defense Secretary Caspar Weinberger reminded his audience at the American Society of Newspaper Editors convention in Washington.

In a speech on April 11 devoted to debunking "misconceptions" about the Strategic Defense Initiative, Weinberger emphasized:

- the enormous scope of the comparable Soviet program;
- the importance of both the U.S. and Soviets developing strategic defense systems;
- the "inseparability" of defense of the United States and Western Europe.

Ridicule of the *New York Times'* opposition to the airplane (and the electric light bulb and space travel) was a prominent feature of 1984 Independent Democratic presidential candidate Lyndon H. LaRouche, Jr.'s Nov. 3, 1984 election-eve television broadcast on the SDI.

## Bentsen seeks military's use against drugs

Texas Sen. Lloyd Bentsen has called for expanded use of the U.S. military in President Reagan's War on Drugs. In an op-ed appearing in the Apr. 10 *Houston Post*, Bentsen called on all Americans to participate in a massive public effort to stop the illegal drug trade, and cites his own efforts in the Senate to expand the use of the Navy, of other departments of the military, and of sophisticated technology like AWACs to assist civilian law enforcement officers in the war against drugs.

"All Americans should play a role—it's that important. It will take a massive public effort to face up to a determined and well-funded illegal drug trafficking industry. We can accept nothing short of victory," Bentsen writes.

Meanwhile, his colleagues in Washington have introduced three bills designed to crack down on bank laundering of organized crime funds.

One bill was introduced in the House by Bill McCollum (R-Fla.) and two in the Senate by Alfonse D'Amato (R-N.Y.). The House bill, titled the Money Laundering Act of 1985, would prohibit money-laundering and make it illegal for criminals to use finan-

cial institutions. It would also levy a minimum \$250,000 fine and a jail sentence of five years for a first offense, and a maximum fine equivalent to twice the amount of the money laundered.

One of D'Amato's bills is similar to McCollum's, but mandates longer prison terms. The other, the Drug Money Seizure Act, would increase fines for financial institutions that violate currency reporting rules—as the Bank of Boston did—to a maximum equal to the entire amount of money laundered.

U.S. Attorney for Massachusetts William Weld two months ago fined Bank of Boston only \$500,000 for laundering of funds known to have exceeded \$1.2 billion.

## Administration scores press on peace plan

The Eastern Establishment press's treatment of President Reagan's new peace proposal for Central America has prompted a sharply worded reaction from administration spokesmen.

The President issued his proposal after consultation with the Pope and meetings in Washington with President Belisario Betancur of Colombia, representing the Contadora Group (see page 24).

The *Washington Post* and *New York Times*, however, both editorially attacked the President's initiative, calling it out of touch with reality and sure to be found unacceptable by all parties involved. For example, Anthony Lewis wrote in the April 7 *Times*, "Reagan's proposal can bring only more hate and violence on Nicaragua—and on the United States."

On April 11, a State Department spokesman attacked both newspapers for what he called "inaccurate characterizations" of the response elicited by the initiative. One day earlier, the State Department circulated a statement saying: "We have received reactions from all the Contadora participants, with the exception of Nicaragua, which we view as encouraging and certainly more positive than reported in the WPost [sic] article.

## Briefly

● **INCREDIBLE PROGRESS** is the way Lt.-Gen. James Abrahamson, head of the Strategic Defense Initiative, is characterizing the program. He told the American Institute of Aeronautics and Astronautics on April 9: "It has been a year of incredible technical progress, and a year of rather amazing intellectual effort." The program is moving "so much more rapidly than even myself, a technical optimist, believed could have happened."

● **STUDENTS FOR SUICIDE** head Lonnie Brown at Emory University, organizer of referenda for universities to stock cyanide pills for students' use in nuclear war, told *EIR*, "We are approaching the Soviet representatives at the [President Jimmy] Carter Center's arms control conference. . . . The people at the Center told us they are encouraged by what we are doing, but can't say so publicly." He also admitted that "irate mothers are calling our office all the time accusing us of encouraging their kids to kill themselves."

● **'WORSE AND WORSE'** is the way America's top Anglican Church official characterized "things in the U.S. Maybe the whole structure will have to change," said Paul Moore, Episcopal Bishop of New York, on a local TV show April 7. "I'm preaching revolution . . . not violent revolution, but the kind in the early 1930s, when FDR came in and really restructured the society. . . . I'm not against socialism, but if I say I'm for it, everyone will think I'm a communist."

● **WALTER MONDALE** told NBC-TV's Meet the Press show April 7, "I do not think I emphasized the positive in the way that I should have. I've never lost young people before. They heard 'opportunity' on the other side. . . . I didn't match Reagan's television genius at communiating the symbols of the presidency. We must find a candidate who in addition to being right, can meet the modern challenge of communications."