

EIR

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International panel to probe Justice Dept.
Thatcher takes lead against Syrian terrorism
Sanctions spark civil war in Front-Line states

**The Russian-Hammer connection
in official Washington**





An EIR Special Report

Germany's Green Party and Terrorism

Moscow's Irregular Warfare Against the West

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

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EIR

From the Editor

As we were “putting to bed” this week’s cover story, tracing the Soviet back channels into the Reagan administration, reports began pouring into our offices in Western Europe indicating the appearance of a Moscow faction fight over two key issues, the U.S. Strategic Defense Initiative (SDI) and the AIDS epidemic. Our readers know these are the two issues we have defined, week after week, as most crucial for world security.

First, criticisms of Gorbachov seem to be surfacing in Soviet journals, for failing to accept President Reagan’s offer of cooperation on SDI at Reykjavik. Second, a sharp division seems to have come up in the Soviet bureaucracy over U.S.-Soviet cooperation against AIDS. Are these developments part of some new Soviet deception game? Or could there be some element of reality in the appearance of Soviet factional differences?

Probably both, suggests *EIR*’s founder Lyndon H. LaRouche, Jr. What is beyond question is the growing momentum to break the cover-up of the impending catastrophe represented by AIDS, which, exactly a year and a week ago (Oct. 25, 1985), *EIR* linked to Kremlin influence in the World Health Organization. The cover-up was shaken by the following events, all on the eve of the Nov. 4 vote in California on Proposition 64, which would classify AIDS as a deadly infectious disease and mandate public-health measures to stop its spread:

- On Oct. 29, the National Academy of Sciences’ Institute of Medicine issued its report (see page 66), which backs up *EIR*’s contention that AIDS is on its way to becoming a “catastrophe,” and is not an easily containable problem, as claimed by most U.S. and state health establishments, under the combined pressures of the homosexual lobby and Don Regan’s budget-cutters.

- On Oct. 30, the Vatican issued a stinging attack on the “gay” lobby in the Church, which has been one of Proposition 64’s strongest foes, warning that homosexuality may “seriously threaten the lives and well-being of a large number of people.”

- Also on Oct. 30, the Union of Orthodox Rabbis of the United States and Canada, the oldest rabbinical organization in America, issued a statement endorsing Proposition 64, in the name of more than 500 rabbis and heads of seminaries.

Clearly, the fight has only begun.

Nora Hamerman

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Dr. Armand Hammer (in fur coat) escorted into a speaking engagement at Columbia University in New York in 1985.

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Turmoil follows Yamani ouster

by Chris White

It is some measure of the underlying weakness of the world economy and financial system that the firing of an oil minister, even an oil minister like Saudi Arabia's Sheik Yamani, could unleash a wave of panic and turmoil around the world, bringing market activity to a halt in Tokyo and London, amid fears that the price of oil was on the edge of a bottomless drop.

Nerves are indeed jittery these days.

Yamani, Saudi oil minister for the last 24 years, and perhaps the single individual most closely associated with the identity of the oil producers' cartel, OPEC, was abruptly fired, by royal decree of Saudi monarch King Fahd. The signal nature of the act, for some marking the end of an era for both OPEC and Saudi Arabia, sent shock waves of panic through world markets.

The panic subsided as Yamani's appointed successor, Saudi Planning Minister Hisham Nazer, announced that the Kingdom was convening a meeting of OPEC's pricing committee, in an effort to bring the world price for oil back up to the range of \$18-20 a barrel. That created as much enthusiasm in some quarters as the firing of Yamani had created panic in others. In New York the price of the U. S. benchmark crude shot back up \$1.50 to go above the \$15 a barrel range for the first time in weeks.

What does it all mean? Three different kinds of options are being discussed, but all share a common fallacy of assumption, that questions of oil pricing and production can somehow be separated out from the fundamental reality that the world economy as a whole is plunging into depression, and, that commodity prices, such as the oil price, no matter how they bounce around in the short-term, are in an aggravated secular decline, otherwise known as a deflationary collapse. That is so because the industrial markets for primary products such as oil are in collapse.

The three options include: the continuation of the price-

cutting production war, or production cutting as the basis to increase prices, and that latter combined with political agreements with Iran, presumably to target competitors' oil production for shut down. The latter is pushed by the friends of Henry Kissinger, namely James Schlesinger and William Quandt, who have dreamt of cataclysm in the Gulf for at least the last 15 years.

Thus, speculation about what the Saudi Arabian monarchy intends to do now is generally made worthless by the assumption that the Saudi royal family is as stupid as those shapers of both markets, and opinion, who do such speculating. For example, it is assumed that the prime Saudi concern, over the past months, has been the price of oil. Whether in busting the price, from the beginning of the year, or in stabilizing the price from August, it is assumed that there is some equation between pricing and volume of output, which will provide the Saudis, and maybe other producers, with levels of income desired.

In this view, income can either be maintained by cutting back production to below levels of demand, to force a higher price, or, by flooding the market with production and maintaining income from increased sales of cheaper product. Production can always be increased, if the price is low enough, or reduced, if the price is high enough.

The Saudi government for its part insists that its policy, meanwhile, has not changed. But what was the Saudi policy?

Saudis: changing policies and institutions

We argued from the beginning of the year, when the Saudi price war strategy went into effect, that the price cutting had nothing to do with oil as such. We argued that the Saudis had launched a war against those London and Swiss-centred financial interests which rig the terms under which oil is produced and marketed worldwide. We said that the Saudis were seeking to change the policies and institutions

which had forced the world economy into a new depression.

This is what is overlooked by those who insist that all the Saudis are concerned about, like other producers of raw materials, is the price received per unit volume of their product relative to anticipated or required levels of income. Since they cannot conceive that there is anything wrong with the political monetary arrangements which determine pricing and production policy, they cannot conceive that something other could be going on.

For example, it is widely assumed that the present U.S. administration actually believes its own propaganda about the depth, strength, vigor, and so forth of the longest expansionary cycle in the economy since World War II, which is otherwise called the recovery. But the same U.S. administration has been working overtime for months to try to patch together crisis situations, financially and economically, in efforts to prevent blow out disasters before the November elections, and, if possible, postpone such erupting dangers into next spring. Prominently on this agenda, in late July and early August, was the question of the oil price collapse.

In some cases this has simply involved issuing fraudulent economic indicators to the press, which no one in the press corps calls disinformation, but actually is. In others, like the hokum around Gramm-Rudman deficit reduction targets, it involves forgetting about \$70-80 billion dollars worth of the more than \$220 billion deficit. It involves organizing a lock-out of steelworkers to reduce output to prevent chain reaction bankruptcy in the industry after the July failure of LTV. It involves arrangements with Germany and Japan, and investors in the United States, to keep the flow of funds coming.

U.S. policy towards the oil producing Saudi kingdom has been approached from this standpoint since George Bush's trip there in July. At that time, Saudi Arabia agreed to modify the strategy it had adopted earlier in the year, at least until the U.S. elections. The arrangements were then concluded which pushed the price of oil back up to the \$13-15 per barrel range, from the \$7-9 dollar range which had been hit in the summer.

Since then, it is freely admitted, in London and New York, the price of oil has been kept up, and the international financial institutions supported, by oil consumers' swallowing into storage 2 million barrels a day more than the world is consuming. Much of that has come from Saudi Arabia and other Gulf nations, through the so-called 'net-back' arrangements pioneered by Yamani. The oil thus produced surplus to market requirements has been poured into holes in the ground, known as strategic reserves, kept afloat stored in tankers on the high seas, and so on.

Energy Secretary John Herrington has been one of the proponents of this effort. On Oct. 24, he called on the Western nations to build up oil stockpiles to prevent a return to dependency on OPEC. He also said that the United States was studying ways of bypassing the Strait of Hormuz, given the Iran-Iraq war. He called OPEC's role "unhealthy and unacceptable." The United States now has reserves of 560

million barrels, and will increase this to 750 million, he said. His anti-OPEC rhetoric is belied by what he is actually doing.

Price rise only temporary

Through these kinds of practices, a temporary fix was thus achieved, at the cost of accumulating the potential for a much bigger price break in the oil markets, and thus much greater turmoil in financial markets, at the point that the temporary fix was ended, or comes unstuck. It must be presumed that the Saudis know this as well as anybody else. And that they thus also know that the price of oil will not automatically go back up to \$18-20 per barrel even if they do say that that is where it should be. It must also be presumed that they are therefore now preparing for what will happen now that the U.S. election season is coming to an end, as the deals and arrangements which kept everything together are either renegotiated, or fall apart.

Producers inside the United States, as the case of Texas shows, were not included in this international agreement. There the effect of the earlier collapse in oil prices has been compounded by the corollary collapse of production itself. According to Texas state Comptroller Bob Bullock, "The drop in production was worth \$772.1 million at current market prices. So much attention on declining oil prices may have masked the fact that production in Texas has slipped by more than 140,000 barrels a day." Tax records of Texas producers show the output decline from 1985 to 1986 to be more than 12%. The number of active rotary rigs functioning in the state has fallen by 60%, the number of drilling permits issued has fallen by more than 60%.

Jack Copeland, of the investment bankers Copeland, Wickersham, Wiley, reported what kind of crisis had thus been papered over through the course of the summer. He proposed that the government establish a \$10 billion fund to buy bad energy loans from troubled banks, and prevent a banking collapse. "It's a scary problem," Copeland told the Independent Petroleum Association of America. "If oil stays at \$14 a barrel, I'm convinced the U.S. banking system cannot survive and we may be looking at a 1929 scenario. At \$15 per barrel, we calculate that only \$3 billion (of Texas banks \$9 billion in energy loans) are payable. There has been some interest among cabinet members. Our biggest problem is Don Regan, who made his money on Wall Street and does not understand the problems of the oil industry." Copeland estimates that the oil price drop had cost non-OPEC nations \$150 billion in oil production cash flow which would have been available for investment in new drilling. The U.S. share would have been 20% of the total.

Copeland's concerns may well turn out to be what the Saudis are talking about when they say their policies have not been changed. In the next weeks and months, the question of the continued viability of the bankrupt international banking and monetary system is going to come right back to the fore. Perhaps the shift in Saudi Arabia is part of the preparation for that.

AIDS genocide in Africa condoned by United Nations agencies

by Warren J. Hamerman

The Geneva-based World Health Organization (WHO), which, along with other multinational institutions such as the International Monetary Fund, has long fostered a policy of "Don't panic, don't act, and especially don't ask for emergency funds" to fight AIDS in Africa, is now attempting to cover for the results of its murderous policy by sounding the alarm on the out-of-control situation. Given the fact that AIDS is a slow-acting virus (lentivirus), the prolonged policy of the international agencies to encourage delaying tactics, has resulted in the widest possible spread of the 100% lethal biological time bomb. Thus, the pandemic will now wipe out the maximum possible part of the population, which the Malthusian international agencies (with their stated commitment to reduce population in Africa) view as "excess eaters."

At the Brussels conference on AIDS in Africa in November 1985, for example, the material on the unassailable *causal* connection between the vast spread of AIDS and the brutal economic-collapse conditions and murderous health-program budget cuts forced on the African nations by the international agencies was kept off the main agenda.

At the October 1986 meeting of Commonwealth health ministers in Nassau, the African representatives are reported to have requested a "massive injection of funds" to buy basic medical equipment and curb the spread of the disease.

One million slated to die

Approximately one week later, the *London Times* began to run a special series under the headline, "A Million Africans Are Set to Die From AIDS," citing a report, soon to be published in an American scientific journal, which says that not only will a million die over the next few years, but, also, several million are already carriers of the virus.

The *Times* states: "The disease is spreading rapidly and almost uncontrolled across the continent, and a concerted international effort to help more than 20 African nations struck by the epidemic is urgently needed, the report says. Emergency action to try to control and prevent further spread of the disease is essential, but huge political, economic, and social problems stand in the way." The report is co-authored by Dr. Jonathon Mann, formerly working in Kinshasa, Zaire,

and formerly of the Atlanta Centers for Disease Control (CDC), and now head of the World Health Organization's AIDS project in Geneva; Dr. James Curran, from the Atlanta CDC; Dr. Thomas Quinn of the U.S. National Institute of Health in Bethesda, Maryland; and Dr. Peter Piot, a microbiologist at the Institute of Tropical Medicine in Antwerp, Belgium.

Dr. Mann, once a respected researcher who did the early work indicating the possibilities of mechanical insect transmission of AIDS, subsequently "recanted" and has been trying to impeach and rumor-monger against the Pasteur Institute team's experiments on AIDS and insects in Africa. Dr. Curran, who has been characterized in the United States as the CDC's "AIDS Godfather" has supervised a relentless campaign to slander and explain away the impeccable documentation of AIDS cases in Belle Glade, Florida—which is experiencing an African-type AIDS breakout in conditions of a tropical economic hell-hole.

The new report

The new Mann-Curran Report indicates that more than 200,000 of the 2 million people who live in Zaire's capital city of Kinshasa are believed to be carrying the AIDS infection, and, in the next five years, the city could have 50,000 people dying from the disease.

Kinshasa, because of the threat of AIDS, is now one of the most dangerous cities in the world in which to live. It has the unenviable name of the AIDS capital of Africa. Perhaps more than any other city, it contains all the nightmares that AIDS evokes. People here are exposed to an alarming and increasing risk of AIDS from a variety of sources. Medical treatment is fraught with hazards from contaminated blood transfusions, unsterilized equipment, disposable syringes that are used repeatedly instead of being thrown away, chronic shortages of antibiotics, overcrowded wards and untrained paramedical staff."

The new report contends that: 1) AIDS in Africa is as common among women as men, and is predominantly transmitted through heterosexual liaisons; 2) The incidence in some African cities, such as Kinshasa in Zaire and Kigali in

Rwanda, has reached between 550 and 1,000 cases for every million adults, the highest rate in the world; 3) Increasing numbers of children are being born with traces of the AIDS infection, and at least 12% of children aged between 1 and 2 attended at Kinshasa hospitals have traces of the virus in their blood; and 4) Blood banks are contaminated in many African countries, but donors are not being screened because of lack of resources or expertise, even though, in at least one city known so far, 18% of donated blood is contaminated. The report is quoted: "AIDS has become a major health threat to all Africans, and prevention and control through educational programs and blood-bank screening must become an immediate public health priority."

Africa needs emergency funds!

What is clear is that attempts to deal with the AIDS epidemic in Africa are sabotaged by the brutal shut-off of credits to these nations from the international agencies. In most countries, the combination of the Soviet-inspired and U.S. State Department-fostered "barefoot medicine" programs for Africa which were pushed on the continent for "budgetary reasons" at the 1978 World Health Organization Conference at Alma Ata in the Kazakh, S.S.R. between Sept. 6-12, 1978, has left Africa defenseless. (See *An Emergency War Plan to Fight AIDS and Other Pandemics*, EIR Special Report, pp. 33-42, 1986.)

As a result of the curious alliance between the Soviets such as Dr. Sergei Litvinov at the WHO and the Malthusians of the U.S. State Department to mutually "facilitate" so-called population control in Africa, hospital budgets have been too small to buy the necessary antibiotics or provide disposable injection equipment. The costs of caring for 10 AIDS patients in the United States (about \$450,000) is greater than the entire budget of a large hospital in Zaire, where up to 25% of children and adult admissions may have HIV infections!

Since the national resources of African countries are insufficient to deal with the problem, a concerted international effort will be necessary to prevent further dissemination of HIV infection.

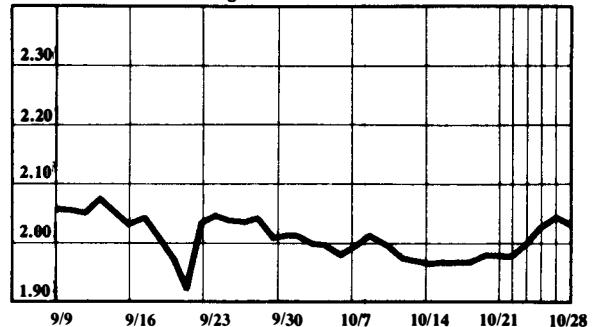
Even the new Mann/Curran report draws the correct conclusion: "Unless the financial resources to support national AIDS control programs is made available and unless information about AIDS research including vaccine development, antiviral treatment and prevention programs, are shared among scientists and public health officials of all countries, AIDS will continue to spread throughout the world, exacting its toll on the health of mankind."

The situation in Africa today portends the future situation for the rest of the world. Only a full-scale emergency economic reorganization can provide the financial means to pay the billions of dollars which must now be spent in an Apollo Moon-shot-style crash research program and emergency public health and medical programs needed to halt the spread of this species-threatening disease.

Currency Rates

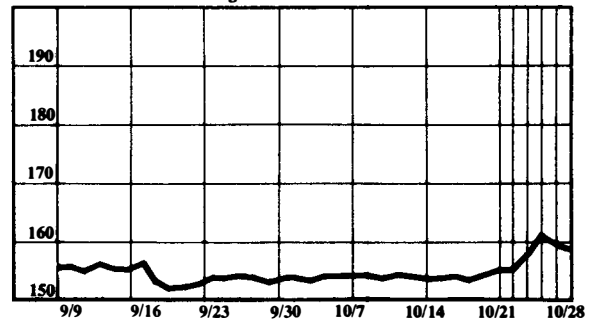
The dollar in deutschemarks

New York late afternoon fixing



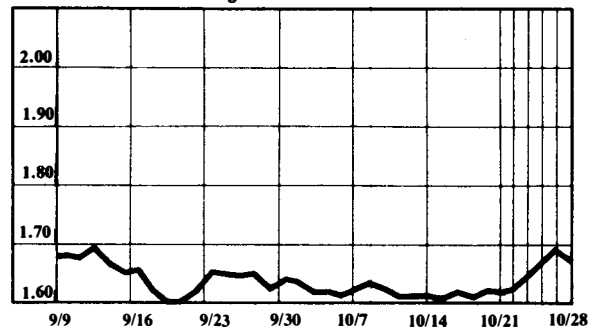
The dollar in yen

New York late afternoon fixing



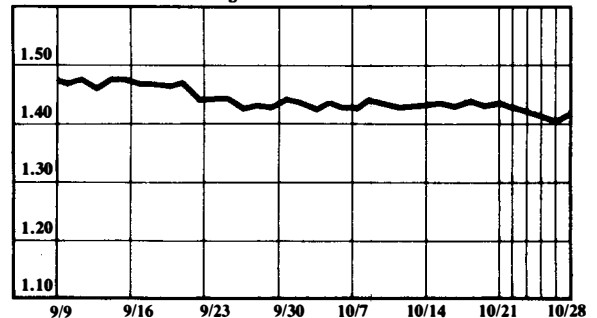
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



Scenario for war in southern Africa is hastened by economic sanctions

by Roger Moore

The Oct. 20 crash of the Russian-piloted Tupolev presidential plane and death of Mozambique President Samora Machel and numbers of his ministers has dramatically brought again to world attention the erupting crisis in southern Africa. The attempt of the Soviets to get the Western industrial nations to cut their economic ties with South Africa, with help from the U.S. State Department, which organized the congressional override of President Reagan's sanctions veto, has encouraged an intensification of regional instability in southern Africa.

For the Front Line states (Zambia, Zimbabwe, Botswana, Angola, and Mozambique) to "put their money where their mouth is," as the American slang expression has it, on the sanctions question, they will need to commit economic suicide and cut their links from the only industrial economy and infrastructure in the region, that of South Africa. Kenneth Kaunda of Zambia and Robert Mugabe of Zimbabwe have been goaded by their quite prosperous Commonwealth colleagues from Australia, Canada, and the British Royal House, to seek means to bypass their dependency on South Africa's rail and port system.

Two railroad lines—one in Mozambique, which is only partially usable, the other in Angola which has been inoperative since the beginning of the civil war in 1975—are the only way that that Mugabe and Kaunda could bypass the regional interdependencies centered on South Africa. The military effort to secure these two rail lines would guarantee a disastrous regional war. If this process is pushed further by the Soviets and the Commonwealth sanctions conspirators, then the miseries of war-torn Chad, Sudan, Uganda, and Ethiopia will look like paradise by comparison.

The Beira corridor

The corridor is a combination road, oil pipeline, and railroad, of approximately 150 km length running from the Mozambique port of Beira into Zimbabwe to its capital, Harare. Even without the civil war, the rail line could not handle the full volume of Zimbabwe's exports, which otherwise go through South Africa. The line is delapidated and requires several hundred million dollars of work to rebuild

the roadbed. The port also lacks storage facilities, silos, and docking equipment, and the harbor itself would have to be dredged to permit larger-draft, more economical ships.

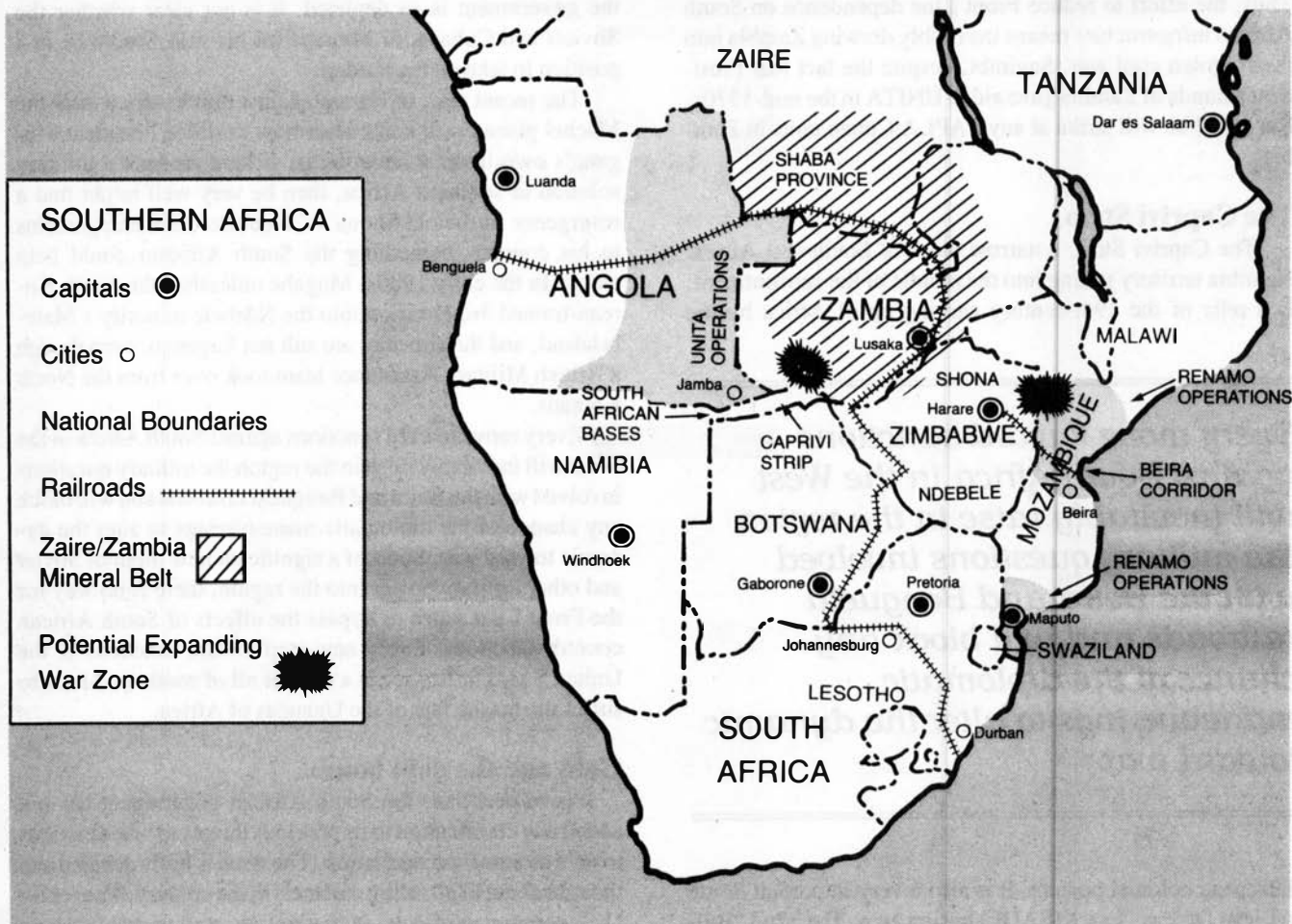
Another rail line from Zimbabwe runs south to the Mozambique capital and port, Maputo. This line ties into the rail line out of the Zaire and Zambia mineral and copper belt. It is testimony to the hypocrisy of International Monetary Fund and World Bank policy in the area that, for years, no significant money had been going into regional infrastructure. It has only been in connection with the sanctions drive to destroy the South African economy, that some money has come in, essentially only enough to encourage Mugabe and others to take the risk of regional war to break off from South Africa.

Zimbabwe has deployed up to 10,000 troops into Mozambique to defend the corridor and also conduct operations with the Mozambique army against the Resistencia Nacional Mocambicana, *Renamo* (National Resistance Movement of Mozambique). Mozambique is in a total state of economic and governmental administration collapse, unable to control large parts of the country due to the civil war. Government troops are only able to control larger towns where they have barracks; therefore, any effort to secure the Beira corridor would have to involve foreign troops, as in Angola.

On several occasions the Zimbabweans have run joint military operations with Mozambique and have overrun Renamo bases deep in the bush, only to see Renamo reoccupy the areas after the Zimbabweans pulled out, leaving security to the Mozambique army. Renamo is reported to be backed by Portuguese exiles, Saudi Arabia, Morocco, and, despite denials to the contrary, obviously South Africa. From a strictly military standpoint, Renamo has the ability to conduct repeated raids on the line, as well as against the work crews who are rehabilitating it. British companies connected to Special Air Service (SAS) veterans have recently gotten a contract to train elite Mozambique units to protect the line. But sources have estimated that up to 8,000 troops, of the caliber of the Cubans, would be required. It is not merely a question of posting troops along the rail line, but of pacifying the entire area.

In September, Presidents Kenneth Kaunda of Zambia and

Potential war zones in Southern Africa



Robert Mugabe of Zimbabwe had met and let it be known they wanted to close their borders with Zaire and Malawi, because the two countries were reportedly permitting bases for UNITA and Renamo, respectively. (UNITA is the resistance group, led by Jonas Savimbi, conducting an armed struggle against the Soviet-puppet government in Angola.) Should this happen, Zaire would be forced to take strong action against Zambia, because most of Zaire's mineral exports from the Shaba Province run over rail through Zambia and Zimbabwe to South Africa. In 1978, East German military advisers in Angola organized an invasion of Shaba that was only stopped when French paratroopers were flown in.

According to South African diplomatic sources the International Monetary Fund is blackmailing President Mobutu of Zaire to break his ties with Savimbi and UNITA. They say: "South Africa is going to fall, get on the right side." Zaire's prime minister is charging that the IMF is refusing credits despite Zaire's fulfillment of IMF-dictated austerity measures. Malawi is the only African country that maintains full diplomatic relations with South Africa, including unspecified military matters.

Benguela rail line

The Benguela rail line is the line by which Zaire and Zambia mineral belt exports used to be brought to the Angolan Atlantic port of Benguela. To open this rail line means a concerted military campaign to drive Savimbi's UNITA out of the Central Highlands. Otherwise it remains closed as it has been for the last 11 years. Throughout the summer, Savimbi has been warning Kaunda of Zambia not to permit Cuban and Angolan FAPLA (Angolan army) combat units into western Zambia's border area with Angola. In August, UNITA, with possible backing from South African aircraft, destroyed a major staging area in Cuito Cuanavale that the Soviet generals commanding the Cuban/FAPLA forces had planned as a jumping-off point for an offensive against Savimbi's southeastern Angola headquarters at Jamba. The destruction of supply dumps, radar facilities, MiG aircraft, and Soviet HIND helicopter gunships, has most probably put an end to this year's dry season offensive against Jamba.

The talk now is to abandon the effort of driving Savimbi out of Angola, and instead concentrate on securing the Benguela rail line. This effort would require a pincer move of

Cuban/FAPLA troops coming behind UNITA out of Zambia. Thus, the effort to reduce Front Line dependence on South African infrastructure means inevitably drawing Zambia into the Angolan civil war. Savimbi, despite the fact that President Kaunda of Zambia gave aid to UNITA in the mid-1970s, has stated he will strike at any FAPLA/Cuban units in Zambia.

The Caprivi Strip

The Caprivi Strip, a narrow piece of Southwest Africa/Namibia territory jutting into the middle of the subcontinent, is a relic of the 19th-century carving up of Africa by the

Every move toward sanctions against South Africa in the West will inevitably raise in the region the military questions involved with the Beira and Benguela railroads and will block any chance of the diplomatic maneuverings to alter the dynamic toward war.

European colonial powers. It is also a very important South African Defense Force (SADF) basing area. The 32nd "Buffalo" Battalion of the SADF, made up of Angolan refugees from the FNLA movement, is based here. This unit has been involved in much action against SWAPO (the Soviet-controlled South West African People's Organization) and represents a reserve force if UNITA runs into serious trouble. Several airstrips plus a new road network currently under construction make it an important military area. A brief look at the map makes clear that it is the military jumping-off point available if operations are to be conducted into Zambia against FAPLA/Cuban troops. It is probably the case that the South African raids this summer against facilities of the Soviet-directed African National Congress (ANC) in Lusaka and Harare were launched out of Caprivi.

Over the month of October, Savimbi appealed repeatedly to President Dos Santos of Angola to accept that there is no military solution to the civil war, and to negotiate. In Mozambique there is a potential, however difficult, that a new leader in Maputo might undertake the first steps toward talks with Renamo. In fact, the South Africans justified their continuing ties to Renamo despite the 1984 Nkomati Accord, where the African National Congress was kicked out of Mozambique, by claiming it was for purposes of furthering Renamo will-

ingness to negotiate with Machel. The military situation of the government is so depleted, it is not clear whether the Soviets and Cubans, or Mugabe for his side, would be in a position to take on the burden.

The recent riots in Harare against South Africa after the Machel plane crash make clear how unstable President Mugabe's own internal situation is. If he does seek a military solution in southern Africa, then he very well might find a resurgence of the old Shona vs. Ndebele tribal antagonisms in his country, something the South Africans could help along. In the early 1980s, Mugabe unleashed the North Korean-trained 3rd Division into the Ndebele minority's Matebelaland, and the atrocities are still not forgotten, even though a British Military Assistance team took over from the North Koreans.

Every move toward sanctions against South Africa in the West will inevitably raise in the region the military questions involved with the Beira and Benguela railroads and will block any chance of the diplomatic maneuverings to alter the dynamic toward war. Short of a significant new input of Soviet and other military power into the region, there is no way for the Front Line states to bypass the effects of South African counter-sanctions. Every new step toward sanctions in the United States or Europe is a call for all of southern Africa to suffer the insane fate of the Ugandas of Africa.

Gold and the debt bomb

As of deadline, the South African government has not added any clarification to its previous threats to link sanctions to debt moratorium retaliation. The issue is hotly debated and thought about in all ruling channels in the country. The recent U.S. corporate pullouts, in themselves, will probably not be the trigger. The General Motors, IBM, and Honeywell "pullouts" actually involve mere ownership changes, and no removal of physical assets. The moves are probably more closely related to economic warfare efforts seeking to panic flight capital out of the country. Even though the South African Reserve Bank placed ads in newspaper financial pages internationally under the title, "South African Economy Poised for Recovery," their real strategy is directly tied to the emerging chaos in the international financial system.

For the time being, gold plays a more central role in counter-strategy than the debt moratorium itself. There is a *de facto* coordination between South Africa and Japan in re-establishing gold in international monetary affairs. South African sources report that plans are afoot for expansion of South African gold mines. The Japanese are purchasing tremendous quantities of South African gold as part of their plans to deal with the dollar crisis.

But as one source reported, "The government has to make serious decisions on the debt in the coming weeks. The debtor has power over the creditor; it is our best ammunition. We should do exactly as Garcia of Peru says: 'If you destroy our economy how do you expect us to pay?'"

Scotland Yard hits drug traffickers

by Mark Burdman

An 18-month-long investigation by the "Special Operations" unit of Britain's Scotland Yard into the circumstances of the November 1984 theft of 26 million British pounds sterling in gold bullion, has resulted in what British police and press sources are heralding as one of the biggest breakthroughs in years against drug traffickers and drug-money laundering.

The announcement, widely reported in the British press during the Oct. 22-24 period, comes after a number of decisive pronouncements by officials of the Thatcher government supporting an international war on drugs, whose traffic Home Secretary Douglas Hurd denounced as the "modern equivalent of slavery." During the late-September Conservative Party conference in Bournemouth, the Home Office official responsible for the fight against drugs, David Mellor, announced that Britain would be supporting international legislation to have drug trafficking declared a "crime against humanity." The legal department of the Home Office is preparing legislation for a U.N. conference on narcotics-traffic in Vienna, Austria, in February 1987.

This summer, Mellor visited several South America countries, to view first hand the war these countries are conducting against drugs. His statement to the Bournemouth meeting echoes declarations made by Pope John Paul II, during his most recent tour of South America, and by several leaders of Ibero-American nations, denouncing drug trafficking as a crime against humanity.

On Oct. 19-20, on the eve of the Scotland Yard announcement, European interior ministers had gathered in London, to discuss the relationship of drug trafficking to international terrorism. The meeting discussed a plan put forward by Hurd, for several measures to fight drug trafficking, including European-wide actions to seize traffickers' assets, and pooling of information not only on drug traffickers' movements, but also on developments in the drug-producing countries of the Far East and South America.

British insiders report that the fight against drugs and money laundering has been spurred by fears that the Oct. 27 deregulation of the London financial markets—the widely touted "big bang"—could be an invitation to drug-money-launderers to flood into the City of London. The announce-

ment of the Scotland Yard breakthrough would have a certain preemptive quality.

'The world's biggest operation'

The investigation into what happened to the gold bullion stolen in November 1984 from Britain's "Brinks-Mat" firm, carried out jointly by Scotland Yard and officials of the U.S. Drug Enforcement Administration, quickly expanded into something far beyond the original robbery. Tracking the money and the networks involved, has already resulted in 11 indictments in the United States (Florida), including traffickers and lawyers. According to the Oct. 24 *Daily Telegraph*, joint British-U.S. efforts "have smashed a marijuana-smuggling ring which bought shopping centers, ranches, boats, apartments, and other legitimate enterprises in the United States with money laundered in the Isle of Man, the British Virgin Islands, Hong Kong, and Panama."

In a statement released Oct. 22, an official Scotland Yard spokesman reported that the task force created by Deputy Assistant Police Commissioner Brian Worth, head of the "Special Operations" unit, to trace the stolen gold bullion, had "unearthed a multi-million-pounds [sterling] drug ring and money-laundering operation in the United States.

"As a direct result of evidence obtained by the Yard's detectives," the spokesman continued, "the Drug Enforcement Administration in Fort Lauderdale has indicted a number of people, including drug dealers and attorneys, and believes it is a gigantic breakthrough in the fight against drug traffickers."

The Yard spokesman stated that the joint Yard-DEA work had uncovered "an unprecedented organized crime network between the United States and the United Kingdom. Inquiries have taken detectives to the British Virgin Islands, Anguilla, the Isle of Man, and Europe. A number of shell companies, set up specially to launder the proceeds and profits from American drug-dealing, have been discovered."

Two of the arrested individuals are a Florida-based racing-car driver, Randy Lanier, and a Miami lawyer, Michael Levine. According to the *Telegraph* Oct. 23, the latter is charged with having master minded the "laundering" of money.

All available information, at this point, is that these arrests are only the beginning, and that many more will follow. In a front-page article Oct. 24, the *Daily Express* said that what was being smashed by the joint Yard-DEA work was "the world's biggest drug and money-laundering racket." The original inquiry into Brinks-Mat, said the *Express*, had "snowballed into an inquiry into crooked cash all over the world."

The *Express* quoted Yard Detective Superintendent Tony Lundy, who is heading the Yard task force within the United States: "There is hardly a country that has not been used to launder money. These figures are staggering. We started by chasing money from the gold, and finished up chasing every-

body. . . . Many more arrests will follow. Some celebrities I cannot name will be arrested and indicted shortly." According to the *Express*, these "celebrities" would include a London merchant banking official, and City of London lawyers and financial experts.

The Yard's number-one detective, Metropolitan Police Assistant Commissioner John Dellow, released a statement in London on Oct. 23: "I'm sure there will be further arrests and I think we are very close to identifying where the [gold-bullion robbery] money went. . . . The amounts involved are vast. One hundred and twelve million dollars has already been identified in the first few weeks of the investigation in America. In this country, our inquiries are really only just beginning. Over the long term, there are going to be many arrests. Identification of laundered money would continue over many years. . . . I think we've got the tip of the iceberg here."

Reporting Commissioner Dellow's statements, the *Daily Telegraph* commented that more than 500 million pounds-sterling (about \$1 billion) would be involved in the laundering, overall.

Yet another comment came from Billy Youth, of the U.S. DEA in Miami, reported in the *Guardian* Oct. 23: "There is a massive drug laundering of money into the Isle of Man and the British Virgin Islands. . . . We are talking in excess of \$30 million into both of these islands, with the investigation continuing, which will inevitably document much, much more."

One factor that may lead to new breakthroughs is that U.S. law-enforcement officials have begun questioning a key figure in the Brinks-Mat case, John Fleming. Scotland Yard investigators had discovered that the British-born Fleming had had a secret meeting in Spain with one Scott Errico, a suspected drug dealer wanted by authorities in Florida. Trying to escape from British police officials, Fleming, eventually, ended up in the hands of U.S. authorities. The *Daily Telegraph* Oct. 24 reported that Fleming was being questioned "about a global Mafia banking network 'laundering' huge sums of criminal money." The same day's *Daily Express* reported that it is hoped by British officials that the questioning of Fleming "will cause a scandal among legal and accounting circles on both sides of the Atlantic."

Otherwise, according to an Oct. 22 London *Times* account, important information about the Brinks-Mat network, and its wider ramifications, has been coming from an informant, British-born financier Shaun P. Murphy, managing director of a firm called Financial Management Trust, which allegedly has operated illicitly in the Virgin Islands. Using Murphy's leads, and other information, the *Times* noted, a financial network has been uncovered that is laundering criminal monies in the City of London, Hong Kong, Singapore, Panama, France, and Luxembourg. But the broader network "includes Boston, Chicago, and New York as well as Florida."

Other fronts

On Oct. 19, British Customs Agents revealed that they had cracked a drug racket involving £18 million in profits from cocaine smuggling. This "evil operation," the *Express* stated, was "one of the world's biggest." It centers around a Colombian jet-setter named Oscar Cuevas, who has been extradited to the United States, where he faces 25 years in jail on 15 counts of drug trafficking and money laundering. The Cuevas gang, the *Express* reported, would launder profits made from cocaine sales in the United States into British banks, and then would redeploy these profits back into the United States, for further cocaine sales.

On Oct. 26, the *Sunday Times* reported that British Customs Agents had cracked a network of Nigerian traffickers, who were transporting heroin produced in Pakistan by air from Lagos to London.

Over the past weeks, senior British drug investigators have been attempting to increase the deployment of detectives abroad, as liaisons with anti-drug officials, including the Netherlands and Spain. The Netherlands, particularly the city of Amsterdam, has been identified by both British and West German officials as the "soft spot" in fighting drugs in Western Europe, and Spain is viewed as the *entrepôt* for drugs coming into Europe from Ibero-America.

David Mellor on 'crimes against humanity'

David Mellor, British Home Office Minister responsible for the war on drugs, addressed the British Conservative Party conference in Bournemouth Oct. 10.

We are pushing for a new United Nations convention against drug-trafficking to which all countries of good will can subscribe. We want drug-trafficking to be made an international crime against humanity—for that is what it is—an international crime triable anywhere in the world, on evidence gathered wherever in the world the trafficker has operated, with effective action against his assets, wherever in the world they are located.

British government legal experts have assisted in the preparation of a first draft which will be discussed in Vienna in February of next year. I hope there will be speedy progress thereafter. . . .

My experience on my travels around Britain, and overseas, makes it clear to me that it would be nothing less than a calamity if we failed to meet and turn back the challenge of the drug-trafficker, and the menace of drug abuse.

Gardini, De Benedetti form new food cartel

by Galliano Maria Speri

The power struggle now taking place in Italy among the "families" is the biggest in years, and is producing a new alliance that may replace the now-shattered financial power of the Vatican. The battle started when Mario Schimberni, manager of the Montedison chemical conglomerate, bought out almost 18% of Florence's powerful insurance company, La Fondiaria, thus breaking his gentlemen's agreement with Enrico Cuccia, the *éminence grise* of Italian finance.

But behind the Cuccia-Schimberni fight, Raul Gardini, president of the Ferruzzi food cartel, bought a controlling share of Montedison. The whole operation was run with the silent support of Carlo De Benedetti, president of the computer giant Olivetti and a close Henry Kissinger crony, who bought 5% of Montedison shares to resell them to Gardini. In exchange, he got a seat on the administrative board of Agricola, the finance company that manages the Ferruzzi group. Out of all this emerges the makings of a powerful food cartel.

Raul Gardini's career began in December 1979, when the private jet bringing home Serafino Ferruzzi, his father-in-law and owner of the Ferruzzi group, crashed near Ravenna, Italy. Ferruzzi, a dealer in the American grain market since World War II, had bought land in North Carolina and Louisiana, and in the 1960s began building silos along the Mississippi river. He also put together what became a 600,000 ton-capacity fleet to transport the grain he bought on the Chicago market. He was once rumored to have bought the whole Canadian barley crop and moved it around the world until selling to the Russians.

Besides U.S. land holdings, the Ferruzzi group owns huge tracts in Brazil, Argentina, Paraguay, and, of course, Italy—more than a million hectares. It possesses 15 ships, 300 boxcars, and 170 ferry boats, mainly on the Mississippi river. To support its American operations, the Ferruzzi group bought 50% of American Bank & Trust in New Orleans. The Ferruzzi group is the biggest sugar producer in Italy; through the control of Beghin Say, it is also the main producer in France; and if it succeeds in taking over the British company Berisford (Gardini already owns 23.75% of the shares), which controls British Sugar, the group will acquire a virtual monopoly in Europe and will become one of the biggest in the world, together with Azucar of Mexico.

Raul Gardini comes from the Byzantine-Venetian city of Ravenna, where the firm still has its main office. To give a flavor of his political background, he recently called for rebuilding *latifundia*—the Roman estates worked by serfs—as a way of overcoming the farm crisis. Gardini name his yacht "Moor of Venice," with a certain biographical nuance.

His Venetian background is important to understand his scheme to use grain not sold on the market to produce ethanol to be added to gasoline as a substitute for "non-ecological" chemicals. He is basically proposing to destroy millions of tons of grain, while a billion people in the world go hungry. It is no accident that it was a Venetian monk, Gianmaria Ortes, who in the 18th century first promulgated the "limits to growth" theories later plagiarized and popularized by Malthus.

The operation has already started in the U.S.A. with the Mississippi River Alcohol Authority (Missalco), a firm jointly owned by Gardini and Montedison that will start producing ethanol before the end of 1986. The fact that the collapse of oil prices made his proposal unworkable is offset by subsidies he expects to get from various governments. The European Community is about to grant a kind of parity to the ethanol produced by the grain fermentation, despite the opposition of competent industrialists.

The Olivetti-Montedison axis

Now that he controls Montedison, Gardini has a powerful chemical firm to carry forward his ethanol project, and he can also use the supermarket chain Standa, owned by Montedison, to retail his products. In this respect, the pact between Gardini and Olivetti president Carlo De Benedetti is key. The latter bought up the Italian state's food interests, with the exception of SME group. The \$2 billion cartel includes the most important tomato (Cirio and De Rica), macaroni (Buitoni), biscuits and chocolate (Perugina), and olive-oil producers (Bertolli), as well as the supermarket chain GS.

At this point, Gardini and De Benedetti have become a food cartel that can produce, transport, process, and sell food, with a virtual monopoly in Italy and a growing influence in France and Great Britain. In France, Gardini controls the aforementioned Beghin Say and also has strong interests in the paper sector, while De Benedetti, through the Cir International financial company, is tightly linked to the powerful banker Pierre Moussa, the former director of Paribas bank, besides controlling Buitoni of France.

Gardini and De Benedetti are also in cahoots in the insurance field; both control several companies, and the fact that Montedison now has almost a controlling share in the Florentine firm, Fondiaria, opens up intriguing perspectives: Fondiaria controls 1.7% of the giant Generali di Venezia insurance company, the seat of the power of the Serenissima Repubblica of Venice. After centuries of silent and invisible financial power, is Venice about to come out in the open again?

Steel on Merrill Lynch auction block

That's where White House Chief of Staff Donald Regan apparently wants to put it.

Is Donald Regan, the drug lobby's towel boy on economic policy questions in the Reagan administration, planning a possible death blow against the U.S. steel industry? That's the question being asked in the wake of published accounts of a cabinet-level study group on the future of the steel industry. New York's investment bankers also have their own "restructuring" plans developing.

The cabinet level committee, functioning under the Economic Policy Council, came to light in an Oct. 24 spread in Katharine Graham's *Washington Post*. The Economic Policy Council is known to be the bailiwick of presidential Chief of Staff Donald Regan, and his collaborator from the Treasury Department, James Baker III, as well as the unfortunate Malcolm Baldrige who heads the Commerce Department.

Set up in July, after LTV, the nation's second-largest steel producer, filed for protection under Chapter XI of the bankruptcy code, the administration, according to the *Post*, was concerned to prevent the collapse of the steel industry. The cabinet task force reportedly believes that U.S. steel-making capacity would be reduced by as much as one-third as a result of the shakeout.

Does this mean that the Reagan administration's economic policy makers have finally wakened up to the urgent need to start protecting the nation's basic, smokestack industries? There's no need to worry about that. The concerns of the committee are very different, but conform to what has been

reported about Donald Regan's policy towards the AIDS epidemic.

The concern is, that the collapse of the steel industry would cost the government too much; \$4 billion would be required to cover the elimination of the mooted 30% of capacity. But that would only be for starters. Then the government would have to pick up the tab on steel worker pension obligations and related matters, which would run to billions of dollars more.

According to Senator Heinz of the one-time steel-producing state of Pennsylvania, "The main concern that the government ought to have is that \$3.5 billion in unfunded pension liabilities."

What happens to the actual steel industry in all this? The relevant government bodies don't seem to be interested in keeping the productive capability going, merely in reducing the amount of cash they have to spend to liquidate it.

Don Regan's friends at his old company Merrill Lynch are right now working on the answers to that one. Presumably Merrill Lynch's expertise in the seamier side of what is now known as "creative financing," like laundering the proceeds of the drug trade, qualifies them as competent to discuss the fate of the industry.

Charles Bradford, steel analyst for Merrill Lynch, wrote in that house's latest quarterly report on the industry: "We believe the restructuring of the steel industry is now finally under way. Industry leaders now seem to recognize that much less capacity is needed in the United States and that cost cut-

ting is their only salvation."

According to the *Washington Post* article, Commerce Secretary Baldrige, and his under-secretary on the cabinet task force, Bruce Smart, have been quoted to the effect that the capacity of the industry should be reduced from the present 128 million tons per year, by 40 to 50 million tons. Bradford at Merrill Lynch is less drastic, he only thinks capacity should be reduced by 30 million tons.

The government's 128 million ton capacity figure was proven to be a lot of bunk in *EIR*'s June 1985 Quarterly Report on the economy. Eighty to 90 million tons capacity would be a better estimate of which only about 40 million tons represents new steel manufactured in old smokestack industry mode. Donald Regan's allies in the administration's economic policy apparatus, and the money launderers in his old company, are thus actually discussing reducing steel-making capacity to somewhere in the range of 50 million to 60 million tons per year. This would rank the U.S. at about 50% of Japanese capability in this core industrial branch, and perhaps one-third of the Russian capability. The United States would be reducing itself to second-rank power capability.

Instead of figuring out how to restore U.S. industrial capabilities to world levels, the post-industrial ideologues of the Reagan cabinet, and the drug-money launderers, are trying to figure out how to shut down the maximum amount of the steel industry, with the minimum outlay of government funds. According to the *Post*, Sen. John Heinz (R-Pa.) thinks the shutdown can be accomplished for about \$100 per ton reduction of capacity. Data Resources is said to argue that it is this high cost of closure that has kept the industry operating as long as it has.

USDA's big 1987 acreage cuts

Under pressure from the cartels and radical "farm Democrats," the administration asked farmers to idle 35% of their land.

In a pre-election ploy, the U.S. Department of Agriculture (USDA) announced the Reagan administration's latest package of crop set-aside incentives, adding up to the biggest acreage reduction program since the infamous "PIK" (Payment-in-Kind) set-aside of 1983.

Ten days before election day, Secretary of Agriculture Richard Lyng announced that farmers will be invited to idle 35% of their corn acreage, and similar amounts of other animal feed-grain land, in the 1987 crop year.

This could result in idling as much as 22 million acres out of the total U.S. corn acreage base of 75 million acres. Another 8 million acres of other feed grains—sorghum, oats, and barley—could be taken out of production.

In 1983, a drought hit the grain-belt, on top of the 30-plus percent PIK acreage set-aside, so that U.S. corn output fell by half in one year. This amounted to a 25% reduction in corn output worldwide.

U.S. soybean output fell 60% in 1983, cutting world soybean output by 20%. Corn and soybeans are the leading livestock feeds.

Despite this huge drop in output, feedgrain stocks have built up since then because of the multi-million ton drop in the world grain trade, and because of the drastic fall in the numbers of U.S. meat animals. U.S. beef and hog inventories are at their lowest in 20 years, and numbers are falling.

All the while, the cartel companies (Cargill, Continental, Bunge,

Louis Dreyfus, André/Garnac, and the rest) are paying grain and other food commodity prices way below the farmers' cost of production, no matter where they are being produced around the world.

Farmers will be induced to participate in the new USDA acreage reduction programs in order to get any kind of commodity price support at all. Those idling 35% of their base cropland will receive \$2.00 from the government for each bushel of corn they do not produce. This is to be paid, half in cash, and half in the new USDA funny money, called "commodity certificates."

However, even with this expected cash flow, many farmers will not be in a position to service their debt, and certainly not in a position to make overdue capital improvements on their farms. Thousands will be forced out of operation altogether, idling still more of the U.S. cropland base, on which so much of the world's livestock depends.

The sign-up period for the new set-aside program is from Nov. 17, 1986 to March 30, 1987. USDA officials estimate that almost 40 million acres may be taken out of production—over 13% of the national cropland cultivation base. The cost of the program may exceed \$2 billion.

The USDA announced the plans in deference to the policy desires of the international grain cartel companies, that seek to dominate domestic and international grain output, storage, and trade, as Western economies shrink

and food declines. A second pressure, to which President Reagan and other officials are responding, comes from the radical "farm Democrats," who want mandatory crop reduction—on a scale of at least 35% in 1987.

Sen. Tom Harkin (D-Iowa) has a bill calling for such measures, titled the "National Save the Family Farm" bill. Before the Nov. 4 elections, the mandatory crop reduction policy was promoted by a campaign called "Hope for the Heartland."

In January, it is expected that new federal farm policy measures will be introduced and fought over, partly because of the obvious high costs of the USDA's set-aside program. According to Michael Hall, lobbyist for the National Corn Growers Association, "The 35% acreage reduction program for feedgrains is going to mean an extremely large amount of acreage set aside at a very high price. . . . The new program will merely serve as a sharp catalyst for a renewed debate over different farm policies."

The current pile-up of corn and other grains in the Midwestern grain-belt states is simply the passing phase of the drastic fall in U.S. grain exports, and also, the decline in U.S. livestock consumption. These stocks are in no way real "surplus"—despite the portrayal in this way by the media, government, and grain cartel sources. Millions of tons of the grain, having nowhere to go, are rotting in makeshift storage, prey to pests and vermin.

USDA officials are vague on the impact of the land set-aside program. One official said on Oct. 27, the day of the announcement: "We had to do something to just keep stocks at the current levels and prevent any more build up. . . . We'll have to see further acreage reductions for the next several years, but hopefully they won't have to be as big."

S&Ls hit by real estate crash

The entire industry suffered losses during the third quarter, but the worst is yet to come.

EIR's first *Quarterly Economic Report* of 1986 calculated that at least \$100 billion of bad commercial real estate assets were sitting on the books of savings and loan associations, and that an additional \$150 billion stood to go sour after "tax reform" eliminated most of the reasons such projects were built in the first place.

An unofficial calculation of the thrift industry's performance during the third quarter of 1986, conducted by the Federal Home Loan Board Bank in early October, shows a net loss for the entire industry of \$257 million. What the actual loss might be is far from clear; an early FHLBB projection showed a net profit of \$500 million. The three-quarter-billion-dollar swing into the red was attributed to the late arrival of data from the devastated Texas thrifts. However, a wave of billion-dollar bankruptcies in Texas, California, and Florida will increase the losses drastically.

The *Wall Street Journal* complained Oct. 27, "The savings and loan industry's commercial real estate lending has turned into what could be the biggest single investment debacle for the U.S. financial system since the Depression, and it seems to get worse every day."

The administration's 1981 tax giveaways to real estate investors amounted to a White House order to put money into office buildings and similar speculations. Now 25% of the nation's prime commercial property stands vacant, as a result of the over-

building boom created by this blunder. Worse, recently passed tax reform legislation eliminates all the tax breaks found in the 1981 bill, plus most of the ones that real estate investors got earlier.

The flip-flop on tax policy will blow away another \$150 billion in real estate loans, on top of \$100 billion already gone sour—a total of \$250 billion in bad debt, more than American banks' total lending to the Third World. That is more than enough to blow the banking system out of the water.

As we reported previously, the price of prime commercial property—including the Manhattan market—will fall by at least 25% in the next year, and perhaps considerably further. A study of the impact of tax reform by the accounting firm of Price Waterhouse, suggests a fall of around 40%.

The worst of it is that the S&Ls, as major holders of problem properties, have maintained real-estate values at artificial highs, by keeping bad loans on their books. As they are forced to liquidate such loans, they will force more property onto the market, collapsing the value of other properties, and forcing rents down. The self-feeding cycle will make life exciting for the bank regulators for some time to come.

The net loss for the savings banks as a whole reported for the third quarter, demonstrates that the vicious cycle has been set off.

The Federal Savings and Loan In-

surance Corporation already estimates that it will need an additional \$30 billion to bail out bankrupt thrift institutions during the next couple of years. However, the number is arbitrary, and could rise easily to two or three times that amount.

In fact, the effect on the savings banks' own portfolios, terrible as it is, may be trivial compared to the problems for the federal government, which has guaranteed almost \$1 trillion of paper backed by home (as opposed to commercial) mortgages. Although commercial real estate is much worse off than residential real estate, the collapse of the entire market will rapidly engulf first multi-family, then single-family, real estate values as well.

The capitalization of the federally sponsored agencies is trivial relative to the potential demands upon them. The Federal National Mortgage Association has \$92 billion in debt, and only \$1.3 billion in capital. Losses in excess of that will presumably be borne by the Treasury.

The likely collapse of the federal mortgage-guarantee agencies, however, is only where the trouble begins. More than two-fifths of savings banks' total portfolios now consist of mortgage-backed securities, rather than mortgages as such. Supposedly, the securities, which can be sold on the market at a moment's notice, give the banks more liquidity, i.e., ability to raise cash quickly.

But a security that can be traded at a moment's notice, can also lose most of its value at a moment's notice, should purchasers decide that the federal government's "full faith and credit" might not be all it is supposed to be. A sharp rise in interest rates, and a significant increase in the default rate for home mortgages, could collapse the value of these securities, and destroy much of the assets of the savings banks almost instantaneously.

UAW urged members to vote Democrat

The issue is economic, but the auto union leaders have no more credibility on that than the GOP.

The pre-election issue of the United Auto Workers' magazine *Solidarity* called on UAW members to vote Democratic in the 1986 Senate races, citing President Reagan's weakness on the economy. The magazine compared economic performances of 1955-80, when the Democrats controlled the Senate, to the GOP-controlled period of 1981-85.

President Reagan's popularity, especially in the areas of strategic defense and his war on drugs, won him a substantial portion of the blue-collar vote in 1984. But in the words of presidential candidate Lyndon H. LaRouche, Reagan gets an "F" for his performance in economics.

Solidarity magazine points to economic parameters in the states of key Senate races. Florida's unemployment was 5.9% in 1980 and averaged 7.2% in 1981-85. In Georgia, federal cuts have resulted in only 24% of the jobless receiving unemployment insurance benefits. In Iowa and Wisconsin, 40,000 and 43,000 manufacturing jobs were lost in 1981-85. Indiana lost 58,000 manufacturing jobs while average weekly earnings declined 5%. In Pennsylvania, a whopping 300,000 manufacturing jobs have disappeared since 1980.

While these figures reflect the collapse of industrial and manufacturing capacity in the United States, the cause of that collapse and the responsibility for it lies with both Democrats and Republicans. It also lies with UAW leadership, especially its former president Doug Fraser, and the leadership of the AFL-CIO—Lane Kirkland and company.

A review of manufacturing statis-

tics for the auto industry shows what is true for manufacturing as a whole. Paul Volcker, the Federal Reserve chairman, came to power in October 1979 and promptly jacked up the interest rates to double-digit levels. He implemented a policy worked out by the New York Council of Foreign Relations and stated in their 26-volume report of 1975, *Project 1980s*, calling for the "controlled disintegration" of the U. S. economy.

The economic intention of Volcker's fiscal policy was and is to make the United States into a post-industrial society, in which fast-food stands and real estate speculation replace manufacturing.

The steel industry, along with machine-tool production and automobile manufacturing, has been either transformed or obliterated because of the high-interest-rate regime. Volcker was appointed by Jimmy Carter and reappointed by Reagan. His policies have been endorsed and praised by Democrats and Republicans alike.

In 1979, former UAW head Doug Fraser set the stage for the wrecking of the labor movement, by negotiating a billion-dollar wage-giveback to bail out a troubled Chrysler Corp. Instead of joining the nationwide growing fight to dump Volcker and lower interest rates, which would have saved Chrysler billions in interest, union contracts were ripped up, and billions of dollars of wage givebacks were soon negotiated for General Motors and Ford. The result was lower living standards and lower demand for new automobiles.

The phenomenon spread to the rest of economy. Doug Fraser, Lane Kirkland, and the other union leaders did

their best to crush the grassroots movement that had developed to lower interest rates and impeach Paul Volcker. They preferred ripping up their union contracts to opposing the Council of Foreign Relations and Trilateral Commission policies of Paul Volcker. Kirkland's membership in these one-worldist, post-industrial institutions has not been lost on union members; poor attendance at meetings, falling union membership, and a broad pattern of overturning of incumbent union leaders closely associated with the national leadership, attest to that.

Domestic sales statistics show how Volcker's policies collapsed auto production. Auto sales peaked at 9.7 million units in 1973, then fell to 9.3 million units in 1978 and 8.8 million units in 1979. After Volcker introduced usurious interest rates in 1979, domestic sales plunged to pre-1965 levels of 6.6 million units in 1980, and stayed there till 1984 when domestic sales broke the 7 million range again.

These figures alone do not reveal how Volcker's fiscal capers have moved manufacturing out of the United States. Taking 1983 as a sample, besides the fact that the United States has been importing more cars, of the 6.795 million units produced in the United States, 40% of these plus major auto components slipped into the United States through "Free Trade Zones" around the world. At least 19% of the materials going into those cars, mostly steel, came from abroad.

Until a viable economic program is presented, which shows how the United States can once again become an industrial giant, blue collar workers will vote against someone, in protest, rather than for someone. And a large portion of the blue collar voters will stay home, just as they stay home from union and Democratic Party Club meetings.

Twilight of the banks

Chase Manhattan's threat to leave banking, and new deregulation measures, herald the end of the banking system.

Chase Manhattan Bank only mildly surprised the American Bankers Association annual convention in San Francisco Oct. 27, by threatening to abandon its banking charter unless banks were given the same freedoms enjoyed by the investment houses.

In a "securitized" financial world, where normal banking business broke down permanently in 1982, as all lending to Third World nations came to a halt, there are few advantages and many headaches in being a bank.

Banks issue loans against their own capital, and hold the bag if the borrower defaults; securities houses peddle other people's paper to investors, and bear no responsibility in case of default.

The ABA event occurred during a remarkable week. On Oct. 27, the London Stock Exchange's new computer system broke down upon the opening of the new deregulated market, while many British observers warn that the so-called "Big Bang" may lead to a financial panic.

On Oct. 30, oil markets virtually suspended trading after the firing of Saudi Arabia's oil minister Sheikh Yamani. And on Oct. 28, Chase Manhattan offered to leave the banking business.

William Seidman, chairman of the Federal Deposit Insurance Corporation, told the meeting in San Francisco that 150 of the 1,456 banks on the troubled list will fail next year. Ninety percent of the nation's 14,000 banks are healthy, said Seidman, but the

"unprecedented growth of debt . . . has brought with it a decline in debt quality. We must proceed with care. The flashing yellow caution light is operational."

Seidman also expressed worry about Chase Manhattan's threat to give up its banking charter, in order to act like a combined investment bank and finance company. "It would create chaos in terms of the regulatory process we have now."

The 10 largest American banks already have "off-balance-sheet liabilities," financial guarantees assumed in return for upfront fees, in excess of \$1.25 trillion, or roughly 150% of their assets. According to the books, the banks' capital should cover 7% of their liabilities, as security against loan losses; in fact, their true capital cover is barely 3%, much less than their true level of bad loans.

What Seidman means by regulatory chaos in the event of Chase's conversion to "non-bank" status would be a far worse situation, in which banks cease to assume liabilities on the books, and merely peddle paper to investors.

In this case, the banks' own capitalization would not have to bear the costs of loan losses; rather, the investors who bought loans re-packaged as securities would sit on the losses. The commercial banks have already begun such a process, by marketing some of their Third World debt much like the "junk bonds" which finance high-risk corporate mergers. They have marked

down the value of their Third World loans by large amounts (ranging from 20% for Brazil to 80% for Peru), in order to unload them off their books.

Instead of mediating deposits that may leave at a moment's bad news, into loans which may turn sour, Chase Manhattan wants to borrow overnight funds on the market, and buy securities which can be sold instantly.

To a considerable extent, "securitization" has already produced such a situation, which is why Chase Manhattan's public threat to leave the banking business did not attract extraordinary attention. The banks have been busy doing this for three years.

The net result is that, rather than facing failure from loan losses that may accumulate over months, or deposit runs which may drain resources over days, they are now vulnerable to shifts in the securities markets that can take place in minutes.

If a bank borrows short-term money to buy securities which may lose several percentage points of value within minutes, it must assume that it will be first in line to unload them if anything goes wrong. Under conditions of real trouble in the securities market, in which the "asked" price disappears temporarily from the traders' video terminals, banks can find their total portfolio devalued by more than their total capital in a matter of hours, if not minutes.

All this makes the discussion of the administration's legislative agenda somewhat moot. Treasury Secretary James Baker, in a separate appearance in San Francisco Oct. 29, said that the administration wants a comprehensive banking bill, to close some of the loopholes allowing non-banks to conduct banking business. Under the circumstances, that is something like closing the barn door after the horse is dead.

Drugs and narco-dollars invade Brazil

The Federal Police chief is under attack for his own "French Connection" against drugs.

The cocaine mafia and the companies which launder its money, specifically the gold and diamond companies commanded by the British Crown, have taken root in Brazil. Though the traffickers have been moderately hit by the Federal Police, the money-laundering nexus, the heart of Dope, Inc., remains untouched and welcomed as respectable "foreign investments."

Federal Police chief Romeo Tuma became the first Brazilian official to publicly demand more rigorous action against narco-finances. On Oct. 18, Tuma told the Second Congress on Prevention and Abuse of Drugs that the justice and finance ministries had to sign a covenant immediately "to permit carrying out the financial investigations required to reach those responsible for the traffic . . . hidden behind business fronts known to launder money."

His Division of Narcotic Drugs had just cracked down on a new route which the traffickers inaugurated to move hundreds of kilograms of Bolivian cocaine from Brazil to Europe and the United States. The police found that the chiefs of the "Belgian Connection" gang and their Israeli contact were veterans of Middle East heroin traffic.

On confiscating 380 kilos of pure cocaine and basic cocaine paste in Sao Paulo Oct. 17, the police apprehended a gang of Colombians, Bolivians, Brazilians, and three Israelis. Part of

the drug shipment was to be sent to Brussels, to the Hotel Sheraton. The gang is run by an Israeli citizen named Ben David "Roni" Calderón a/k/a "Papi." He was a famous soccer player in the 1970s, and escaped jail in Israel where he was convicted in 1980 of bringing in 2.5 kilos of heroin. According to the Israeli publication *Le-diot Ajronot*, "Roni" ran a drug gang in New York and robbed about \$1 million from American banks. In Brazil, he had a joint venture with one Luis Mutón de Oliveira, an intimate friend of Bolivian "Cocaine King," Roberto Suárez. The police asked the justice ministry to confiscate all the traffickers' assets.

Romeo Tuma had just been in Paris to seek aid against drugs and terror. He met with French Interior Minister Charles Pasqua and Security Minister Robert Pandraud. Tuma praised France's tough treatment of drug consumers. That surely shocked the liberal mafia encrusted in Brazil's Federal Council on Narcotic Drugs which, in various ways, has sought to legalize or tolerate marijuana smoking.

Tuma wants to restructure the Brazilian police on the French model. "We came here," he declared, "to examine aerial surveillance against traffickers and terrorists because France developed a very efficient control scheme using helicopters which we would like in Brazil."

The powerful Federal Police chief was also impressed by French police

and army cooperation against terrorism. "The work of the armed forces with the police under orders of regional police, which I saw in Marseilles was quite impressive." He wants to send some Brazilian police to France immediately to be trained as an elite corps, like France's special services.

Thus, it is very strange that Justice Minister Paulo Brossard, according to a note in the daily *Jornal do Brasil* Oct. 19, wants to curtail the powers "of the for now all-powerful Romeo Tuma," by naming an old enemy of his as his adviser.

One can be sure that Tuma's agreements with the French police were not appreciated by the "audacious" narco-investors linked to the British Crown. They are trying to consolidate in Brazil those areas which traditionally conceal fabulous profits. Hong Kong and Shanghai Bank, the central bank of the Asian gold and narcotics trade, has set up shop in Brazil. Harry Frederick Oppenheimer, South African owner of the de Beers Oppenheimer Corporation and co-owner of the Anglo-American goldfields has grabbed almost 70% of the industrial production of gold in Brazil, along with other strategic minerals.

"Brazil became Harry's favorite country," *Jornal do Brasil* noted Oct. 18. During the past five years, his companies have invested more than \$350 million in everything from chestnut production to gold and diamond exploration in the Amazon. His latest business, together with Citibank (on whose international board he sits, along with former finance minister Mario Simonsen) and the Bozano-Simonsen group, is building a luxury hotel complex here in Rio.

In the book *Dope, Inc.*, Jeffrey Steinberg and other *EIR* reporters documented that tourism, gold, and diamonds are the top money-laundering fronts.

Business Briefs

Money Laundering

Mexican ambassador advises looking at banks

Amid all the attacks on Mexico as the primary source of drugs into the United States, Mexico's Ambassador to the United Nations, Mario Moya Palencia, on Oct. 24 told a panel of editors from 20 newspapers from around the world that the U.S. press should pay more attention to U.S. banks that are profiting from drug money.

One hundred billion dollars is spent each year on illegal drugs in the United States, but the money only leaves the United States to be "laundered," and later returns to the economy, the ambassador said. "These operations represent a marked form of corruption, in which some banks participate, a matter which has not received the attention it merits in the U.S. press."

Thus far, the ambassador's comments have not been reported in the U.S. press.

Moya Palencia is a most unlikely figure to be attacking drug-trafficking, having been accused of ties to drug traffickers inside Mexico, and to foreign banking interests which are money-launderers, one reason his party deemed him unfit for the job of President of the Republic.

Debt

Poland unable to pay back debt

Poland's Minister of Finance, Bazyli Samojlik, said on Oct. 28 that his country is unable to service its \$33.4 billion debt to the West and hinted it favors a moratorium on repayments.

"We cannot pay back more than we are able to," said Samojlik at a news conference with Western reporters. "If there is a favorable understanding on the side of our creditors . . . that a cooperation with the debtor is necessary in the interest of the debtor, then I hope we will be able to reach an agreement satisfying both sides."

On May 28, the International Monetary Fund announced that membership had been approved for Poland, which was immediately granted relief by its commercial creditors. At that time, Polish chief debt negotiator Jerzy Malec, vice-president of the Bank Handlowy, said that Poland was keeping up with its current interest payments, and that in June, the first payment on principal in 1986 would be made.

Budget

Japan drafts supplemental budget

Japan's government drafted a supplementary budget aimed at stimulating the domestic economy, badly hit by the yen's appreciation against the U.S. dollar, officials said. They said the new budget, to be submitted to Japan's parliament for approval, calls for an additional outlay of \$3.43 billion for public works. They said \$157.5 million will be set aside for relief of medium- and small-sized enterprises suffering from sluggish exports as a result of the yen's steep appreciation.

However, the government was forced to slice \$1.65 billion off the original program of \$831 billion due to a revenue shortfall estimated at \$7.8 billion. They said the yen's appreciation, coupled with lower crude-oil prices, has helped the government cut its spending by \$2.8 billion, including \$220 million in defense expenditures.

Labor

Colombian movement unites against IMF

Colombia's former Labor Minister Jorge Carrillo stated on Oct. 24 that 80% of Colombia's labor movement will join in a single confederation on Nov. 15, the Unified Workers Union (CUT), in order to defeat pressures from the International Monetary

Fund and its errand-boys in Colombia who are trying to wipe out the labor movement.

Carrillo said that, ever since he became minister a year ago, he has been accused of being "partial" to the workers for having promoted a "harmony of interests" between labor and industry, such as that sought by Abraham Lincoln. "We have shown that we workers are not the enemy," Carrillo said, "but the high interest rates and the usurious international banks" are.

The majority of the 50 regional and industry-wide federations that will be at the founding conference of the CUT have already held internal congresses at which they voted to join it and elected their delegates.

After Carrillo spoke to the Bogota workers union assembly Oct. 24, its general secretary, Pedro Rubio, read a letter from United Workers of Colombia (UTC) confederation president Victor Acosta saying he has decided to "expel" Carrillo from the UTC for promoting CUT. Laughter and catcalls erupted throughout the hall.

CUT's leaders stress it will not be a trampoline for any party or political group. The new organization represents a threat to the U.S. State Department's American Institute for Free Labor Development and West German socialists' Friedrich Ebert Foundation, which have controlled the UTC leadership, and have ties with drug trafficking groups in Colombia.

Invisible Hand

Drugs on the job seen increasing

A study by the National Institute on Drug Abuse indicates that marijuana, cocaine, and a growing list of other drugs are showing up in offices and workplaces across the nation, costing American business \$30 billion to \$100 billion a year, according to an Oct. 28 Reuter wire.

Dr. Michael Walsh, director of NIDA, estimates that 7% of American workers take drugs or drink alcohol regularly on the job. Walsh says that 15% of the American workforce has used drugs at least once in the past year.

Briefly

One expert estimates 5,000 workers each day try cocaine for the first time, encouraged by increasingly cheap and potent forms of the drug. Walsh says, "People in the drug testing labs are seeing phenomenal rates of cocaine use. The NIDA study indicates that absenteeism is 250% higher among drug users, while their accuracy and job performance decline 25% to 33%."

Farming

Reagan signs changes in bankruptcy code

President Reagan signed special farm legislation Oct. 27, which is now inserted into the nation's bankruptcy code as Chapter 12, developed especially to aid family farmers. Under the new law, farmers with debts of as much as \$1.5 million could apply for bankruptcy under the special farm section of the bankruptcy code—if they are family farmers who earn at least half their gross income from farming and can attribute at least 80% of their debt to it.

The measure gives farmers 90 days after filing for bankruptcy to submit a reorganization plan to be adopted over the objections of creditors if a court determines the plan meets certain tests for fairness and equity.

"It is the most extensive rewrite of the federal bankruptcy code in 50 years and will greatly enhance the financial viability of many family farmers," said Sen. Charles Grassley of Iowa, the measure's chief Senate sponsor.

Demography

27% of Brazil's women sterilized

A survey by the anti-population lobby's Brazilian front, BEMFAM (The Society for Family Well-Being), recently found that 27.7% of all women of childbearing age (15 to 44 years old) have had their Fallopian

tubes surgically tied—that is, have been sterilized. In the poorer regions of Brazil, the North and Center-West, the number rises to 42%.

"I wouldn't be surprised if about 35-40% of the female population of Brazil were sterilized," commented Elza Berquo, the demographer who is president of the Health Ministry's Commission on Reproductive Rights. She told the Fifth National Encounter of Population Studies in Aguas de Sao Pedro, Sao Paulo, Oct. 14 that half of those who have been sterilized, were sterilized before the age of 30. If only women who have been married are counted, the percentage sterilized goes way up, a survey by the newspaper *Folha de Sao Paulo* determined.

There are 120 private family-planning institutions in Brazil, most of which promote sterilization. Berquo said, "There is no doubt that this process intensified in recent years through the action of networks of clinics set up in the country, tied to the Brazilian Association of Family Planning Entities and receiving money from the Association for Voluntary Sterilization, based in the United States."

Although Pope John Paul II's 1980 visit prevented birth control from being legalized, the state hospital system is certainly complicit. The daily *Jornal do Brasil* commented Oct. 15, "Surely, the process of sterilization is intimately linked to the excess of Caesarian sections in the country, which leads in world statistics. BEMFAM's survey found that 31.7% of births in hospitals were Caesarians." In other words, at the same time that the Caesarian section is performed, the mother's Fallopian tubes are tied—presumably, in most cases, with her consent.

The biggest boost in this anti-population drive came from the International Monetary Fund, which created conditions of starvation and despair which made parents and prospective parents into easy prey for the genocidalists and their pro-sterilization propaganda. In 1980, there were 5.3 million live births in Brazil; by 1984, after three years of harsh IMF austerity conditionalities, there were only 3.9 million babies recorded in the country, according to a study by Laura Wong, a Brazilian government demographer.

● **AIDS CASES** among heterosexuals known to have had sexual contact with an infected person, are doubling every six or seven months, the *Sunday Times* reports, citing a report delivered in late October to a symposium on AIDS and heterosexuality in New York by Anthony Robertson's RTD Corporation. According to this study, there are now 27,000 confirmed victims in the United States, and an estimated 3-4 million people infected with the AIDS virus.

● **FEDERAL DRUG AGENTS** announced Oct. 29 the largest cocaine seizure in U.S. history, a shipment of more than two tons with a street value of about \$500 million. Customs agents discovered the cocaine on Oct. 17 hidden in a secret compartment of the 41-foot shipping container unloaded from a Venezuelan-registered freighter at a port in West Palm Beach, Florida, authorities said. "We're quite proud of this accomplishment."

● **ARGENTINA** is about to "import" an economic development program, prepared for it by Zaburo Okita, "architect of the Japanese miracle." The study, consisting of six volumes, is super-secret, according to *Ambito*, but focuses on four main points: 1) global planning and the free market; 2) government and private sector; 3) foreign capital and technology; 4) long-term strategies for industrialization. Okita is a member of the Trilateral Commission.

● **FRANCE AND IRAN** have reached agreement on repaying a \$1 billion loan granted by the late Shah to the French Atomic Energy Commission, the French Foreign Affairs Ministry said Oct. 29. The accord, which follows the resumption of talks on the loan dispute between the two countries Oct. 27, will be signed at the political level shortly, according to the Ministry.

Advances in the science of the free electron laser

In the second part of our three-part series, Robert Gallagher discusses recent milestones and the physical principles that lie at the basis of its operation.

In 1985, Lt.-Gen. James Abrahamson, director of the Strategic Defense Initiative Organization (SDIO), announced a decision to accelerate the program for development of a free electron laser (FEL) toward the construction of a prototype, ground-based ballistic-missile interceptor by the early 1990s. Abrahamson explained that the decision was prompted by advances made in the development of free electron lasers over the previous year. Indeed, the free electron laser program had produced significant advances in beam output power, optics, and advances toward ultraviolet (UV) and x-ray free electron lasers.

This article reviews recent work at major national laboratories in the United States and Europe in the development of the free electron laser, and discusses the basic physical geometry of its operation.

The free electron laser offers numerous advantages for military and industrial applications.

1) High power. Because the free electron laser is driven by relativistic electron beams, one intrinsic characteristic is that it produces a high-power laser beam. **Table 1** (column 9) shows that experimental free electron laser devices at several national labs, have produced hundreds of megawatts in peak power.

2) Tunable output. In principle, it is possible to develop a free electron laser whose wavelength (or frequency) of output radiation is as tunable as a radio tunes onto a signal; for example, an free electron laser whose laser light output could be tuned from red to orange to green to blue, by varying electron beam energy. The physical principles underlying this property are discussed below. It is important for several

All interactions between light and matter depend in a complementary way on the wavelength of light and the properties of the gas, solid, or liquid it interacts with. For example, specific chemical reactions correspond to wavelengths

of electromagnetic radiation; specific wavelengths of electromagnetic radiation reduce specific chemical bonds. As a result, the widespread availability of tunable sources of coherent radiation, will revolutionize chemical processing and basic industry.

Tunable devices will find military applications in advanced laser radar, by which the composition of the atmosphere, or of the surface of a target, can be determined from the wavelengths of light emitted by them after being irradiated by an free electron laser over a range of wavelengths. With such information on a target's surface characteristics, an free electron laser interceptor can select the optimum wavelengths with which to destroy the target. Once atmospheric conditions between the interceptor and the target are so determined, the interceptor can choose the specific wavelength of attack, to minimize energy-dissipating interaction with the atmosphere.

The property of tunability will permit the same free electron laser to play roles in both boost-phase ICBM interception and terminal defense against warheads. free electron lasers that are tunable in the ultraviolet and x-ray portions of the spectrum, may generate ultraviolet beams for relay to space-based mirrors for destruction of ICBMs in the boost phase of their trajectory (the first five minutes after launch), or may generate x-rays to attack and disarm nuclear warheads descending over the United States.

As indicated in **Table 1**, the first (and easiest) free electron lasers to operate, were not tunable, but only amplified a signal guided into them. The development of tunable free electron laser oscillators, devices whose inherent oscillations generate laser light, has only occurred since President Reagan's March 23, 1983, speech announcing the Strategic Defense Initiative.

Free electron lasers based on radio frequency linear ac-

TABLE 1
Milestones in the development of the free electron laser

	Free electron laser characteristics									Accelerator characteristics		
	(1) Date	(2) Wave-length achieved (microns)	(3) Undulator type	(4) Efficiency of beam energy extraction (%)	(5) Oscillator?	(6) Undulator length (meters)	(7) Pulse length (p sec)	(8) Laser input power (kW)	(9) Peak laser intracavity power ¹ (MW)	(10) Accel type	(11) Beam peak current (amp)	(12) Electron kinetic energy (MeV)
Motz	1959	1000s	Linear	NA	No							
Phillips	1960	1000s	Linear	13	No							
Stanford SLA	1975	10.6	Helical	0.2	No	5.2	3	0.015	NA	SL	0.07	24
	1977	3.147	Helical	0.25	Yes	5.2	4	0	0.5	SL	2.6	43.5
	1984	1.57&0.5	T-linear	1.2	Yes	5.4	4.3	0	460	SL	2.6	66
Lure	1981	0.488	Linear	NA	No	NA	NA	NA	NA	SR	NA	240
	1983	0.650	Klystron	low	Yes	1.3	500-1000	0	NA	SR	0.05	160
LASL	1983	10.6	T-linear	3.7	No	1.0	5000	MWs	900	L	NA	19-22
	1984	9-35	Linear	1.0	Yes	1.0	30	0	800	L	27-40	10-21
LLNL	1984	8671	Linear	5	No	3	15,000	30	80	IND	500 ²	4.5
	1986	8671	Linear	6	No	1.3	15,000	50	180	IND	850 ³	4.5
	1986	8671	T-linear	34	No	2.4	15,000	50	1,000	IND	850 ³	4.5

Notes:

1. This measure factors out any optics technology and accelerator duty cycle limitations.
2. Generated beam of 6,000 amps reduce-filtered to 500, or 8% of original current.
3. Generated beam of 4,000 amps reduce-filtered to 840, or 21% of original current.

Legend for Symbols. Undulator types: T-linear = Tapered linear; Klystron = optical klystron. NA = Data not available. p sec, (picosecond) = 1 trillionth of a second. kW = kilowatts. MW = megawatts. Accelerator types: SL = superconducting radio frequency linear accelerator; SR = storage ring; L = radio frequency linear accelerator; IND = linear induction accelerator. amp = amperes. MeV = million electron volts.

celerators have operated from 1.6 microns to 40 microns in wavelengths in the infrared portion of the electromagnetic spectrum. The free electron laser at the Los Alamos, New Mexico, scientific laboratory has been tuned continuously from 9 to 35 microns by varying the electron beam energy from 20 to 10 million volts.

Lawrence Livermore National Laboratory has amplified millimeter radar wave radiation of 50 kilowatts to as high as 1 gigawatt in power, with the electron beam from its linear induction Experimental Test Accelerator. However, the Livermore device is not an oscillator, and thus is only as tunable as the source it amplifies.

The present challenge facing the free electron laser programs around the United States and Europe, is the development of tunable machines that can produce coherent radiation at shorter and shorter wavelengths in the infrared, visible, ultraviolet, and x-ray portions of the electromagnetic spectrum, and produce this radiation at sufficient power to destroy ballistic missiles in the boost phase of their trajectories, or, in the case of x-ray producing free electron lasers, disarm nuclear warheads as part of a terminal defense system.

As noted, the same free electron laser technology promises tremendous applications in basic industry, especially the chemicals industry. Free electron lasers, driven by the radio frequency linear accelerators, have demonstrated the capa-

bility of producing coherent radiation in pulses of a few to a few tens of picoseconds (one picosecond is one trillionth of a second). Radiation of such pulse lengths exhibits "self-induced transparency," that is, its electrodynamic properties permit it to propagate without loss through the entirety of a chemical solution except at those specific chemical bonds with which it resonates in wavelength, and performs work.

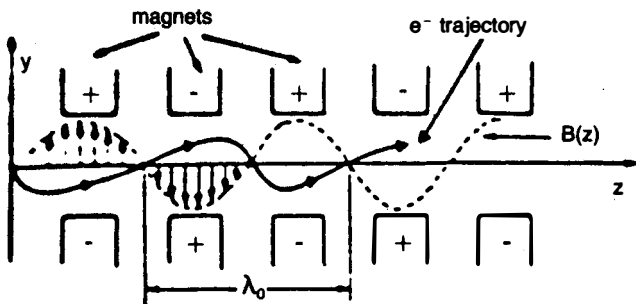
The basic principles of free electron lasing

The free electron laser is based on the phenomenon that electrons traveling close to the speed of light emit electromagnetic radiation when they are accelerated or decelerated by the action of electric or magnetic fields. The specific wavelength of the radiation emitted, is determined by the speed of the electron beam and by the radius of curvature in which the electron beam is forced to turn.

The concept of the free electron laser was first presented in 1950 by Prof. Hans Motz of the Microwave Laboratory at Stanford University. **Figure 1**, from a recent report by the group working on the free electron laser at the Laboratory for the Utilization of Electromagnetic Radiation (LURE) in Orsay, France, is a diagram of a free electron laser undulator or "wiggler," composed of magnets of alternating polarity. An electron accelerator directs a beam of electrons down the center of the undulator, which alternately turns the electrons

FIGURE 1

Sketch of a linearly polarized undulator and electron trajectory



Dotted curve indicates shape of magnetic field, $B(z)$; solid curve is electron trajectory.

Source: M. Billardon, et al., "Free Electron Laser Experiment at Orsay: A Review," IEEE Journal of Quantum Electronics, Vol. QE-21, 1985, page 805.

in one direction or the other, and thus undulates or oscillates their trajectory. Along a linear wiggler, as shown in Figure 1, magnetic field strength varies as a sinusoidal wave. The electron trajectory appears as a sinusoid in the plane of the figure, but is actually a helix. The electron can be considered as an oscillator. As the electrons turn, they emit electromagnetic radiation.

Motz presented nearly the entire theory of the free electron laser in his 1950 paper "Applications of the Radiation From Fast Electron Beams," in the *Journal of Applied Physics*. He declared: "The entire spectrum of electromagnetic radiation starting with microwaves and extending to x-rays may be easily obtained from electrons with speeds ranging from a megavolt, say, to 1,000 megavolts." He described the arrangement of the undulator as "a succession of electric or magnetic fields of alternating polarity, regularly spaced," as in Figure 1.

Motz showed that:

- 1) By varying the energy, that is, the speed of the electrons, the spacing of the magnets, or the strength of the magnetic field, the radiation of the undulator could be tuned to a desired wavelength.
- 2) The spectral distribution of the radiation is a series of harmonics of the radiation's fundamental frequency, and that the intensity of these harmonics could be high if magnetic field strength in the undulator was large enough.
- 3) The electrons emit radiation in a narrow cone, whose narrowness and brightness increases with the electron beam energy.
- 4) In the undulator, the stream of electrons forms into bunches, spaced by the optical wavelength. A free electron laser undulator, driven by a radio frequency linear accelerator, upshifts microwave power oscillating at a radio frequency, used to accelerate the electrons, into higher-frequency

coherent radiation, by transforming the beam into a discontinuous train of dense bunches of electrons spaced at the desired (shorter) wavelength (explained below).

5) Either magnetic or electric fields can be used to undulate the beam.

6) The undulator can be indefinitely long.

7) Motz derives his radiation-emission analysis from the relativistic Doppler effect, as is still done.

Confirming Motz's theory of free electron laser harmonics, the LURE group reported in 1985 in the *IEEE Journal of Quantum Electronics*, that with a magnet spacing of 8 centimeters, a magnetic flux of 3,000 gauss, and an electron beam of about 200 megavolts (MeV) in energy, they were able to produce "an intense emission" of coherent laser radiation in the first 20 harmonics of 0.65-micron wavelength radiation from the LURE free electron laser. They thus produced the first coherent free electron laser emissions in the ultraviolet and x-ray portions of the electromagnetic spectrum. As they report, "a measurement of the spectral brilliance has been made at Orsay around 300 angstroms [x-rays]. This source is about 300 times brighter than the classical synchrotron radiation obtained in a bending magnet of the same [storage] ring." (One angstrom equals one ten-billionth of a meter.)

Although an entire spectrum of harmonics is always emitted from a free electron laser, one can selectively maximize intensity at the fundamental, or particular, harmonics, by varying magnetic field strength. In 1984, a joint program of Stanford University and TRW, Inc., became the second project (after LURE) to produce coherent visible light from a free electron laser at 0.5 microns by apparently producing laser oscillation on the third harmonic of 1.6 micron infrared radiation.

Motz's other ideas have also been confirmed by experiment. As early as 1952, Motz himself produced visible light from an undulator pumped by the Stanford linear accelerator electron beam, and with a low-energy, electron gun, produced millimeter-wave radiation from the same device. In 1959, he and a collaborator announced the coherent amplification of microwaves in an undulator. Further advances were made by R. M. Phillips the following year.

Although work on development of a free electron laser was temporarily suspended following the discovery of lasers in 1960, since the early to mid-1970s, a vigorous program in the free electron laser has emerged in the United States out of the work at Stanford University led by Professors Alan Schwettman and John Madey.

The free electron laser and electron tubes

Motz's work on the free electron laser evolved out of the development of electron tubes that generated or amplified microwaves for radar in the World War II mobilization. Like electron tubes, the free electron laser is intrinsically a high-power device. An example of an electron tube is the traveling wave tube, a microwave-amplifier invented in 1943. In the traveling wave tube, an electron beam, confined by external

magnetic fields, amplifies a microwave signal, as it propagates with that signal. In the interaction of the electromagnetic wave with the electron beam, energy is transferred from the beam to the microwave, producing amplification.

Engineers and physicists presently understand the amplification of radiation by electrons as follows:

Electromagnetic radiation, such as microwaves, is composed of oscillating electric and magnetic fields. An electron subjected to a positive field is accelerated and extracts energy from the microwave. An electron subjected to a negative field is decelerated and gives up energy to the microwaves and thereby amplifies them. This action produces a velocity modulation in the beam with the result that the stream of electrons is concentrated into bunches, spaced by the wavelength of the output electromagnetic waves themselves. This bunching is critical to the coherence of the output radiation.

In the traveling wave tube, a helical waveguide that spirals around the path of the electron tube, guides the microwave signal to be amplified (see **Figure 2**). Since the microwave is slowed down by the helical waveguide, the electron beam is initially moving faster. As a result, more electrons are decelerated than are accelerated, and more energy is transferred to the microwave than it loses to the beam. Since this interaction is cumulative, the microwave grows in power exponentially, as it travels down the tube. The wavelength of amplification may be tuned, as in the free electron laser, by varying the initial velocity of the electron beam.

The basic operative principle is resonance between the microwave signal input to the traveling wave tube, and the electron beam itself. In order for the electron beam to give up energy to the microwaves or vice versa, there must be a relationship of resonance between the electron beam and the wavelength of the microwave.

The same principle of operation is at work in the free electron laser. In the free electron laser, the resonance condition is established between the energy (i.e., the speed) of the electron beam, the spacing of the magnets in the undulator-wiggler (which determines the radius of curvature of the beam there), and the strength of the magnetic field.

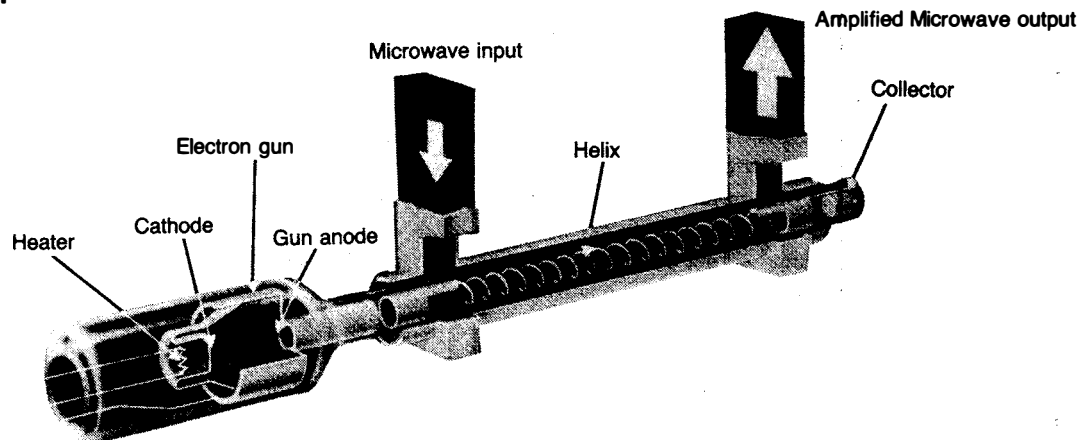
If the electrons were not traveling at a speed close to the speed of light, the result of their undulation would be the emission of radiation at wavelengths close to that of the spacing of the undulator magnets, that is, in the range of millimeter or centimeter radiation. However, a relativistic electron traveling close to the speed of light, upshifts the emitted radiation to higher and higher frequencies (shorter and shorter wavelengths) as the energy of the electron beam is increased. As a result, a constant-period magnet spacing of 2 centimeters and a 100 MeV electron beam, may produce visible light of a wavelength of one-half of one-millionth of a meter (0.5 micron).

This upshift in frequency is produced by the movement of the source (the oscillating electron), with respect to the emitted electromagnetic waves which travel at the speed of light, regardless of the speed of the source. Any moving source of radiation, will upshift or downshift the frequency of its output, depending on whether its motion relative to the direction of the waves it emits, results in their compression or rarefaction. This is called the "Doppler effect." (See **Figure 3a and b** for the case of water waves.)

In the free electron laser, a relativistic electron-emitting radiation, following close on the heels of its emitted output, upshifts the radiation frequency by a factor of the ratio of the energy to which the electron had been accelerated, to the energy of the electron at rest (0.511 MeV), a factor of about 200 in the above example. The greater the energy of the

FIGURE 2

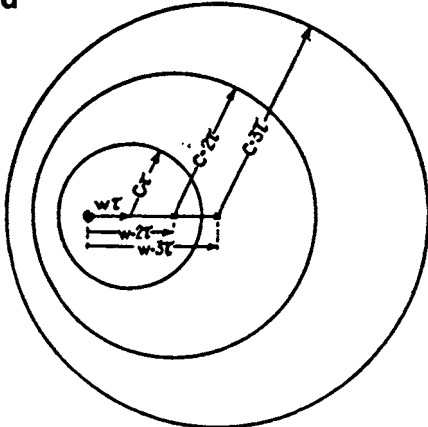
Construction of a typical traveling wave tube, showing the electron gun, the helix, and the electron collector



Source: "Introduction to the Traveling Wave Tube," Selected Articles from the Lenkurt Demodulator, Lenkurt Electric Company, subsidiary of GT&E, 1966.

FIGURE 3a.

The propagation of a disturbance from a point source whose velocity is less than that of sound

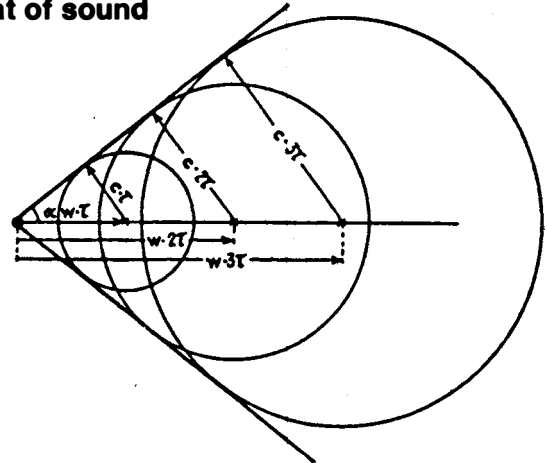


This illustrates the "Doppler" upshift in the frequency of the water waves provided by a moving source

Source: L. Prandl and O. Tietjens, *Fundamentals of Hydro- and Aeromechanics*, Dover, New York, 1957.

FIGURE 3b.

The propagation of a disturbance from a point source whose velocity is greater than that of sound



This shows graphically the spherical-conical action underlying the "Doppler shift."

Source: same as Fig. 3a.

electron, the greater the compression, and frequency, of radiation output.

This contraction of the wavelength of the emitted radiation by the action of the electron beam, provides a unique geometrical definition of the resonance condition that must be fulfilled by the relationships among the electron beam, the undulator magnet spacing, and the emitted laser beam in a free electron laser. As Phillips stated in 1960:

A synchronism between the [electrons and the radiation] must be established. . . . A synchronous condition is obtained when the [electron] beam velocity is adjusted such that an electron travels one period along its trajectory in the time that the [electromagnetic] wave travels one period plus one wavelength.

This is the condition that must be met to produce the Doppler shift required to generate a particular wavelength of light in the free electron laser.

From the standpoint of the above discussion, the helical model of electron and light beam propagation is inadequate. The net work carried out by the electron accelerator on the beam, makes the energy transfer possible. As illustrated by Figures 3a and 3b, the form of action of the compression is spherical-conical, not helical.

As the electron beam passes through the undulator, it is transformed from a stream into a discontinuous train of bunches of electrons spaced at the period of the wavelength of the emitted radiation. Once an oscillating laser beam has been established, the laser light itself contributes to the acceleration or deceleration of the electrons, intensifying

the bunching of the electron beam as it passes through the undulator. Charles Brau of Los Alamos Scientific Laboratory recently explained in the *IEEE Journal of Quantum Electronics*:

At resonance . . . the interaction becomes strong and the electrons are accelerated or decelerated slightly by the optical field, depending on whether the electrons are oscillating, in phase or out of phase, with the local electric field. As a result, the faster electrons catch up to the slower ones and form bunches spaced at the optical wavelength. The electrons then radiate coherently with respect to each other and with respect to the incident optical field.

Figure 4 dramatically illustrates this bunching process generic to all electron-based oscillators and amplifiers, with a diagram of the electron trajectories in a klystron. As the electrons travel the length of the device (vertical axis), the input microwave signal modulates their velocities; bunches form as the faster electrons catch up with the decelerated ones, and their trajectories cross, forming discontinuities in electron density spaced at the microwave wavelength. Without this bunching on the optical wavelength, the emitted radiation would not be spatially coherent; the radiation might be of the same frequency, but not in phase. *The ordered generation of discontinuities is the fundamental principle of free electron lasing.*

The close relationship between electron tube microwave technology and the free electron laser is illustrated by the fact that existing radio frequency linear accelerators in use

in free electron laser laboratories at Los Alamos and elsewhere, are presently being modified to extract microwave power out of the electron beam after it has passed through the undulator, so that its remaining energy may be used in the accelerator, and increase the overall efficiency of the system. Stanford and TRW have just announced successful recovery of over 90% of the beam energy in one technique.

Keeping the free electron laser in resonance

The very generation of coherent light, however, de-tunes the electrons and undulator, whether it be linear or helical. As the electrons give up their energy to produce or amplify the laser beam, they decelerate, their electron velocity (and energy) decreases and, in accordance with the relationship we have discussed, they fall out of resonance with the undulator. For this reason in the first free electron lasers developed in the 1970s and early 1980s, coherent amplification and emission saturated after the electron beam passed about 1 to 1.5 meters into an undulator, the distance by which electrons giving up their energy to the laser field had been decelerated below resonance. If longer undulators were used in such machines, the coherence of the beam produced, would be degraded by the emission of lower-frequency radiation from the decelerated electrons radiating at a different energy level with the undulating magnetic field, and at a longer wavelength. It appeared that there was a maximum amount of energy that could be extracted from relativistic electrons in amplifying or generating a laser pulse.

In 1960, R. M. Phillips had already foreseen this problem, and in the *IRE Transactions on Electron Devices*, proposed a solution in the form of varying the spacing or strength of the undulator or wiggler magnets. If the power of the magnet is gradually decreased, or "tapered," along the path that the electrons must travel down the undulator, then the amplitude of their oscillations is decreased, resulting in a shortening of the distance they must travel to get through the undulator. In this way, their average speed down the undulator may be kept constant, so that they are kept in resonance, despite their loss in instantaneous speed; thus they can give up a greater proportion of their energy to the laser pulse. As Phillips wrote, "The use of a tapered phase velocity for increased efficiency is attractive."

The same principle is in use in particle accelerators developed over the past 40 years. Particle beams accelerated in the cyclotron of the 1930s, fell out of resonance with the cyclotron's microwave voltage accelerator system as soon as the beam approached relativistic velocities. In the synchrocyclotron and the synchrotron, variation was introduced in the magnetic fields and in the rate of acceleration by the microwave cavities in order to keep the machine in resonance with the accelerating particle beam.

In 1981, Los Alamos operated the first free electron laser amplifier with a tapered undulator and achieved an approximate tenfold improvement in the extraction of energy from the electron beam. In 1983, a joint TRW-Stanford group

headed by Schwettman, operated the first free electron laser oscillator with a tapered undulator. Earlier this year, Livermore used a 45% taper to achieve 34% efficiency of energy extraction in amplifying a 50 kW microwave pulse to one gigawatt. The TRW-Stanford group explains tapering in a 1984 report "Tapered Wiggler FEL Oscillator":

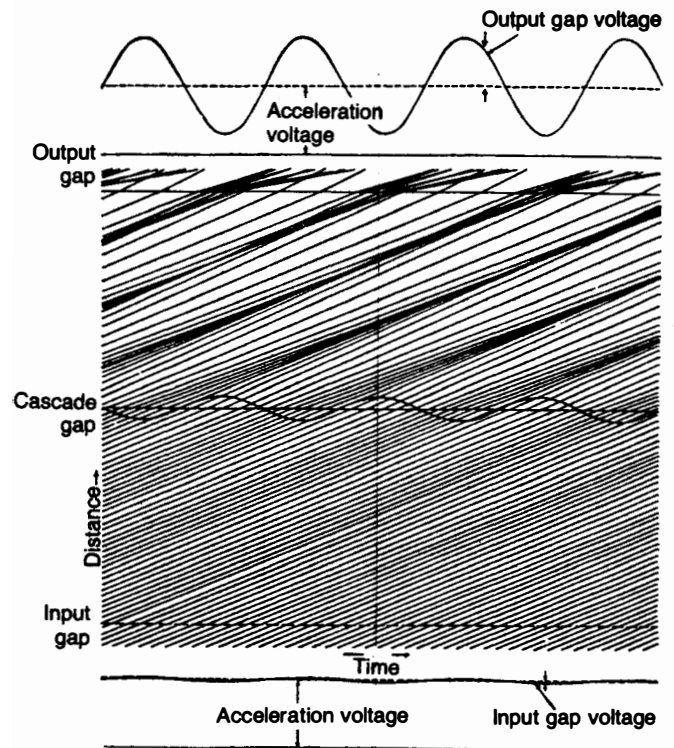
In an untapered wiggler, electrons are injected with a velocity slightly greater than the resonance velocity so that the electrons spend more of their time . . . decelerating, than accelerating. . . . In a tapered wiggler we adjust the wiggler so that the resonant velocity itself of the wiggler, decreases so that the electrons remain trapped in resonance even as they decelerate.

The TRW-Stanford group relies for much of their approach on the work of Phillips.

Electron beam 'shape'

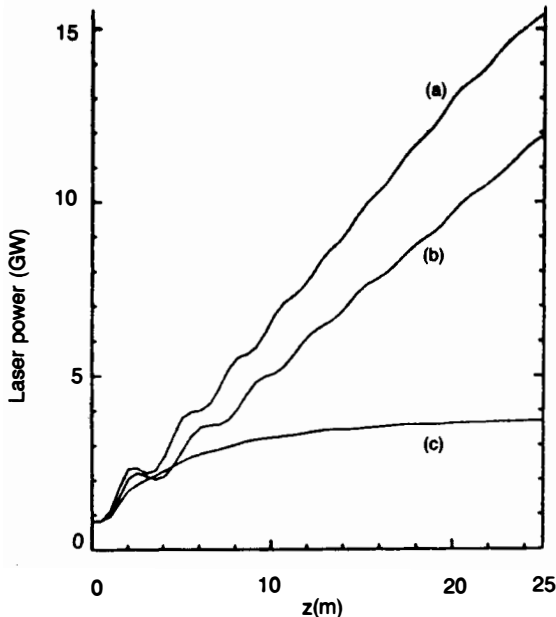
In addition to the need to use tapered wigglers to keep the electron beam in resonance with the coherent energy being produced, there are other conditions on the length of the undulator portion of a free electron laser, that portion of the

FIGURE 4. Diagram of electron trajectories in klystron microwave amplifier



Source: D.R. Hamilton et al., *Klystrons and Microwave Triodes*, Dover Publications, New York, 1966.

FIGURE 5



Laser power as a function of distance z in the wigglers for the three cases discussed in the text: (a) a helical wiggler, (b) a linear wiggler with parabolically curved pole faces, and (c) a linear wiggler with quadrupole focusing strong enough to keep the electron beam circular. The stimulation parameters are listed in Table 1.

Source: E. T. Scharlemann, "Wiggle Plane Focusing in Linear Wigglers," *Journal of Applied Physics*, Vol. 58, 1985, page 2154.

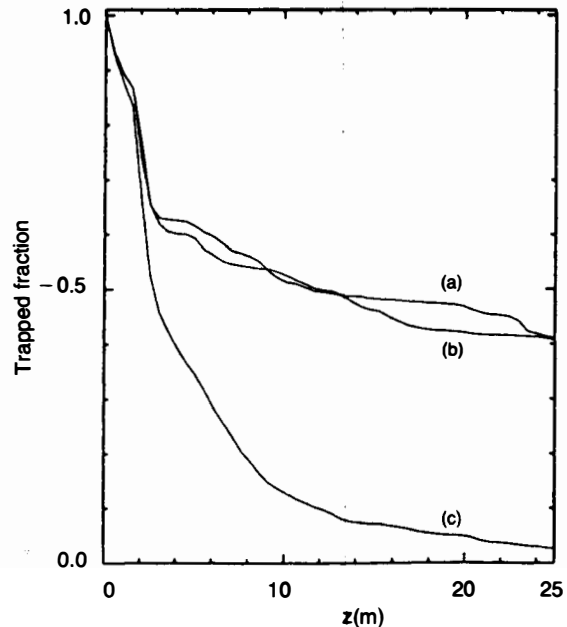
machine in which the coherent radiation is generated. Here we begin to address some recent developments at the national labs.

It is necessary to focus the electron beam as it travels through a long linear undulator. Focusing carried out with quadrupole magnets, and other forms of external focusing, however, produces an oscillation in the longitudinal velocity of the electrons. These so-called synchrotron oscillations in the longitudinal velocity of the beam, produce slight frequency variations (or combination tones) in the laser output, that broaden the spectrum of the laser beam and reduce its coherence.

In 1984, Los Alamos researchers found that the spectrum of the laser light out of their free electron laser, broadened tenfold from 0.3% at low power, to 3% at high power, due to "synchrotron instabilities," reported Brau. The LURE group was able to resolve the sidebands produced in their 1983 free electron laser oscillator experiments, into narrow lines or spikes of coherent radiation on either side of the main 6,476 angstrom line. These two lines (at 6,405Å and 6,538Å) contained 11% of the output radiation.

E. T. Scharlemann, of Lawrence Livermore National Laboratory, discussed the nature of this problem in a recent paper in the *Journal of Applied Physics*:

FIGURE 6



Fraction of electrons trapped in the bunches spaced at the wavelength of radiation, as a function of distance z along the wiggler, for the three cases of Fig. 5.

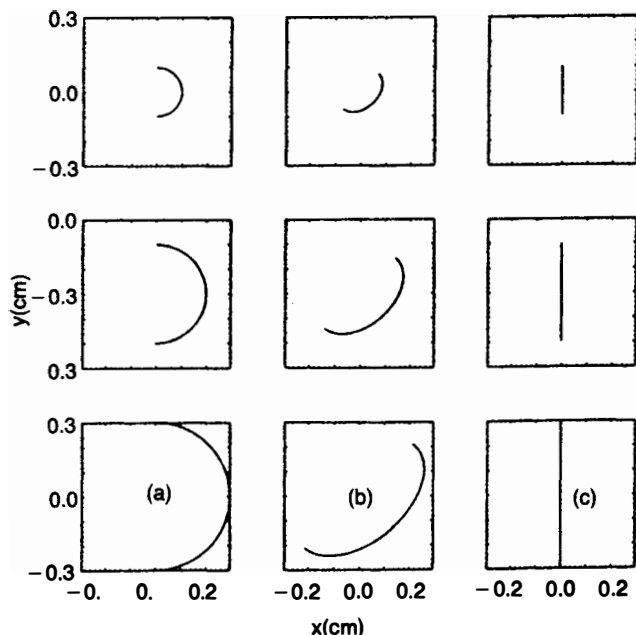
Source: E. T. Scharlemann, "Wiggle Plane Focusing in Linear Wigglers," *Journal of Applied Physics*, Vol. 58, 1985, page 2154.

The gain [that is, the laser beam amplification per pass through the undulator] of a free electron laser depends critically on maintaining a precise phase relationship between the wiggle motion of the electrons and the electric field of the light. The electrons in a focused electron beam undergo transverse oscillation (betatron oscillations). . . . The oscillating transverse velocity can produce an oscillating longitudinal velocity [synchrotron oscillations], and thereby affect the gain [at the desired wavelength]. In a long wiggler, some focusing is required; all electron beams . . . will eventually disperse in the absence of focusing.

In a helical wiggler, focusing in both transverse directions is provided by the wiggler itself. . . . Helical wigglers [however,] are unfortunately more difficult to build than linear wigglers. A helical wiggler with an adjustable taper is extremely difficult to build. . . .

In a linear wiggler of conventional design, focusing is provided by the wiggler itself in only one of the transverse directions, the direction of the wiggler magnetic field. External focusing, usually provided by adding a quadrupole component to the field, is required in the other transverse direction.

FIGURE 7



Exact transverse x - y electron orbits for nine electrons in linear, untapered wiggler with curved pole faces. The electron orbits were followed for half a betatron period in the z direction along the wiggler; plotted here are the projections of the trajectories onto the x - y plane. The orbit types are circular (left column), elliptical (center column), and linear in y (right column); the maximum betatron radii are 0.1 cm (top row), 0.2 cm (center row), and 0.3 cm (bottom row).

Source: E.T. Scharlemann. See Fig. 5.

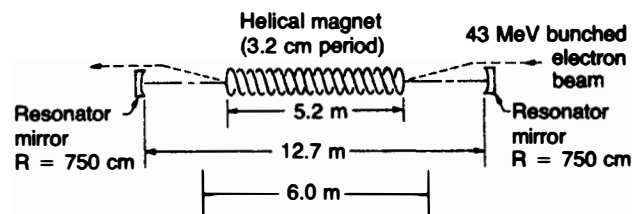
However, Scharlemann writes, "Quadrupole focusing and most other forms of external focusing, introduce an additional problem": namely, longitudinal "synchrotron" oscillations of the beam.

The end result is that the difference in performance between a conventional linear wiggler with quadrupole focusing and the equivalent helical wiggler with the same electron beam parameters is much greater than would be expected.

To solve the problem of longitudinal beam oscillations produced by quadrupole focusing in linear wigglers, Scharlemann proposes to return to the magnetic focusing design used by Phillips in 1960, where he used magnets of parabolic curvature to focus the electron beam in the transverse direction not focused by the wiggler itself. Scharlemann conducted simulation studies using the computer code for the free electron laser developed at Lawrence Livermore, to study whether parabolic focusing would solve the problem of the fall-off in gain, with an increase in the length of the undulator, as the result of the need to focus the electron beam.

FIGURE 8

Diagram of Stanford helical undulator.



The first free electron laser oscillator had a helical magnet organizations.

Source: L.R. Elias et al., "The Free Electron Transverse B Laser: 10.6 Micron Gain Measurements," presented at the International Conference on Quantum Electronics, Amsterdam, June 14, 1976.

Figure 5 from his simulation studies shows how laser power as a function of distance falls off rapidly in a linear wiggler with quadrupole focusing. The figure shows the tremendous advantages of helical wigglers, and linear wigglers with parabolically curved pole faces. Figure 6 shows how the number of electrons trapped into bunches on the laser wavelength, falls rapidly with the length of the undulator, in the usual case of a linear wiggler with quadrupole focusing, but does not so fall in the cases of helical or parabolic focusing. Figure 7 from his simulation shows that the electron orbits in a linear wiggler with quadrupole focusing are open in one transverse direction, whereas in the case of the helical wiggler or the linear wiggler with parabolic focusing, the orbits are closed, being circular (cylindrical) in the case of a helical wiggler and elliptical (ellipsoidal cylindrical) in the case of a linear wiggler with parabolic focusing.

These results strongly argue that:

- 1) A solution must be found for the problem in construction and operation of helical wigglers. The first free electron laser amplifier and the first free electron laser oscillator were not linear undulators but had a helical undulator magnet structure developed at Stanford for use with their Superconducting Linear Accelerator (SLA) (see Figure 8).
- 2) With either helical wigglers, or linear wigglers with parabolic focusing, the undulator length can be 25 meters or longer.

John Madey at Stanford University is completing construction of an undulator 27 meters in length, and according to *Aviation Week and Space Technology* magazine, Livermore is planning to build a 25-meter-long undulator for the Advanced Test Accelerator. Both of these projects rely upon an additional property of the coherent interaction of light and electron beams, for the effective use of long wigglers, a matter that has also been investigated by Scharlemann and his associates at Livermore.

To be continued.

Ibero-America needs more people, more productivity

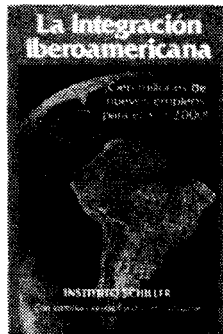
Part 10

Ibero-American integration

Taking into account unemployment in agriculture and misemployment in unnecessary services, the true level of joblessness in Ibero-America is 35%. That means that more than a third of the most important resource of the continent, its labor power, is not contributing to creating wealth.

The Schiller Institute's book, *Ibero-American Integration: 100 Million New Jobs by the Year 2000*, was published in Spanish in September 1986. An international team of experts prepared this study on the urgent measures needed to free Ibero-America of its economic dependency, elaborating the outlines of Lyndon LaRouche's 1982 proposal, "Operation Juárez."

This week EIR's exclusive English-language serialization of the book continues Chapter 4. Numbering of graphics follows that of the book.



Ibero-America is, objectively, a vastly *underpopulated* continent. The real problem of the present century has not been too great a growth rate, but rather that the moderate and high growth rates briefly experienced by several countries—around 3% from the end of the 1950s to the beginning of the 1970s—did not take place a century earlier. Worse, these growth rates are not even being maintained today. This is prolonging the terrible population deficit of Ibero-America, which will be a drag on development efforts for generations to come.

Map 4-1, showing the population density in 1985, shows that the population of the continent is not uniformly distributed, but is concentrated along the coast and in a few inland cities. In these areas, the population density is notably higher than the average, a feature which is both positive and negative. It is positive in that it does provide for industrial development to take place at all. But negatively, it means that the vast preponderance of the land area of the continent has densities far, far lower than even the low figures given above as national averages. This poses a stupendous challenge, as costly as it is necessary, to populate and make productive major portions of this presently all but unpopulated wilderness. This requires the construction of vast infrastructural projects, as outlined in Chapter 6. It is no exaggeration to say that populating the interior of the continent is the ultimate measure of effective development policies, and is absolutely essential for the integration and productivity of Ibero-American industry.

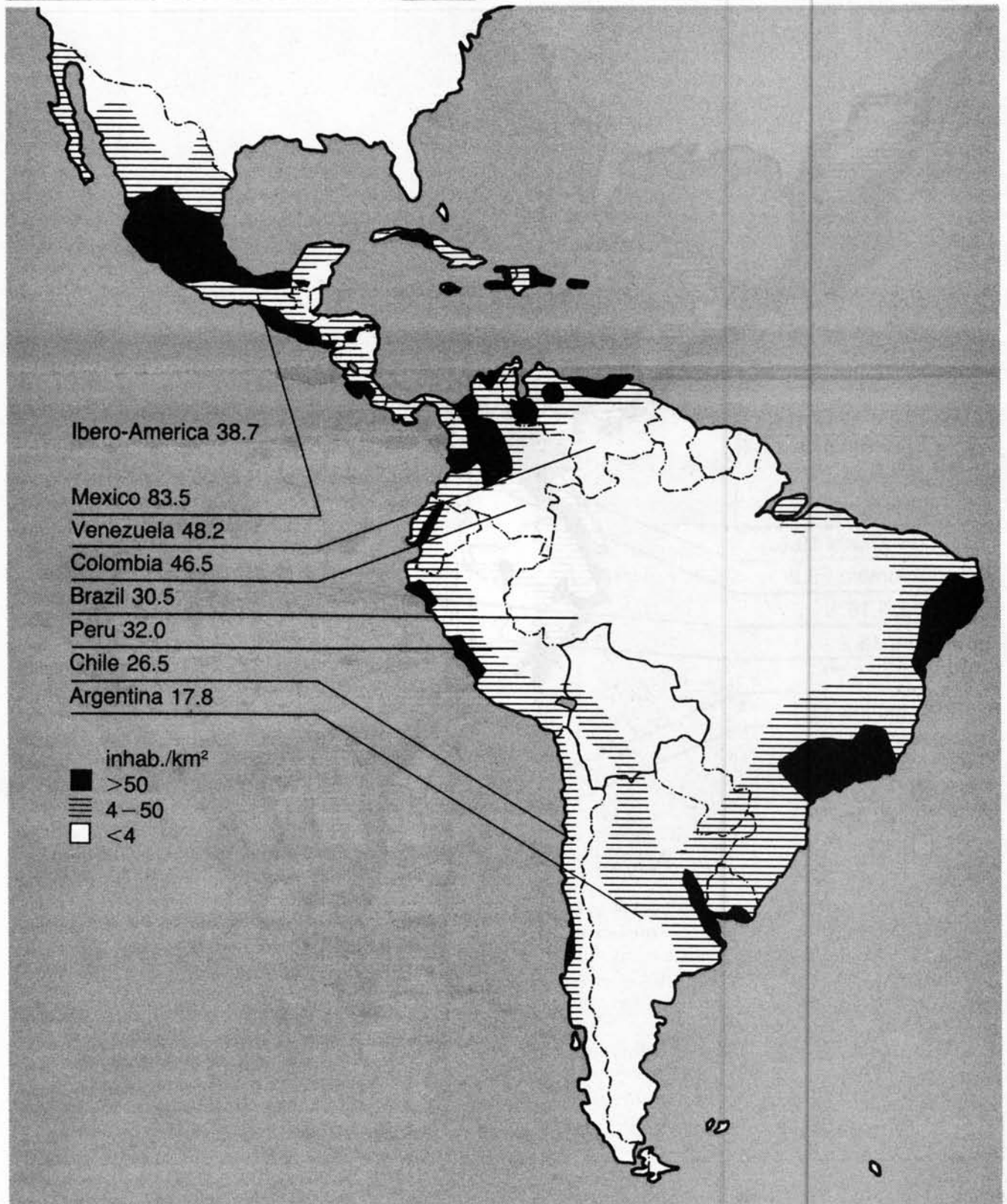
Map 4-2 indicates what the distribution and density of population in Ibero-America should be by the year 2015, when it will reach approximately 700 million persons.

Given its resource base and general characteristics, there is no reason that Ibero-America cannot become a superpower of 1.5 billion inhabitants by the middle of the next century. Apart from the Amazon jungle region and the high Andes,

MAP 4-1

Population density of Ibero-America 1985

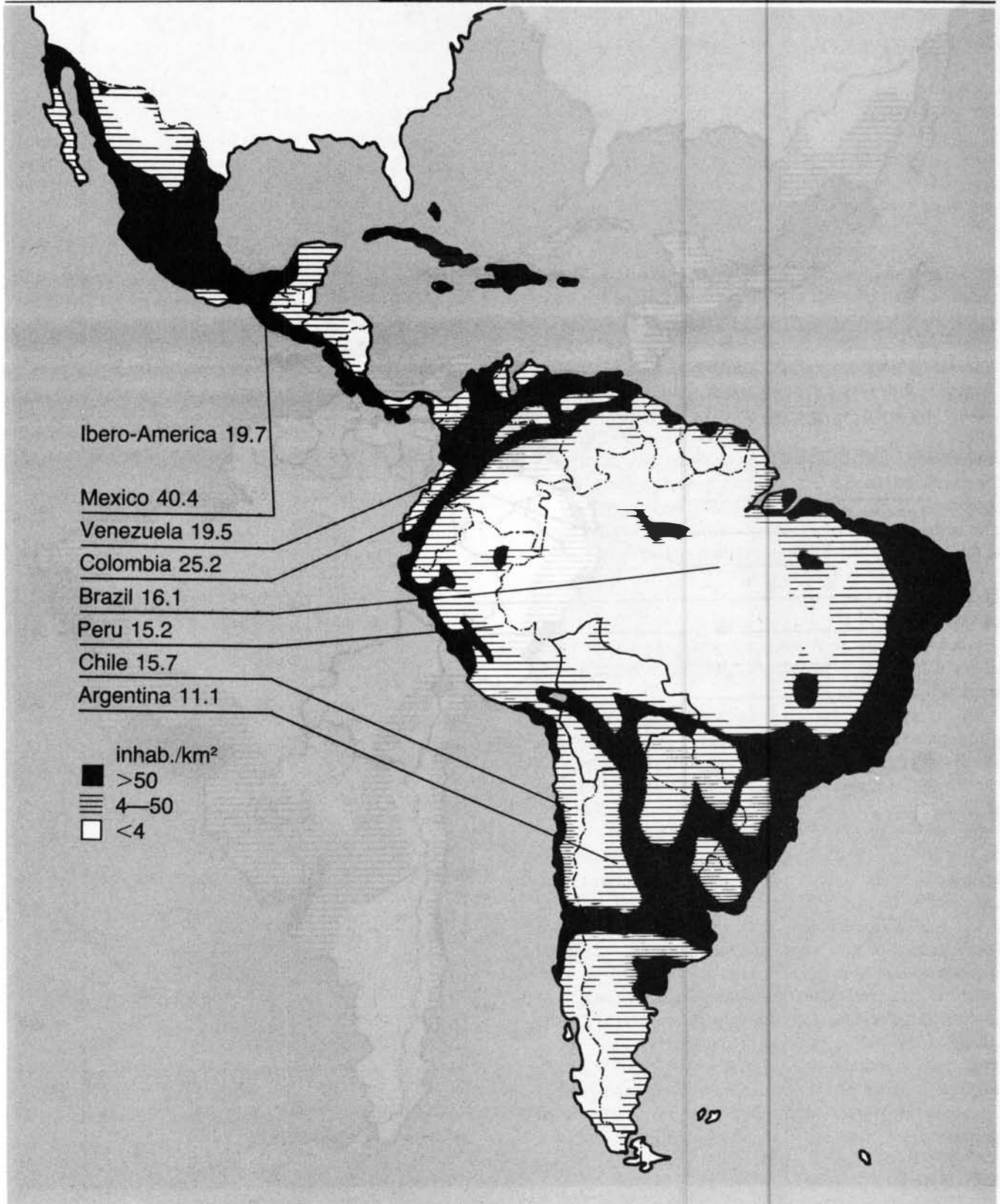
(inhabitants per km²)



MAP 4-2

Population density of Ibero-America 2015

(inhabitants per km²)



virtually all of the continent is presently or potentially habitable, and most of this area has soils suitable for economic purposes, whether crops, livestock, or forestry. Thus, on at least two-thirds of its land, Ibero-America should be able to support European levels of population density. If we take as a target just 100 persons per square kilometer—well under the 1900 density of Europe and less than half the density of most European countries today—and apply that density to two-thirds of the land area of the region (leaving a generous one-third for the Amazon, the Andes, and deserts), we find that the continent could easily support 1.37 billion people, 3.4 times more people than the present 400 million. And this is just a conservative figure. Ultimately, there is no reason not to have densities of 150 or more per square kilometer, over three-quarters or more of the territory, or 2.31 billion people, a nearly six-fold increase!

Most Ibero-American political leaders would shudder at the prospect of quadrupling or sextupling their populations, and none has set for itself such a population goal. Nonetheless, this is the proper target to set for the next century. In the fusion age approaching, the great projects galvanizing mankind will be such tasks as greening the world's deserts and colonizing the Moon and Mars. Both the scale of production and the productivities required will imply the need for 10-20 billion people on the Earth as a whole to supply adequate manpower for all the employment tasks that will be required for these and other necessary development projects. Ibero-America's destiny as the most important underpopulated region in the world must be to provide a disproportionate amount of this necessary increase in population and workforce.

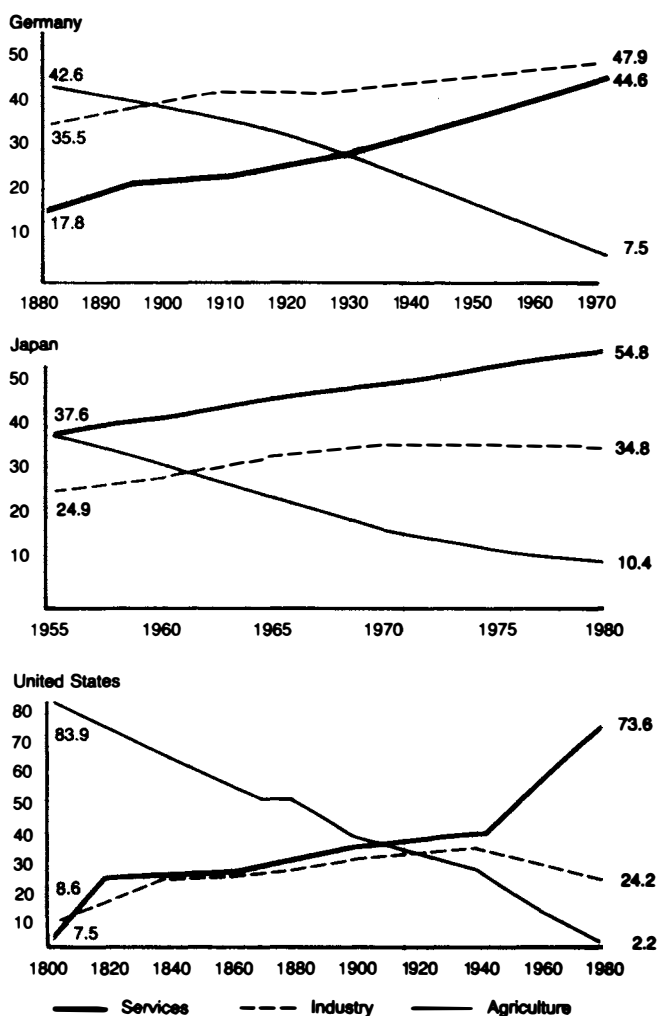
Development and the composition of the workforce

Ibero-America is not only underpopulated, but the limited population it has is to a great extent misemployed, underemployed, or unemployed.

In the first place, the composition and productivity of the workforce of a country, and in the second place the percentage of the population of working age incorporated into the workforce, determine the degree of industrial development of an economy. Before World War II, the United States, Japan, and the industrialized countries of Europe—and in the last 25 years, South Korea—moved millions of workers from the farm sector, while agriculture was becoming more and more productive and capital-intensive, into jobs in industry and services (Figure 4-2). In Germany, the United States, and Japan, the percentage of the workforce employed in goods-producing industries (mining, manufacturing, construction) grew substantially, reaching total percentages of 35-45% of the economically active population (EAP) in the decade of the 1920s. Services also grew, but the workers shifted out of agriculture were more or less equally distributed into industry and services. South Korea repeated this feat starting in 1960, shifting 30% of its workforce out of agriculture; 20% found work in industry, 10% in services.

All the important transformations experienced by the industrialized economies in their process of development were based on figures like the foregoing ones. The capacity of the agricultural workforce of developed countries to be so markedly reduced, both as a proportion of the total as well as in absolute numbers, while increasing its productivity at the same time, is the result of two factors: first, the continuous introduction of modern machinery and other technical improvements in the sector; and second, the supplying of adequate transport infrastructure to reduce the cost of carrying the products to national and world markets and stocking up on the industrial inputs needed for agriculture. The population that leaves the land is employed in industry—mainly in manufacturing, construction, and transportation—which in

FIGURE 4-2
**Composition of the workforce:
Germany, Japan, and United States**
(percentages of total)



Source: Statistical yearbooks of each country.

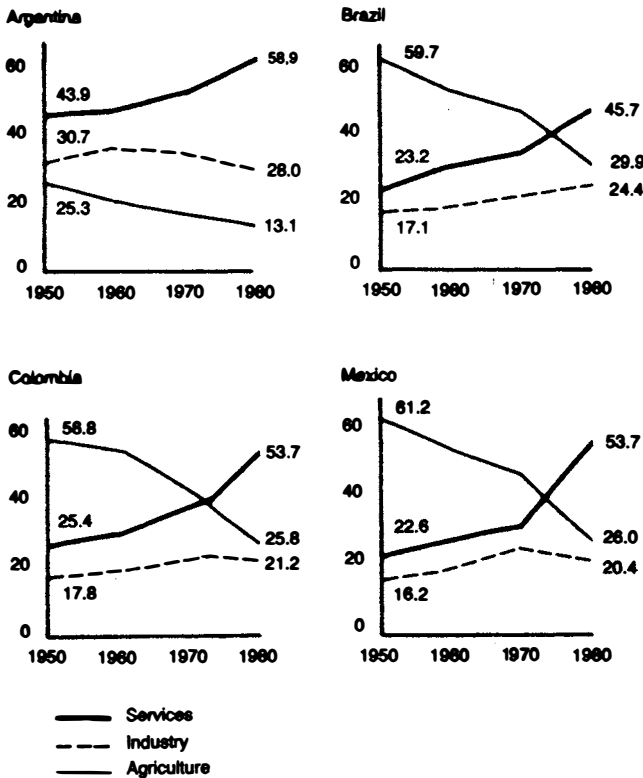
turn produces the tractors, fertilizers, pesticides, railroads, and electricity upon which modern farming is based. On the one hand, without a constant supply of manpower coming out of agriculture, there would not be the workforce to occupy the needed industrial jobs; on the other hand, without the enormous production of modern factories sustained by this supply of manpower, it would never be possible to supply agriculture with the inputs that allow the farm worker to quit the land.

Equally important is the fact that manufacturing jobs, which make up the majority of the industrial category, underwent rapid and continuous increases in productivity per worker. These relatively high rates of productivity recently permitted the advanced countries to shift a growing proportion of their jobs into non-goods-producing services, a tendency which can be seen in Figure 4-2. A good part of this change today represents downright harmful jobs in useless services, paper shuffling, superfluous sales jobs, and so forth. But the industrialized countries continue to survive, thanks

to their high industrial and agricultural productivity, which has allowed their economies to carry this extra burden of overhead.

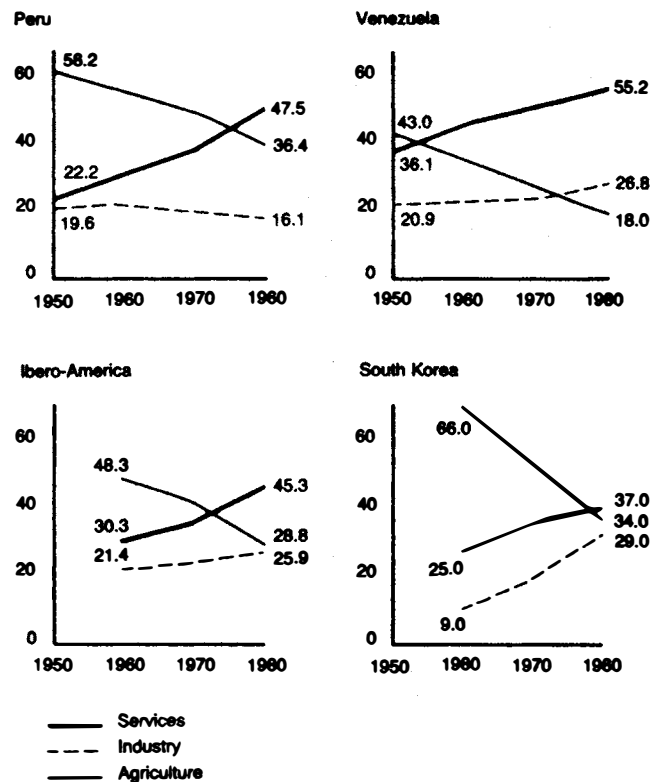
Compared to the norm of industrialized countries, Ibero-America has a disastrous pattern of development. As will be seen further on, and in Figures 4-3 and 4-4, in all the Ibero-American countries except Argentina, up to the mid-1960s the percentage of the workforce employed in industry was under 20%. It went up a bit in the 1970s, but in 1980 it dropped again in various countries, and since then, certainly, a great deal more. The portion of the workforce engaged in agriculture went down by 30% in Brazil, and of this reduction three-quarters—i.e., 22.5% of the previous agricultural workforce—went into services, while only 7.3% entered industrial production. In Mexico there is an even worse situation, with a decrease of 35.3% in agriculture, less than one-seventh of which went into industry—a scant 4.2%—while the rest, 31.1%, passed into the service sector. And the percentage employed in industry fell markedly between

FIGURE 4-3
Composition of the work force:
Argentina, Brazil, Colombia, and Mexico
1950-1980
(percentages of total)



Sources: ECLA and World Bank.

FIGURE 4-4
Composition of the work force: Peru
Venezuela, Ibero-America,
and South Korea 1950-1980
(percentages of total)



Sources: ECLA and World Bank.

1970 and 1980—by 3.5%—and much more markedly after 1982, following the imposition of the International Monetary Fund's austerity regime.

Colombia, Peru, and the rest of the continent reveal the same pattern of destruction. Argentina, the only apparent exception, entered into the 1950s decade with over 30% of its workforce employed in industry, and under Perón's policy, by 1960 it exceeded 34%, at the level of most of the developed countries. Argentina, in fact, had the same potential as Japan to industrialized fully, and it was embarked on that course until the 1955 coup against Perón forced it to back down from this policy. By 1980, the proportion of the Argentine workforce with jobs in industry had fallen to 28%, and has continued to fall ever since.

South Korea, on the contrary, is a good example of a country in which the composition of the workforce was as bad as that in Ibero-America during the 1950s and 1960s, but which succeeded in making the positive changes associated with industrial development.

There is a second important problem in the composition of employment in Ibero-America. Only a very small part (about 24%) of employed workers in the industrial sector (in itself a minuscule portion of the workforce) work in the vital area of capital goods. The rest is employed in manufacturing intermediate goods and consumer goods, which are less productive sectors. As Figure 4-5 indicates, this differs strikingly from the pattern of developed countries, for example West Germany, where 49% of the manufacturing workers produce capital goods.

A similar problem is the abysmal productivity of most of the industrial workforce existing in Ibero-America. The problem is that only a small proportion of all the jobs labeled as manufacturing jobs are actually in modern industries. The typical average productivity of the industrial worker in the most modern plants that exist in each country is equal to half of the productivity of comparable industries in developed countries. But most of each manufacturing sector is made up of shops and "micro-enterprises" which are inefficient and low in productivity.

Ultimately the bankers and their "free trade" theoreticians have given to this category the elegant name of "informal economy," singing the praises of low productivity and the limited capital use in such businesses, as being great "job creators." It is the moral and economic equivalent of extolling primitive subsistence farming, because it binds the peasant to the earth. In the last analysis, such "subsistence manufacturing" of the "informal" sector is a cancer on the functioning of the economy as a whole.

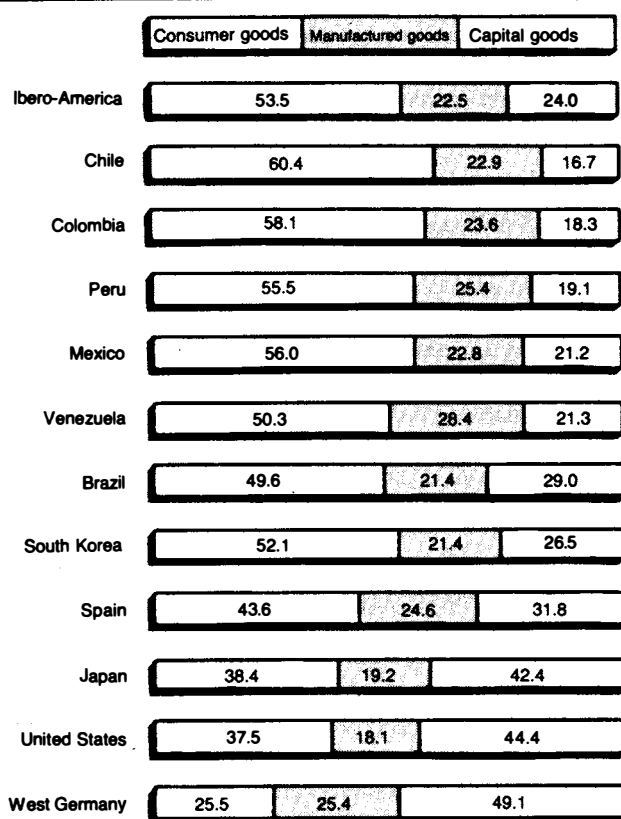
The fact that all of Ibero-America has more or less the same number of manufacturing operatives as the United States, but produces one-fourth of the value of the industrial products, is a measure of the low average manufacturing productivity of the region. And since the most modern sector of Ibero-American manufacture, from which most of the manufactured products come, has productivities which are between one-third and one-half the U.S. average productivity, this means that the rest of the manufacturing sector, which employs the great majority of manufacturing operatives but produces a small fraction of the total product, functions with very, very low productivity.

The available statistics do not allow a detailed analysis, but if we could precisely isolate the industrial jobs that correspond to the average type of industrial employment in the developed countries, the sum of these jobs would represent an even smaller percentage of the total workforce than the percentages already cited.

Thus, we have a situation defined by two great problems. The first is that employment in Ibero-America veered from agriculture directly into services, without passing first through the industrial production of goods. Ibero-America began to enter into the "post-industrial" era without ever bothering first to industrialize! The second problem, is that jobs in manufacturing plants have average rates of productivity which are unacceptably low.

FIGURE 4-5
**Employment structure in manufactures,
 various countries
 1980**

(percentages of total)



Source: World Bank.

The Russian-Hammer connection in official Washington

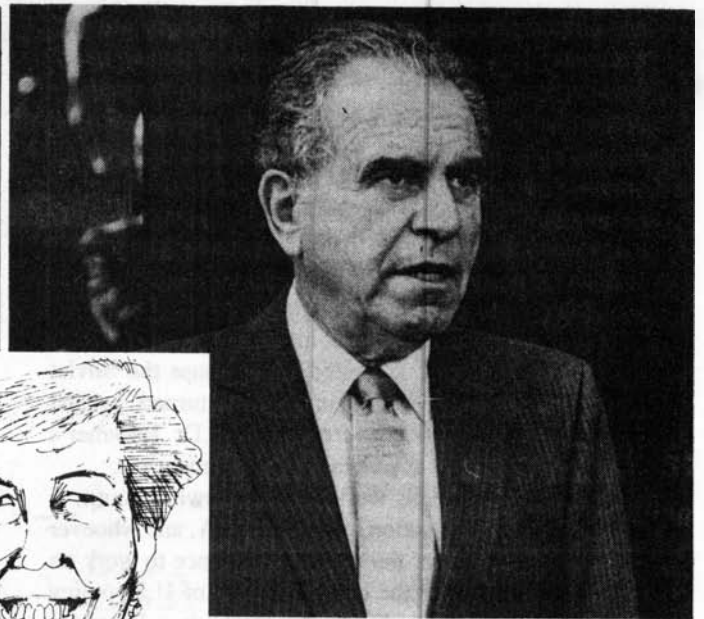
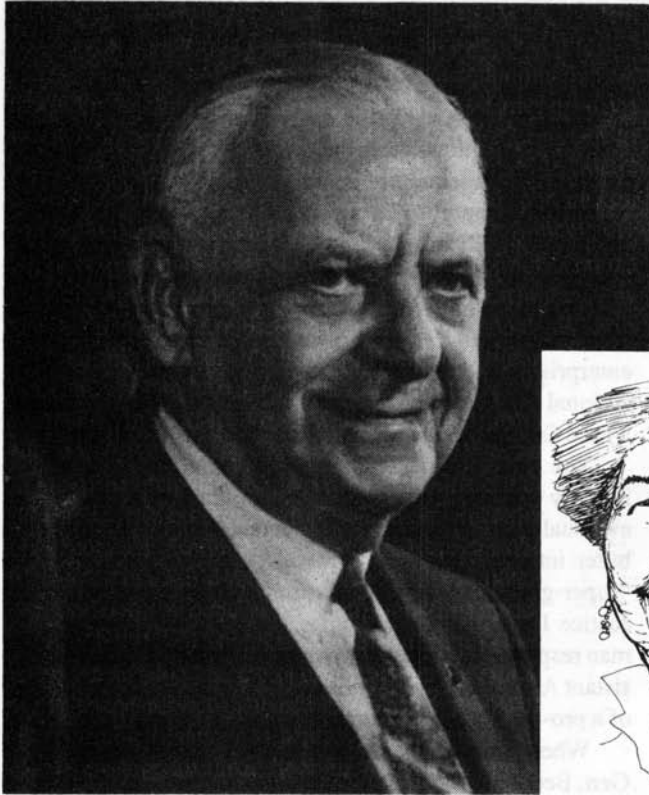
by Criton Zoakos

Whereas the official Soviet clamoring, prior to the Reykjavik summit, to have Lyndon LaRouche's head delivered on a silver platter, was expressed in a series of articles in publications controlled by Raisa Titorenko-Gorbachova's and A. N. Yakovlev's "culture mafia," the operating coordination between the Soviet and U.S. elements carrying out the illegal raids and arrests targeting LaRouche associates was run through a "cultural-exchange back channel" involving U.S. Information Agency (USIA) chief Charles Z. Wick and Soviet propaganda chief Yakovlev.

According to intelligence received, the Wick-Yakovlev channel was functioning with the blessings of KGB billionaire Armand Hammer. In fact, Dr. Hammer was, in the same time-frame as the Wick-Yakovlev anti-LaRouche arrangement, carrying off his spectacular emigration of "dissident" Dr. David Goldfarb. It may or may not be a coincidence that the bureaucratic arrangements involved in the Goldfarb case, had to be run by another "back channel," from the Soviet Foreign Ministry's Department of Humanitarian and Cultural Affairs, under Yuri Kashlev, to Hammer's friend Mark Richards of the Justice Department's Office of Special Investigations. This channel would have, conveniently, brought Dr. Hammer's Kremlin friends in contact with those elements inside the Justice Department who, under William Weld's supervision, were orchestrating the illegal crackdown against LaRouche's associates.

The surprising influence which Dr. Hammer of Occidental Petroleum has established within the Reagan administration, raises questions of importance respecting not merely the current foreign-policy drift of the State Department, but also the skeletons in the closet of the U.S. foreign-policy establishment.

The ubiquitous Dr. Hammer, it appears, with his patsy, Charles Wick, controls nothing less than the entirety of the official U.S. government cultural posture, and most emphatically, the policy of cultural exchanges and cultural competition with the Soviet Union. He also maintains an otherwise inexplicable influence over the Department of Justice, through his liaison with Mark Richards of the Office of Special Investigations. Numerous other tentacles of Armand Hammer, reaching



The Soviet "cultural mafia," headed by Raisa Gorbachova, has launched a strategy of infiltration of U.S. intelligence services, through the good offices of Armand Hammer (left) and Charles Wick (right).

deep into the Department of Commerce and even the White House, complete the picture of his private "state within a state."

Dr. Hammer is a senior Soviet intelligence operative, functioning under the cover of "businessman." In numerous instances during the post-war period, ranking KGB officials have boasted, in confidence, to Western counterparts, that Armand Hammer is such a senior intelligence operative working for them. The still unexplored "Russia files" of Gen. Reinhard Gehlen, certainly contain much more information relevant to the "super-agent" status of Dr. Hammer, than the current curators of the Gehlen collection are willing to make public.

The fact of the matter remains, that Hammer is such a senior Soviet "super-agent," with an extensive penetration network within the present administration in Washington. His cover, simply, is that he is not a "communist," but merely a "pinko sympathizer," who, because of his connections in the Kremlin, might be of occasional usefulness to the U.S. government. The height of irony is, that this cover is cultivated by Roy Godson of Georgetown University's Center of Strategic International Studies, and his various understudies, such as Herbert Rommerstein of the USIA (and FBI), who pose in public as the world's experts on Soviet KGB "disinformation" techniques.

Godson, his sundry "Herbert Rommersteins," Jack Matlock of the National Security Council, Charles Wick, Mark Richards, the senior analysts at the CIA's Soviet Desk, are

merely part of a pathetic slew of official and quasi-official careerists, hired guns, and climbers who, on behalf of powerful principals behind the scenes, are sustaining and helping along the Hammer cover story—in the process, promoting a policy of appeasement and sellout to the Soviet Union.

Questions of fact and of policy

Should we assume the burden of "proving" that Dr. Hammer is a senior Soviet agent? No. During the 1920s and the 1930s, the official U.S. government intelligence services of that time, repeatedly classed Dr. Hammer as a Soviet agent, as official documents surviving to this day show (see *EIR*, Sept. 6, 1985, "Armand Hammer: Soviet 'Fixer' From Lenin to the Present"). Dr. Hammer's father was a co-founder of the U.S. Communist Party, together with Jay Lovestone. Hammer himself was a close collaborator of both Lenin and Lenin's chief of security and espionage, Felix Dzerzhinsky, the founder of Cheka, predecessor organization of today's KGB. Today, Hammer is the only foreigner allowed to fly over any part of the Soviet Union by private airplane and to go to meet any Soviet leader without so much as an advance phone call.

Instead of us "proving" the case that Hammer is a Soviet intelligence official, someone in official Washington should tell us why the official, governmental designation of the man as a Soviet agent, which was valid in the 1920s and 1930s, has been dropped today.

For this designation to have been dropped, one of four

things must have happened:

- 1) Either agent Hammer was “turned” and made to work against his former employers, the Soviet services; or,
- 2) he retired from the political intelligence business; or,
- 3) he became a “freelancer” and went to work on his own account; or,
- 4) somewhere along the line between the 1930s and now, someone changed the U.S. intelligence criteria applied to judge whether a person is a Soviet intelligence agent or not.

Possibilities 1 and 2 are ruled out because the Soviet government does not think that Hammer was “turned” against them, nor is there any evidence from the feral Dr. Hammer’s daily schedule that he is anywhere near retirement yet.

Possibility 3, that he is working on his own account, is today the favorite explanation of the FBI, CIA, and whoever it was that gave Hammer the security clearance to work on Charles Wick and shape the cultural aspect of U.S. policy toward the Soviet Union. This explanation is a lie and a distortion. Hammer is not working on his own account.

What happened is that, over the years, the criteria, both official and unofficial, for judging who is and who is not a Soviet agent, have been changed: The same set of facts, pertaining to the activities of Armand Hammer, judged against the yardsticks of the 1920s and 1930s, would produce the conclusion that he is a Soviet agent, and, judged against the yardsticks of 1986, would produce the conclusion that he is not.

The Trust’s influence in Washington

At the present time, Armand Hammer is the leading edge of three major policy thrusts in Washington: transformation of U.S. propaganda programs addressing the Soviet population, into vehicles of Great Russian nationalist-chauvinist themes; efforts through Department of Commerce and private industry channels, to permit the Soviet Union’s entry into GATT and, eventually, the World Bank and the International Monetary Fund; U.S.-Soviet coordination of human rights and emigration policies, with Hammer interfacing between the DoJ’s Office of Special Investigations and the Soviet Foreign Ministry’s Department for Humanitarian and Cultural Affairs.

These three policies reflect explicit commitments of the Kremlin at this time, and thus make Hammer an explicit agent of at least these Soviet policies. They also happen to be a reflection of similar policy commitments of a certain power center of the U.S. Eastern Establishment, variously known as “the Trust,” the “bankers’ CIA,” etc.

The Morgan Guaranty bank’s law firm in New York, Sullivan and Cromwell, often provides the legal counsel for Armand Hammer’s Occidental Petroleum, and the Bank of Boston is Occidental’s investment banker, having been retained since the time that the Bank of Boston’s president was a Russian emigré aristocrat. The relevance of this back-

ground information to what is going on today in official Washington, is that, during Lenin’s 1917 Revolution, these banking institutions, together with Jacob Schiff, financed Lenin, and subsequently appointed their own trusted man, Jacob Furstenberg, to be the first director of the Soviet Central Bank. Sullivan and Cromwell, and the man who would soon become its senior partner, John Foster Dulles, created a series of trading corporations to secure the international trade relations of Lenin’s Soviet Russia. Hammer’s business enterprise was one of these; another was the American International Corporation of 120 Broadway, in New York City, where George Shultz’s father, Earl Birl Shultz, worked.

The cluster of East Coast banks and law firms which initially sponsored and saw through the Lenin revolution, eventually, after the end of the Second World War, and after bitter internal struggles, came to dominate in most of the “super-grades” of the CIA. A similar erosion occurred in the Justice Department, leading to the point today, where the man responsible for issuing national security clearances, Assistant Attorney-General William Weld, is himself a member of a pro-Soviet penetration operation.

When John Foster Dulles, in 1953, forced the ouster of Gen. Beddel Smith from the CIA, his brother Allen took over as director of the agency and brought with him quite a number of operatives who, if the pre-war criteria of intelligence were to be applied, would have been classed as Soviet agents. Among them, under Sullivan and Cromwell’s Dulles wing, were old friends of Armand Hammer, such as Communist Party founder Jay Lovestone, William Bundy, the promoter of Alger Hiss, and others. Under the Dulles brothers, U.S. intelligence, over the vehement objections of Gen. Douglas MacArthur and other senior military leaders, shifted dramatically its criteria of judgment on the question of Soviet agency. As a result of that shift, many of the original funders of and participants in the Lenin revolution were cleared, and even propelled to positions of policy influence—solely on the grounds that, within the context of the Bolsheviks’ family brawl, they found themselves on the side opposite to that of Josef Stalin, who, at that time, had his own ideas of how the great East-West game of international bankers and Bolshevik demagogues should be played.

So, soon after the war, Armand Hammer was cleared of the stigma of “Soviet agent.” As a result, later on, when Yuri Andropov took over the KGB, and Archibald Roosevelt was coordinating the CIA’s North Africa-Middle East-East Europe operations, an artificial coup d’état was carried off in Libya, Muammar Qaddafi was installed as a figurehead, and Hammer’s Occidental Petroleum was launched as a major KGB operation, with CIA blessing. This ought to give food for thought respecting not only the “Terpil and Wilson” matter, but also the notorious Billygate affair involving President Carter’s brother, and, in connection with Billygate, the KGB and CIA interface in the Propaganda-2 Freemasonic lodge.

U.S.-Soviet connivance vs. LaRouche, Reagan

Nov. 21, 1985—President Reagan and General Secretary Gorbachov sign a new U.S.-Soviet cultural exchange accord. The Soviet intent is to upgrade the KGB's penetration of U.S. intelligence agencies, particularly through the U.S. Information Agency (USIA), controlled by Charles Wick and Armand Hammer.

November 1985—Armand Hammer-funded U.S.-Soviet Writers' Conference meets in Vilnius, Lithuania, to plan a campaign to abort the Strategic Defense Initiative and to end the influence of LaRouche. Soviet participants, drawn from the Soviet Writers' Union, are led by KGB senior officials Chingiz Aitmatov and Nikolai Federenko. The U.S. delegation is primarily drawn from the "bankers' CIA"-controlled PEN Club (Poets, Editors, and Novelists), and is led by Norman Cousins, Harrison Salisbury, Alan Ginsberg, and Arthur Miller.

January 1986—USIA Director Charles Wick travels to Moscow to work out the details of the U.S.-Soviet cultural accord. Wick meets with then Cultural Minister Pyotr Demichev; TASS Director General and LaRouche watcher Sergei Losev; and Soviet Ambassador to London Leonid Zamyatin, who had previously directed the CPSU Central Committee's information department. Under the cover of implementing the accord, the USIA and the Soviet foreign ministry agree to create liaison offices. The USIA appoints Ambassador Stephen Rhinesmith to a special liaison post; the Soviet foreign ministry creates a new Department of Humanitarian and Cultural Affairs, directed by Yuri Kashlev, previously director of the Foreign Ministry Information Department. Kashlev, who had been expelled from Britain in 1971 for espionage, has long served in the disinformation department of the KGB, which was central to the KGB cover-up of its responsibility for the assassination of Swedish Prime Minister Olof Palme. Kashlev is cited as having an "official rank in the KGB" by USIA public documents.

January 1986—PEN International conference in New York is attended by Secretary of State George Shultz, former National Security Adviser Zbigniew Brzezinski, and Wang Meng, the Chinese minister of culture. Wang is Armand Hammer's key "cultural contact" in China, and had signed a cultural accord with Wick's USIA in 1981, which later served as a model for the treaty with Moscow. Wang's networks in Canada are central to Sino-Soviet assassination capabilities in the United States.

April 15, 1986—Yuri Kashlev travels to Berne, Switzerland, as Soviet delegate to the conference on East-West human contacts. His new Department for Humanitarian and Cultural Affairs has oversight of questions such as human rights abuse, emigration of dissidents, and Soviet Jewish emigration. Under the cover of dealing with these issues, Kashlev is situated to bargain with several Western agencies over spy swaps, mutually agreed upon assassinations, and other deals.

May 12, 1986—Hammer goes to Moscow. The publicly announced purpose is to offer further aid to victims of the Chernobyl nuclear reactor disaster and to open up an art exhibit in Moscow, but the visit is primarily intended as a back channel between the U.S. State Department and the Soviet command, on preconditions for a new summit.

May 22, 1986—Hammer meets Shultz in Washington, and reports that Gorbachov has assured him that he would consider rescheduling a summit with Reagan, and would also consider a Shultz-Shevardnadze meeting. Hammer conveys the Soviet high command's conditions for a summit.

Late May 1986—Mary Jane Wick, wife of USIA director Charles Wick, is given \$500,000 by mob-linked financier Carl Lindner, and another \$500,000 by Armand Hammer. The official reason is to restore Washington, D.C.'s Ford Theater, but the funds will actually go to solidify KGB partnership with the USIA.

June 1-3, 1986—Hammer in Israel to run the "Hammer Conference on Economic Coordination." Speakers include: Haim Ben-Shahar, Hammer's Israeli aide, on "The Hammer Plan and the Marshall Plan"; Sam Nilsson, representing the International Federation of Institutes of Advanced Studies (IFIAS), directed by LaRouche-watcher and malthusian racist Alexander King; and International Monetary Fund and World Bank representatives. Hammer agrees to mediate between Israel and Russia on the release of 50,000 Soviet Jews, and other Israeli objectives.

June 3, 1986—Yuri Kashlev announces the release of 36 Soviet families—119 people in all—to join their families in the United States.

June 12, 1986—Hammer meets Reagan at the Ford Theater. Reagan says that he desires a summit with Gorbachov and a rescheduling of a Shevardnadze-Shultz meeting.

June 13, 1986—Hammer meets Soviet Ambassador Leonid Zamyatin in London, conveying Reagan's message from the previous day. Zamyatin, who had been instrumental in push-

ing through the U.S.-Soviet cultural accord, informs Hammer what further conditions are necessary for a summit to occur.

June 28, 1986—Soviet Writers' Union is redirected, at its conference in Moscow, to prepare it for Gorbachov's cultural infiltration strategy. Senior intelligence officer and LaRouche profiler Julian Semyonov dominates the assembly. Walter Laqueur, an intelligence and terrorism specialist based at Georgetown University's Center for Strategic and International Studies (CSIS), publishes a piece praising Semyonov in the July-August issue of *Society* magazine, signaling acceptance of the Semyonov plan by the "banker's CIA."

July 20-Aug. 3, 1986—The Esalen Institute sponsors a tour of a Soviet Writers' Union delegation, including a joint Esalen/PEN/Soviet Writers' Union event at Columbia University and a five-day conference at Esalen headquarters.

Aug. 6, 1986—Yuri Kashlev and Stephen Rhinesmith announce the conclusion of a successful week of "cultural negotiations" in Washington. Soviet delegation meets with 28 private U.S. organizations. Kashlev's press team is led by TASS operative Oleg Polyakovskii, who had been earlier assigned by TASS to profile LaRouche's 1980 and 1984 presidential campaigns, in liaison with NBC and the Anti-Defamation League of B'nai B'rith.

Plans for a "cultural exchange" on medical research are announced in Moscow to visiting U.S. officials: Surgeon General Dr. Everett Koop; James Wyngaarden, director of the National Institute of Health; and James Mason of the Atlanta Centers for Disease Control (CDC). On Oct. 22, shortly after his return from Moscow, Dr. Koop convenes a press conference to release a report on AIDS, which reiterates the CDC's cover-up line. The press conference occurs just before the Nov. 4 U.S. election, in which Proposition 64, the LaRouche-supported California ballot initiative, and the CDC's line has been used to justify opposition to the proposition.

Aug. 7, 1986—*Sovetskaya Kultura*, a publication of the CPSU Central Committee, carries a slander of Lyndon LaRouche, entitled "About a Fraud," and demands that he be investigated by U.S. law enforcement agencies.

Aug. 7, 1986—Formation of Mrs. Raisa Gorbachova's Soviet Culture Foundation announced in *Pravda*. The idea was supposedly put forward at the July Soviet Writers' Conference. The foundation's committee includes leading figures in the command structure targeting LaRouche for assassination. The conclusion of the Kashlev negotiations, the *Sovetskaya Kultura* slander, and the announcement of the new Culture Foundation are clearly coordinated.

The 40-man committee formed to build the foundation includes: former Culture Minister Pyotr Demichev; Yu. Bon-

darev, secretary of the Soviet Writers' Union; Archbishop Pitirim; A. Chakovskii, chief editor of the KGB mouthpiece *Literaturnaya Gazeta*; Julian Semyonov; Raisa Gorbachova; Albert Belyayev, chief editor of *Sovetskaya Kultura*; and Valentin Falin. Organizations represented include the culture ministry, the Academy of Arts and Sciences; the *Rodina* (Motherland) Society, the U.S.S.R. commission in charge of UNESCO-related affairs, and the Society for the Preservation of Historical and Cultural Monuments.

Aug. 27, 1986—Hammer is in Tel Aviv, where he meets with former Prime Minister Menachem Begin, then Prime Minister Shimon Peres, current Prime Minister Yitzhak Shamir, Minister of Industry and Trade Ariel Sharon, and Minister of Immigration Absorption Michael Tsur. The main subject of the meetings is the conditions under which Moscow would release 50,000 Soviet Jews to Israel. Discussion included Moscow providing Israel with forged evidence to be used in prosecuting alleged former Nazi concentration guard John Demjanjuk, a U.S. citizen who had been deported to Israel through the efforts of the U.S. Justice Department's Office of Special Investigations.

September 1986—Riga, Lithuania, "cultural meeting" takes place as a result of the Wick-Kashlev meetings of early August. U.S. attendees include: former National Security Adviser Robert McFarlane; Deputy Assistant Secretary of State for European Affairs Mark Palmer; John Matlock, then NSC staffer for Soviet affairs; USIA's Stephen Rhinesmith. Discussion of withdrawal of U.S. troops from Europe and neutralization of West Germany.

Sept. 2-3, 1986—Hammer is in Moscow, where he meets with Premier Nikolai Ryzhkov and former Ambassador to the United States Anatoli Dobrynin, now CPSU Central Committee director of the International Department. Sources believe that the focus may be on Soviet demands to kill LaRouche and to break Reagan's commitment to the SDI at the Iceland summit.

Sept. 8, 1986—Hammer is in London to meet with Prince Charles and other Soviet collaborators in the House of Windsor.

Sept. 13, 1986—*Pravda* interview with Georgi Arbatov, Central Committee member and director of the U.S.A. and Canada Institute, reports that Arbatov and Charles Wick have been in correspondence since January, and that Wick agreed that it was dangerous that President Reagan "based his ideas about the U.S.S.R. on several endlessly repeated false quotations" ascribed to Soviet leaders.

Sept. 15, 1986—Soviet *New Times* magazine publishes five-page slander of LaRouche, entitled "Nazis Without the Swastika," written under the direction of Ernst Henry, and de-

manding LaRouche's elimination. *New Times* is under the effective control of Aleksandr Yakovlev, CPSU Central Committee chief of propaganda, and of Anatoli Dobrynin.

Sept. 22, 1986—Hammer meets Shimon Peres in New York immediately prior to Peres's meeting with Soviet Foreign Minister Eduard Shevardnadze.

Sept. 27, 1986—U.S. State Department admits that Hammer had flown to Moscow a few days previously as an official State Department channel to secure the release of *U.S. News and World Report* journalist Nicholas Daniloff.

Sept. 28, 1986—Hammer returns to the United States, confirms that he met with Dobrynin on Daniloff, and other conditions for a summit. It has been suggested by some intelligence sources that this meeting was also the occasion for the Soviets to convey the demand that LaRouche be eliminated.

Sept. 30, 1986—*Sovetskaya Kultura* publishes an article entitled "Provocateur Aspiring to Become President," calling, among other things, for the U.S. Internal Revenue Service to investigate LaRouche.

Oct. 3, 1986—General Secretary Gorbachov attacks LaRouche, in a speech in Moscow—under the "code" identification of fascists without swastikas.

Oct. 6-7, 1986—U.S. Justice Department, in compliance with Soviet demands, raids *EIR*'s Leesburg, Virginia, offices, with 400 agents. Assassination attempt on LaRouche is aborted, due to LaRouche's telegram to President Reagan, warning the President of the consequences of an attempt upon his life.

Oct. 6, 1986—International Institute of the Working Class Movement holds conference in Moscow, addressed by Ana-

Soviet culture mafia: the LaRouche-watchers

The following individuals in the Soviet Union's "cultural command" are known to be involved with "the LaRouche case":

Yegor Ligachov—Politburo chief ideologue, the handpicked successor to the late Mikhail Suslov.

Aleksandr Yakovlev—CPSU Central Committee chief of the Propaganda Department; former ambassador to Canada, where he maintained contact with Henry Kissinger and Zbigniew Brzezinski, controller of *New Times*.

Anatoli Dobrynin—CPSU CC chief of the International Department.

Yuri Voronov—CPSU CC chief of the Culture Department.

Vadim Medvedev—CPSU CC chief of Liaison with Communist and Workers' Parties of Socialist Countries.

Vasili Zakharov—minister of culture.

Yuri Kashlev—foreign ministry liaison to the USA, career KGB disinformation officer, formerly director of foreign ministry's information department.

Leonid Zamyatin—ambassador to Great Britain.

Boris Pankin—ambassador to Sweden and former director of the Soviet Copyright Agency (VAAP); played a leading role in disinformation campaign accusing LaRouche of responsibility for Palme assassination.

Julian Semyonov—spy novelist and senior intelligence officer; profiler of LaRouche since 1976; central to

coverup of Soviet role in President Kennedy assassination.

Ernst Henry—senior KGB official; veteran of 1920s Cheka.

Sergei Losev—director general of TASS news agency.

Chengiz Aitmatov—Soviet Writers' Union, deputy chief of Committee for Solidarity with Asian and African Countries. Radical environmentalist and mystic.

Aleksandr Chakovskii—chief editor, *Literaturnaya Gazeta*, KGB-linked organ of the U.S.S.R. Writers' Union.

Albert Belyayev—chief editor, *Sovetskaya Kultura*.

Nicholai Vukolov—author of articles on LaRouche in *Sovetskaya Kultura*.

Lev Bezymenskii—associate editor, *New Times*.

Fyodor Burlatskii—*Literaturnaya Gazeta* slanderer of LaRouche, with special focus on stopping the SDI.

Vitali Petrusenko—publisher of 1975 book accusing LaRouche of being a CIA provocateur; co-author with TASS Director General Losev.

Aleksandr Galkin—journalist; author of articles on LaRouche.

Timur Timofeyev—director, International Institute of Working Class Movements, son of former CPUSA leader Eugene Dennis.

Aleksandr Sabov—*Literaturnaya Gazeta* slanderer of LaRouche.

Iona Andronov—New York-based *Literaturnaya Gazeta* profiler; specialist on assassinations and espionage.

Anatoli Frenkin—a West Europe specialist for *Literaturnaya Gazeta*.

toli Dobrynin, where LaRouche is identified as a threat to the U.S.S.R., in a coded reference to “neo-conservatives.”

Oct. 10, 1986—Hammer announces a rock tour of John Denver to Moscow, as part of U.S.-Soviet “cultural” exchange.

Oct. 11, 1986—Wick meets privately with A. Yakovlev, Central Committee propaganda chief, and A. Belyayev, editor of *Sovetskaya Kultura*, for two hours, at the Reykjavik summit. Nikolai Vukolov, one of the authors of the *New Times* article “Nazis Without the Swastika,” is also at the summit.

Oct. 11-20, 1986—A second meeting of Norman Cousins’s U.S.-Soviet Writers’ Conference takes place in the Central Asian Soviet Socialist Republic of Kirgizia, timed with the Reykjavik summit. The semi-secret event is sponsored by Chingiz Aitmatov, who had attended the earlier Soviet Writers’ Union-PEN meeting in Lithuania in November 1985. Participants include futurologist and LaRouche-watcher Alvin Toffler; his associate Alexander King; Arthur Miller, who attended the November gathering; and British film producer Peter Ustinov, who was present on the scene during the 1984 assassination of Indian Prime Minister Indira Gandhi. The meeting concluded with a meeting at the Kremlin with Gorbachov on Oct. 20.

Oct. 13, 1986—*Pravda* article, “Unhealed Wound: Nuremberg, Lessons of History,” praises KGB-linked former Congresswomen Elizabeth Holtzman, and the U.S. Justice Department’s Office of Special Investigation.

Oct. 16, 1986—Hammer is in Moscow, where he makes the surprise announcement that he is flying out of the city with dissident biologist David Goldfarb, who has been released by the Soviets in a “good-will” gesture. There are reports that Goldfarb’s father-in-law, Grigori Haifetz, had been Hammer’s Soviet intelligence controller in the 1930s.

Oct. 16, 1986—Radio Moscow reports that Hammer is the first Westerner to have contributed to the Soviet Culture Foundation.

Oct. 18-21, 1986—First Deputy Foreign Minister Yevgeni Zaitsev is in Washington with a delegation, officially for the opening of an exhibition on Soviet culture at the Smithsonian’s Renwick Gallery, which had been agreed to at the August Kashlev-Rhinesmith meetings. Zaitsev meets with USIA Director Wick, officials of the American Enterprise Institute, and Pepsico chairman Donald Kendall, who had spearheaded Soviet-U.S. trade operations during the Nixon administration, and who helped sponsor the museum event.

Armand Hammer: Trust or ‘Comsymp’?

by Scott Thompson

One of the two individuals at Charles Wick’s U.S. Information Agency charged with countering Soviet *dezinformatsia* recently defended Wick’s intimate ties with Armand Hammer as follows: “You people at *EIR* are the only ones who think Hammer is some kind of Soviet operative; everybody knows he’s just a Comsymp.” This is a dramatic shift in the Reagan administration. When President Reagan first took office in 1981, informed sources say that a detailed report circulated through the National Security Council, warning precisely that Hammer was a Soviet operative.

This was with good reason. During the 1980 Presidential election campaign, U.S. intelligence sources warned *EIR* that Hammer had been charged by then Soviet General Secretary Leonid Brezhnev to pull every conceivable string to defeat Reagan. *EIR*’s own investigators found Hammer in negotiations with the Charter Oil Company for processing Libyan oil, the nexus for a \$20 million offshore slush fund from Muammar Qaddafi to the Carter family. These funds were not only to buy the support of President Carter, whose brother Billy said of Qaddafi, “At least he is honest about supporting terrorism,” but also as an electioneering fund to “turn out the vote.”

A high source within the Reagan National Security Council confirmed that these warnings against Hammer did not last long. Pressure was brought to bear to override NSC officials’ objections to contact with Hammer. One factor in this was that members of the California “Kitchen Cabinet,” such as Charles Wick, got Hammer’s foot-in-the-door with President Reagan by having him named head of the President’s initiative against cancer. More important was a Soviet effort, by four consecutive general secretaries, to build up Hammer as an apparently indispensable back channel. “When Hammer calls saying he has a message from Yuri Andropov, you listen to him,” one top NSC official said.

Compared to the NSC, the State Department was a “piece of cake” for an old operative like Hammer. A spokesman for then Assistant Secretary of State for European Affairs Richard Burt, now U.S. ambassador to West Germany, acknowledged Burt’s use of Hammer as a “back channel” for pre-summit negotiations, stating: “We’re very impressed with Dr. Armand Hammer and all of his various contacts with the Soviets. . . . Of course, any friend of Father Lenin is a friend

of Mikhail Gorbachov.”

Not accidentally, this public use of Armand Hammer followed a 1982 interview by Tad Szulc in *Parade* magazine with Secretary of State George Shultz’s “good friend and adviser” Henry Kissinger, who said that George must undertake the same “back-channel” diplomacy (kept secret from the American public) that led to Kissinger’s conclusion of the treasonous 1972 SALT-ABM Treaty.

Shultz and ‘The Trust’

Shultz needed no urging. His family has been associated with Armand Hammer’s business operations with the Soviet Union for two generations. Shultz’s father, Dr. Birl Earl Shultz, had been personnel director at the American International Corporation of 120 Broadway, created by Frank A. Vanderlip of the Rockefeller-Stillman National City Bank (Citicorp today), together with Morgan, Schiff, Winthrop, Grace, and other Wall Street interests. CIA counterintelligence sources call this 120 Broadway operation a cornerstone of the Soviet deception operation known as “The Trust.”

Declassified documents from the State Department show that the 120 Broadway group worked with Armand Hammer and his Soviet business partners to: 1) do all the engineering studies for the First Soviet Five Year Plan in 1917, when the Bolsheviks only held Moscow and Petrograd; 2) break the State Department ban upon trade and credits; 3) sign secret treaties on behalf of Secretary of State Robert Lansing with the Bolsheviks; and, 4) create the original “back channel,” through American Communist John Reed and others (possibly including AIC partner Armand Hammer).

Shultz’s involvement with Hammer went even further. According to Harvard’s Joseph Finder writing in *Red Carpet*, George Shultz got his job as president of the Bechtel Corporation in 1975 when, as Nixon’s treasury secretary (1972-74), he worked to obtain U.S. government credits for a \$4 billion Soviet natural gas project that Hammer sought to carry out with Bechtel. It is also through this Hammer-Bechtel connection that the fraud of Shultz’s “anti-terrorism” rhetoric is exposed.

When Bechtel undertook to build a pipeline for Hammer’s Occidental Petroleum in Colombia, Hammer told the *Wall Street Journal*, he had set up a “catering service” with the narco-terrorist Ejército Liberación Nacional (ELN), which promptly kidnapped President Belisario Betancur’s brother. Through taxes paid to Libya, where Oxy remained until the final boom came down from the U.S. government, Hammer also underwrote Qaddafi’s terrorism.

A friend of Felix Dzerzhinsky

Armand Hammer participated in founding the Trust operation of Soviet Cheka boss Felix Dzerzhinsky. Soon after the October Revolution, the Odessa-born Hammer traveled to Russia and met with Vladimir Lenin. Not only did Lenin grant Hammer the first “concession” under his New Econom-

ic Policy, but he ordered Dzerzhinsky, then also president of the Supreme Economic Council, to “liquidate” any “red tape.” At least one person was shot by the Cheka on Hammer’s behalf.

Hammer’s father, Julius, a co-founder of the Communist Party U.S.A. (released from prison by intervention of the same Schiff interests that were behind the AIC), soon joined his son in Russia, where reliable sources report he worked with Dzerzhinsky’s GPU. State Department records also show Hammer married a suspected GPU agent, the Baroness Olga von Root, whom he divorced once she entered the United States. Hammer himself worked directly with Dzerzhinsky to lure 50-odd major U.S. corporations into the Soviet trade, as well as to break the State Department ban upon such dealings. When Stalin gradually collapsed the NEP in the late 1920s to early 1930s, liquidating several Bolshevik supporters of Western Trust arrangements, Hammer was given looted treasures of the Romanoffs to carry his riches out of Russia.

Hammer promptly got involved in the whiskey business, building United Distillers, Ltd., on the model of his earlier “tincture-of-ginger” and “exotic drug” business during Prohibition. Hammer was soon in contact with the top members of the “Syndicate,” eventually selling out his company in 1943 for \$10 million to Louis Rosenstiel, a former “bootleg” supplier to the Detroit-Cleveland “Purple Gang” and Chicago “Capone mob.” Today Hammer is connected with other members of the “Hollywood mafia,” who, like Rosenstiel, “went legit,” including: Arthur B. Krim of Orion Pictures; Krim’s senior law partner Louis B. Nizer; former Capone mob attorney Sidney Korshak and Paul Zifren; and MGM chairman Kirk Kirkorian. Arthur Krim is now deeply involved in California, in Hammer’s work to defeat Proposition 64, the LaRouche-endorsed plan for emergency public-health measures to stop the spread of AIDS.

Hammer did not amass his real fortune until he entered Libyan oil in 1966, through alleged bribes to “Nazi collaborators” and help from British lords. It was with the September 1969 coup of Muammar Qaddafi that Hammer’s Libyan holdings became “black gold.” *Forbes* magazine wrote of Hammer’s dealings with Qaddafi to raise worldwide oil prices: “Hammer had saved his Libyan concession at a terrible price to the industrial world. But he did so at remarkably little cost to himself.” The CIA counterintelligence staff monitored communications that allegedly showed Hammer conniving with Qaddafi to jack up oil prices and undercut Western industry, using the Russian embassy in Libya and Moscow officials.

Records from the U.S. State Department, supplemented by U.S. intelligence leads, unquestionably show that George Shultz’s and Charles Wick’s friend Armand Hammer is not simply a “Comsymp,” but a leading agent of Soviet Trust operations begun by Felix Dzerzhinsky, founder of today’s KGB.

Wick, Hammer, and the 'cultural' accord

by Kathleen Klenetsky

Not a few eyebrows were raised in late October, when Charles Wick, head of the U.S. Information Agency, disclosed that the United States is ready to permit the Soviet Union access to U.S. radio channels, for the purpose of beaming Soviet propaganda into American homes and workplaces.

Wick told the *New York Times*, the *Washington Post*, and other media, that the issue had arisen during a two-hour-long meeting he held with the Soviets' propaganda chief, Aleksandr Yakovlev, and Albert Belyayev, editor of *Sovetskaya Kultura*, during the Oct. 11-12 Reykjavik pre-summit.

Wick blithely admitted that, when Yakovlev complained of Moscow's inability to reach enough U.S. homes with its anti-American propaganda broadcasts, because few Americans use medium-wave radios, he suggested to Yakovlev that the Soviet Union simply purchase time on U.S. radio to broadcast its message! In exchange, the Soviets would allegedly stop jamming Voice of America broadcasts into the East bloc.

The fine hand of Armand Hammer

This incredible arrangement, which could take effect early next year, resulted from a U.S.-Soviet cultural accord agreed upon by President Reagan and Mikhail Gorbachov at their November 1985 summit, and which Wick has been charged with implementing.

Reliable sources report that the cultural accord was largely the handiwork of longtime Soviet agent Armand Hammer, whom Wick, together with former White House deputy chief of staff Michael Deaver, brought into the administration's inner circles, as a "back channel" to Moscow, during the 1982-83 period.

The Occidental Petroleum chairman has assiduously exploited the opening provided by Wick and Deaver, to establish himself as a key intermediary between the two superpowers. For the past two years, Hammer has been shuttling back and forth between Washington and Moscow, trying to convince President Reagan of the wisdom of striking an arms-control deal with Russia.

The Wick-Hammer-Yakovlev link raises some grave questions about the role of certain Reagan administration

officials in the Soviet-ordered operation to shut down the political operations associated with Democratic presidential candidate Lyndon H. LaRouche, Jr. Yakovlev and Belyayev have been identified as key figures orchestrating the security-stripping operations against LaRouche, which resulted in an illegal raid on the offices of LaRouche associates, carried out by the U.S. Justice Department's William Weld on Oct. 6.

Soviet leaders have made no secret of their desire to kill LaRouche, whom they regard as the intellectual author of President Reagan's Strategic Defense Initiative. Twice in the weeks prior to the Leesburg raid, explicit and detailed marching orders to "get LaRouche" by directing police-state operations against the financial supporters of his associates, were issued in Belyayev's *Sovetskaya Kultura* magazine.

It is not yet known whether Yakovlev and Belyayev brought up the "LaRouche problem" in their meeting with Wick. When a journalist asked a Wick spokesman to comment on a press conference held by a LaRouche associate shortly after the Leesburg raid, to release details of the Soviet operation against LaRouche, the spokesman exclaimed: "I didn't know LaRouche had broken out again!" Another USIA official admitted that the Soviets "view LaRouche as a right-wing anti-communist," but refused to comment on whether he had been discussed at Reykjavik.

Hammer has also been identified by intelligence sources as being key in Soviet dirty tricks against LaRouche and his associates.

The Wick-Hammer link

Wick and Hammer have worked together closely for years. Both USIA and Occidental officials have confirmed that the two men consult frequently and have collaborated on many projects since Wick became USIA head in 1981.

Consulting with Hammer is tantamount to consulting with the senior echelons of the KGB—as publicly available documents in the U.S. State Department archives testify. Hammer's role as a Soviet agent is an open secret in the Western intelligence community. Recently, a European expert on Soviet intelligence informed *EIR* that Hammer's Soviet controller was "a top Soviet intelligence official" named Grigoi Haifetz, who, during the 1930s, served as Soviet vice-consul in San Francisco. "I know of NKVD [the predecessor to the KGB] officials, who, during World War II, openly bragged about NKVD control of Hammer, saying, 'Hammer's been one of ours for years,'" the expert reported.

To what extent Wick is aware of Hammer's pedigree is not clear, although it is hard to believe that someone in charge of such a key component of the U.S. intelligence apparatus as USIA could be ignorant of such facts. Perhaps the most charitable interpretation is to say that Wick, who made a killing in the entertainment and real-estate industries and struts around in \$1,200 custom-made suits, may have allowed Hammer to buy his way into the administration. For example, at the behest of Wick's wife, Mary Jane, Hammer

and his friends contributed hundreds of thousands of dollars to Mrs. Wick's pet charity, the Ford Theater endowment, over the last several years. In turn, Mrs. Wick is believed to have used her decades-long friendship with Nancy Reagan, to help her husband insinuate Hammer into the Reagans' good graces.

In any event, Hammer's influence has been clearly felt at USIA under Wick's tenure. Although Wick has long cultivated a tough-guy anti-communist image, it is no secret that, under his reign, USIA has become one of the primary sources within the administration for the delusion that the Soviet Union is a "crumbling empire," torn apart from within by a faltering economy, as well as the profusion of ethnic tensions and anti-regime religious sentiments. Promoters of the "crumbling empire" thesis argue that these internal forces will soon topple the Bolshevik leadership. Thus, rather than "waste" resources on shoring up American military capabilities, U.S. policymakers should focus on promoting these sources of internal dissension, while simultaneously negotiating arms agreements with the Soviet leadership.

Key posts within USIA are held by devotees of this Soviet disinformation, including Lucille Obolensky Flam, widow of Trust agent Prince Obolensky, who works at the Soviet desk of the USIA's Voice of America, and Herbert Rommerstein, a former member of the Young Communist League, who is closely linked to the Soviet-Mossad networks which controlled accused spy Jonathan Pollard.

Hammer's biggest "contribution" to USIA has been the U.S.-Soviet cultural agreement. Several USIA officials credit Hammer with paving the way for the accord through his contacts in the Kremlin bureaucracy. Hammer reportedly was particularly helpful in opening doors to Wick, when the USIA director traveled to Moscow last January to work out the details of the cultural agreement. Nine days of meetings with top Soviet officials of the cultural and foreign ministries, was all Wick apparently needed to drop his anti-communist tough talk in favor of idiocies about the great future of U.S.-Soviet relations.

In a press conference in Moscow at the end of his visit, Wick gushed that the new cultural exchange agreement would be the "magic key" that will "promote the sort of understanding that will instill in people a greater mutual trust . . . which will build the foundation for arms control." Upon returning to Washington, he told reporters that "Moscow was a fascinating winter wonderland. . . . Our meetings were in the true spirit of Geneva. I could not be more pleased. . . . I could not be more optimistic." Then, in an interview on ABC-TV's "Nightline": "I never dreamed that I would be there in such a friendly atmosphere. It is a testimonial to the enlightened wisdom of President Reagan and to destiny providing the Soviet Union with a leader like Mr. Gorbachov, who can understand President Reagan."

According to the Kremlin's "America-handler," Georgi Arbatov, writing in the Sept. 13, 1986 issue of *Pravda*, Wick

also agreed, during his visit, that it was "dangerous" that President Reagan "based his ideas about the U.S.S.R. on several endlessly repeated false quotations" ascribed to Soviet leaders.

Wick's trip to Moscow resulted in a dramatic increase in the number of "cultural" contacts between USIA and other American officials and their Soviet counterparts, as well as exchanges between private U.S. groups and the Soviet Union.

This past August, a top-level Soviet delegation, led by Yuri Kashlev (a KGB official who was tossed out of London for spying in the early 1970s), met with Wick and his U.S.-Soviet exchange coordinator Steven Rhinesmith, to set up an even greater level of such exchanges.

Two curious coincidences occurred almost immediately thereafter: Voice of America, the USIA division charged with beaming American broadcasts into the East bloc, began shutting down its operations; and the Soviet press, notably Belyayev's *Sovetskaya Kultura*, published a series of attacks on LaRouche.

Aside from the overtly political operations being run under its cover, the cultural accord in its own right hardly serves U.S. interests. One of the more important agreements reached during Kashlev's August visit to Washington was to send U.S. Surgeon-General C. Everett Koop and Centers for Disease Control head Dr. James Mason, to the Soviet Union this October. According to Hal Thompson, a U.S. official who accompanied Koop and Mason, AIDS was discussed at nearly every meeting the U.S. delegation held with their Soviet counterparts. Thompson said that the Soviet health authorities insisted that the AIDS virus "is spread only through sexual contact, dirty needles, and blood products"—a line first circulated by the Soviet-dominated World Health Organization.

Shortly after his return, Koop issued a report on AIDS which lied that sexual abstinence or the use of condoms would be adequate to prevent its spread. At the press conference presenting the report, Koop said he was "absolutely opposed" to Proposition 64, the LaRouche-endorsed referendum that would permit California authorities to apply public health measures, including universal testing for AIDS carriers. According to congressional sources, the report was extensively revised after Koop's trip to the U.S.S.R. A previous version had been more alarmist (and accurate) in warning of the dangers of the virus to the general population.

Another example of the fruits of Wick's "cultural agreement" is the Soviet-sponsored exhibition of 19th-century Russian art which opened in October at the Smithsonian's Renwick gallery in Washington. The exhibition extolls the "blood and soil" fanaticism that lies at the root of Soviet antipathy to Western values; but it may not be far from Wick's concept of culture. As a film producer during the 1950s and 1960s, Wick is best known for his opus "Snow White and the Three Stooges." Perhaps that's why he's chosen to become a stooge for Armand Hammer and his Soviet pals.

Thatcher takes lead against Syrian terrorism

by Thierry Lalevée

More than six months after the American raid against the terror bases inside Libya, the decision of the Thatcher government of Britain to break diplomatic relations with Soviet-allied Syria, on Oct. 24, is one of the most decisive moves yet against state-sponsored terrorism. That such a move came only a few weeks after the Reykjavik summit where President Reagan displayed a firm determination not to compromise with the Soviets on issues of principle, is obviously no coincidence.

Atlantic solidarity was furthered by Reagan's immediate decision to recall for consultations his own ambassador in Damascus, William Eagleton. The move sent shivers through the State Department bureaucracy, for whom Syria's Hafez al Assad still remains the "Bismarck of the Middle East," as Henry Kissinger admiringly dubbed him.

No setback in Europe

The refusal of the other European foreign ministers on Oct. 27, at their Luxembourg gathering, to follow suit in imposing sanctions against Syria, may look like a setback. However, there is no reason for Damascus to rejoice; it has just won a little respite. Clearly, events went too quickly for many governments—in the three days between the British decision and the Luxembourg meeting, they had neither time nor the ability to make such wide-ranging political decisions. Though this was rightly characterized as "regrettable" by British Foreign Secretary Geoffrey Howe, it was agreed that the next Nov. 10 foreign ministers meeting in London will be able to take a firm position. Indeed, no fewer than six foreign ministers, including those of France, Germany, Italy, Spain, and Greece, were not even in attendance at the Luxembourg gathering, which coincided with a new Franco-German summit in Frankfurt and the world religious gathering in Assisi, Italy.

However, besides a general declaration of "solidarity"

with Britain, agreed upon by all but Greece, a few firm commitments were made public. For example, it has been agreed that Britain will be able to veto a \$100 million economic aid package of the European Community to Syria, a very effective measure, given Syria's catastrophic economic plight.

Similarly, answering rumors about an upcoming arms deal between France and Syria, both President François Mitterrand and the French government of Premier Jacques Chirac made it clear that there would be no arms deals. As explained by French government officials, there have been long-standing military accords, from the 1982-84 period. The French made it clear that even such deals were now frozen. Commenting on the rumors of a recent deal, French officials reported that the Syrian government had indeed contacted French military industries, a process which set into motion the Specialized Committee Dealing with Arms Exports of the Defense Ministry. The Committee had met to review the demands, which followed last July's visit to Paris of Syrian Vice-President Abdel Halim Khaddam. The ministries and the government had vetoed further discussions.

Agreeing to the British proposal for imposing tighter security against the Syrian airlines and the embassy in Bonn, the West German government announced on Oct. 29 that when its present ambassador ends his tour of duty in Damascus, in November, he will not be replaced.

Closer cooperation

But for the timing, the major divergence between Britain and its European colleagues, seems to concern the level of involvement of the Syrian government, as government. For example, the French representative later commented that the British "presented to us, what can be described as irrefutable proof of the involvement of Syrian intelligence services in attempting to blow up the April 17, London-Tel Aviv, El Al

flight. . . . However is it the same as the Syrian government? We were not convinced.”

Mere shortsightedness, outright blindness, or a special game? No sane diplomat could begin arguing that Syrian Air Force intelligence, led by Gen. Mohammed al Khouli, could potentially organize such terror actions, without President Assad's full knowledge. Granted the 20-year personal relationship between the two men, both trained in the Soviet Air Force, and given that Khouli offices are no further than 10 meters from Hafez al Assad's office in the presidential palace, such arguments don't go very far.

However, the French reasoning, shared by several European governments, is based on a specific assessment of the regional situation. Countries like France and the United States have hostages in Lebanon in the hands of the Islamic extremists primarily controlled by Iran, it is argued; and granted that no European country can take upon itself the task of overthrowing the Syrian regime, it has to deal with it. Hence, in Paris, as well as other capitals, it is reasoned that it should be possible to drive a wedge between Assad and Khouli, under the threat of all-out sanctions against the regime. For that reason, the ambassadors of the European Community are expected to form a joint delegation to Damascus to request from the Syrian government an official explanation on the Hindawi case.

Despite an apparent public division, the first two weeks of November will actually witness a division of labor between Britain and its NATO colleagues. Indeed, none should forget the very successful cooperation established between the United States and France during the visit of Security Minister Robert Pandraud, on Oct. 15. Similarly, in full cooperation with other European units, especially from France and West Germany, and the American "Delta Force," London sent several teams of the Special Air Services to Cyprus on Oct. 26. The presence of such units, in both Cyprus and the Lebanon, has the Syrians very nervous, and trying to guess what will be the next moves.

Syrians and Soviets in a quandary

The government in Damascus knows it has little time to clean up its act. Up to the last minute of the trial of Nezir Hindawi in London, Syria was kept guessing as to its consequences. Deliberately, London had not revealed last April the full extent of its knowledge of the operation. It was, for example, revealed only after Hindawi's condemnation to 45 years in jail, that both Britain's MI-5 and the Americans had intercepted enough radio transmissions between the Syrian embassy in London and Damascus to know of the Hindawi plot in advance. However, such intercepts didn't give the time or the place; Hindawi had to be carefully tailed. The British silence on such irrefutable proof aimed at keeping Damascus in the dark, confirming the Syrians' belief that they had no particular reason to worry; Hindawi's links to Syria would not be exposed.

The British rationale was simple enough: Had Damascus



Prime Ministers Chirac of France, Thatcher of U.K.: their cooperation against terrorism is crucial.

known in April how exposed it was, either it would have launched a massive terror wave to obtain Hindawi's release, or it would have killed him in jail. As the *Guardian* reported on Oct. 28, "Hindawi is no popular man in Damascus" these days. He has become a nightmare to Syrian officials for weeks now.

More bad news is that his brother, Hasi, caught at the same time in West Berlin, is to be tried on Nov. 17 in West Germany. He is accused of having bombed the West Berlin headquarters of the German Arab Society, and suspected to have been responsible for the bombing of the "La Belle" night club on April 4, which killed two people. Hasi has already revealed that, together with his brother, he received the explosives from the Syrian embassy in East Berlin. Hindawi's Syrian controller, Lt.-Col. Haitham Saeed, a close associate of Khouli, was present in person.

Hence, despite the failure of the Europeans to follow Britain, the communiqués from Damascus have been very bitter. In fact, only Libya's Qaddafi has pledged a full solidarity with Assad. Most Arab countries remained silent. Support for Syria was only underlined *ad nauseam* in Moscow, where the Soviet government accused London of "increasing tension in the Middle East," and of covering up for an "Israeli attack against Syria."

The Israeli threat, despite bravado in Damascus and Moscow, hangs like a sword of Damocles over Assad's head. Syria's Chief of Staff Hisham Shahabi can boast as much as he wants that Syria "has reached strategic parity" with Israel in military terms, but he knows that Syria not only has no hope to win such a war, but that the present regime would not survive it either.

Philippines' new leadership locked in power struggle

by Linda de Hoyos

Once again, with Philippines President Corazon Aquino in power only nine months, a government power struggle in Manila is grabbing front-page headlines. From Manila, sources report that the situation is now "too fluid" to call, as backroom negotiations continue among parties, but with "no commitments made yet."

The center of controversy is Defense Minister Juan Ponce Enrile, who issued a challenge to the Aquino government on Oct. 16 and refused to attend cabinet meetings. On the other side, the "human rights mafia" lawyers who are Aquino's closest advisers in Malacanang Palace have repeatedly demanded Enrile's ouster from the government, if he refuses to

Editorial policy on the People's Republic of China

Recently, *EIR* and NSIPS have published releases exposing the Soviet intelligence connections of U.S. figures such as the U.S. Department of Justice's William Weld and old China-OSS hand and attorney for First Fidelity Bank, Al Besser. These exposures imply the question: "Does this signal a change from *EIR*'s earlier treatment of the government of the People's Republic of China?" The answer to that question is: "Essentially, no."

The People's Republic of China is both the de facto and de jure form of the government of the sovereign state of China. *EIR*'s editorial policy has been, and remains:

- 1) That government must be treated, diplomatically, politically, and editorially, as the lawful government of a major sovereign state.
- 2) *EIR* desires the improved well-being of the people of China, by such means as are fully consistent with the well-being of China's Asian neighbors, no more, no less.
- 3) Within those constraints, *EIR*'s editorial policy is to be helpful to China's security and long-term economic progress, especially in such ways

as tend to foster mutually satisfactory relations among China and its Asian neighbors.

4) *EIR*'s leading concern respecting the internal affairs of China, is the humanitarian view, that China secure efficient means for preserving and improving normal family life, especially as economic means, and also the want of adequate economic means, bears upon this.

EIR's leading areas of interest, for discussions with institutions of the P.R.C. include: a) the subject of economic science, both in general, and as this applies to the internal circumstances, and potentialities of the P.R.C.; b) China's participation in those common missions of mankind, the which are of significant long-term benefit to China itself; c) bringing China's institutions more efficiently into leading areas of the physical sciences, including optical biophysics; d) the ancient archeological and philological history of China, as part of the general evolution of the cultures of Asia, especially during the ancient period preceding circa 1000 B.C., preceding the emergence of what is called "legalist philosophy."

These amiable aspects of our attitude toward the P.R.C. are not blind to the dualistic nature of the relations between both the Kuomintang and Communist parties of China and the Bolsheviks, and the intersection of this dualistic relationship with the Anglo-American Liberal Establishments. Essentially, the cultural imperatives of China and the Russian empire have been, and remain

abide by Aquino's policy of appeasement at all costs toward the insurgent New People's Army (NPA). Then, on Oct. 21, Aquino and Enrile emerged from a half-hour meeting to announce that they had mended the divisions between them. Said Aquino, "There is no falling out between Minister Enrile and myself. We are not stupid."

To be sure, the future of the Philippines depends upon immediately bringing stability to the government, and permitting the country to deal with the NPA insurgency and an economy ravaged by three years of International Monetary Fund austerity. If the Aquino government folds, with the military likely fracturing into warring factions as a result, then this ally of the United States will face disintegration and likely takeover by the Sandinista-style New People's Army—exactly as *EIR* warned during the days of the U.S.-orchestrated coup against President Ferdinand Marcos.

But the coalition government that the United States sponsored to replace Marcos is inherently unstable. Enrile placed five demands before Aquino during their Oct. 21 meeting:

- the scrapping of the Constitution recently drafted by the Constitutional Commission, which calls for the Philippines to become a non-nuclear zone;
- the holding of national elections (the new Constitution would keep Aquino in power for six years before new elections are held);
- the removal of undesirable and unpopular local leaders placed in power by fiat after the February coup;
- the adoption of a clear-cut policy for solving the NPA insurgency, including the setting of a short deadline for a cease fire;
- the firing of eight ministers on grounds of corruption and pro-NPA sympathies. The names of the eight have not been made public.

Aquino agreed to put a deadline on a cease fire with the NPA, which, if not met, would result in presidential orders to the military for a full-scale assault on the NPA. Aquino also agreed to replace "absentee or incompetent" local officials.

unmiscible, and must tend toward recurring conflicts, becoming more serious as generations pass. However, the P.R.C.'s leading forces have been uneasily allied with Moscow in intelligence operations against a common adversary, the United States of America.

The key to dealing with the P.R.C., is knowing "where the monkey sleeps," and seeking to build a peaceful resolution of the conflict between us and China by pathways which take that factor, "where the monkey sleeps," adequately into account.

The case of the Canada-pivoted Sino-Soviet intelligence services' interface, touching Harvard University's Law School, Chatham House, and the old "120 Broadway Trust" organization of the 1920s, is a key reflection of "where the monkey sleeps."

The cases of William Weld and Al Besser, and the Roosevelt-Wisner faction of the old-OSS affiliates of the Eurasian facet of the "Trust" organization, behind Weld and Besser, bring this symptomatic problem to the fore within U.S. institutions today.

Both the government of the P.R.C., and the Soviet government, each understand exactly the nature of our quarrel with their such collaborators as Harvard Law School's Jerome Cohen, Benjamin I. Schwartz, Henry A. Kissinger, William Weld, Susan Roosevelt Weld, et al. P.R.C. intelligence and Soviet intelligence, both partners, and to a significant degree also controllers of Harvard Law School-centered networks of agents of foreign communist influence, know the complete accuracy of our

reports on these agents, and therefore do not respect us less for our exposure of such agents.

Both of those governments know that the Canada interface between the old Chatham House Institute for Pacific Relations and Soviet IMEMO and GRU, have been channels of cooperation against the U.S.A. since the 1956-62 interval of the so-called Sino-Soviet split. Neither the P.R.C. nor Moscow loves these North American agents, but merely considers it expedient to make use of such "useful fools."

What astonishes both communist governments is the fact that *EIR* goes back much earlier than 1918, to trace the creation of the Eurasian section of Chicherin's and Dzerzhinsky's Trust organization. They are amazed at *EIR*'s accuracy, in exposing the key role of Venice in orchestrating these developments, a role which most otherwise well-informed Western intelligence specialists hysterically deny. In such quarters, eyebrows are raised, as it is said, "*EIR* has discovered where the monkey sleeps."

In the long run, it were better to have the respect of such adversaries as these, rather than their sympathy. They have no respect for the leading U.S. fools with whom these states prefer to deal today; no one respects an agent who is a foolish traitor to his own country. So, these governments choose to be adversaries of *EIR*; we must respond appropriately to this circumstance, but do not permit this to alter our long-range policy toward those states.

Demanding Enrile's head have been Local Government Minister Aquilino Pimentel, Justice Minister Neptali Gonzales, and Agrarian Reform Minister Heherson Alvarez. In addition, the demand for Enrile's removal is coming from Bandila, Nation United in Spirit and Purpose, a radical umbrella organization whose leader is Aquino's brother-in-law and adviser Agapito "Butz" Aquino.

Thus, it is no surprise that within five days of the Oct. 21 truce between Enrile and Aquino, the crisis flared anew with greater intensity.

This grouping and the assistants to the President such as Joker Arroyo, constitute the pro-NPA "human rights mafia" that is now in control of Malacanang Palace, with the backing of the Philippines' landed oligarchy and the Theology of Liberation-dominated Philippines Catholic Church. The popular base of this grouping is the New People's Army.

Open conflict

Thus, it is no surprise that within five days of the Oct. 21 truce between Enrile and Aquino, the crisis flared anew with greater intensity. Enrile addressed a rally of 20,000 Marcos supporters Oct. 26 at Manila's Luneta Park. "Marcos-Enrile!" "Down with Cory, Down with Cory!" shouted the demonstrators. Enrile's speech was an explicit challenge to the Aquino government: "What is needed to eradicate communism? First we must have a stable, honest, and clean government; a government beyond suspicion; a government that is not affected by corruption. The communists are ambushing our soldiers, killing civilians, extorting from the people, terrorizing the people. In the past, those people were in the mountains. . . . Now they are in the urban centers. . . . In the coming days, you might hear loud explosions coming from Manila, but I want to tell you, if you will come join us, you can rest assured that our Philippines will not become a communist country."

Three days later, Vice-President Salvador Laurel placed himself in direct opposition to Aquino, stating that the Filipino people should be permitted to vote immediately whether they want Aquino to stay in power, or whether new national elections should be held. Laurel, who previously put himself forward as a mediator between Enrile and Aquino, further said that it was an open question whether his own United Nationalist Democratic Party would oppose or approve the proposed constitution.

Aquino is also rallying her own forces. Aquino spokes-

man Teodoro Benigno reminded Enrile, "One big advantage she has, which has to be considered very, very significantly, is that she has the complete and unqualified support of the U.S. government," which brought her to power with an orchestrated coup in February. From Washington, State Department spokesman Charles Redman backed up Benigno's claim, telling the press corps, "We are strongly of the view that the Aquino government offers the best hope of carrying a reform strategy which will result in a stable democratic and prosperous Philippines."

And according to the *Washington Post* Oct. 30, President Reagan sent a message to Enrile through "private communications" to cease and desist.

Armed Forces Chief of Staff Fidel Ramos, who is considered the "U.S. man," appears to be using his power to maintain the government. "We stand squarely in the middle," Ramos told the press, referring to the New Armed Forces of the Philippines. "I am not part of the conflict. I have never seen myself in conflict. I am in the middle and I see my role very clearly. Maybe he [Enrile] has control over a small part [of the army] that is directly with him, but as far as I am concerned, I am responsible for the armed forces."

But Aquino's backers do not pretend to rely only upon the military. For weeks, reports have circulated that José Cojuanco, Aquino's powerful landowner brother, has been building a "yellow army" whose allegiance is to Aquino and which would be used if necessary to thwart a military coup. The "anti-coup" army was trained at the Cojuanco sugar estate in Tarlac by Israeli advisers and is armed with Israeli-made Galil rifles, Uzi machine pistols, .45 calibre pistols, and assorted 9 mm assault hardware, according to the Oct. 16 Manila *Business Day*. However, Mrs. Aquino's "yellow army" is considered to be no match for a united armed forces.

The "yellow army" is but one of a number of private, regional armies emerging in the country under the sway of political warlords, including four separatist and warring Muslim factions in Mindanao, the country's most resource-rich state. What is guaranteed if the center does not hold, is the disintegration of the country into regional wars between fiefdoms, or full power taken by the Sandinista-modeled New People's Army.

The latter option is apparently the concept of Cardinal Jaime Sin, whose *Veritas* communications network, working in conjunction with the U.S. State Department and the "bankers' CIA," deposed Ferdinand Marcos. From New Delhi, where he attended a convention of Roman Catholic journalists, Sin defended his 1985 campaign to bring down Marcos, and described the current power struggle in Manila as "beautiful." Sin promised that the insurgency problem will be over "very soon," and the rebels would come down from the hills. This is not a prediction, but more likely a signal that Sin views the conditions in Manila ripening for the NPA protectors and sympathizers in the Aquino cabinet to prevail. Then the rebels will come down from the hills . . . to enjoy full power in Manila.

Entrap Thatcher aide after Syria break

by Mark Burdman

Within approximately 48 hours of the Thatcher government's Oct. 24 announcement in London that Britain was breaking diplomatic relations with Syria, the deputy chairman of the British Conservative Party, Jeffrey Archer, was forced to announce his resignation. Archer was the victim of entrapment and blackmail.

Although the consensus of *EIR* sources in London is that there is a "pure coincidence" between the Archer resignation and the British-Syrian break in relations, the whole affair reeks of an act of revenge against Mrs. Thatcher by the Damascus mafia and its friends.

On Sunday, Oct. 26, the tabloid *News of the World* published a sensational lead story presenting ostensible evidence of how Archer had arranged to provide money, via intermediaries, to a London prostitute, Monica Coghlan, to help Coghlan get out of Great Britain. Archer's motivation, according to the account, was that stories were spreading throughout London political and media circles, that he had had a meeting—and, by implication, a sexual affair—with Coghlan. *News of the World* published alleged transcripts of telephone discussions between Archer and Coghlan, in which, in response to her entreaties for help, Archer was quoted offering to provide money to get her out of the country. The last part of the paper's account, was an alleged reporter's eyewitness account of money being offered to Coghlan by an aide of Archer, at an agreed-upon meeting place.

Archer, a well-known spy-thriller writer who has written plots not unlike this one, in his Oct. 26 resignation statement, did admit to offering to get Coghlan out of Britain, out of fear that a scandal could erupt around him and the Tory Party.

What emerges, on investigation, is that he was set up. So sordid was the whole operation, that many political veterans in London think that we have not yet heard the last word on the affair, and that it will backfire against those who conspired to "get" Archer.

How the entrapment was rigged

The key individual in targeting Archer, was a certain Pakistani-born lawyer, with offices in London and Dubai, named Aziz Kurtha. On Sept. 8, according to British press

accounts, Kurtha met Monica Coghlan in the red-light district of London's Shepherd Market, in the company of two Arab associates. At this moment, he presumed to see Jeffrey Archer approaching Coghlan, and talking to her.

Kurtha, himself, is no stranger to such quarters. Not only has he reportedly "liaisoned" with Coghlan, but, as the *Daily Express* put it Oct. 27, Kurtha "is familiar with the red-light district of Shepherd Market near London's Park Lane." A London investigative source was more blunt, in a discussion with this reporter: "Aziz Kurtha, from what I understand, is a pimp, and runs a whole group of prostitutes."

One day later, on Sept. 9, Kurtha ran to the scurrilous London slander-sheet *Private Eye*, which, in turn, directed him to *News of the World*, which is now being roundly denounced in London's Fleet Street, headquarters of most of the British press, for its illicit role in what followed.

According to the Oct. 27 *Daily Express*, the following chronology ensued, leading up the Oct. 26 publication of the *News of the World* story, and Archer's resignation:

Thursday, Sept. 25: *News of the World* lays a trap for Archer. It passes his number to Monica, and reporters wire up her telephone. She tells him of Kurtha's allegations. Archer denies he has met her.

Thursday, Oct. 23: In two more taped calls, Monica piles on the pressure. Archer suggests she go abroad and offers to finance her. He arranges a meeting between her and one of his associates at Victoria Station.

Friday, Oct. 24: *News of the World* journalists spring their trap. Two microphones are taped to Monica's cleavage, with wires running to a miniature tape recorder on her hip.

Friday, Oct. 24: Archer's friend, Michael Stacpoole, hands Monica an envelope containing a wad of £50 notes. Monica refuses the money."

Who is Aziz Kurtha?

Following Archer's resignation, various British papers revealed that Aziz Kurtha, in the recent past, had been a candidate for the British Labour Party; the papers imparted partisan political motives to him.

More interesting, is the question of the source of Kurtha's wealth, his ability to "jet-set" around casinos in the Middle East, to make large-scale property deals in Britain, etc.

The *Daily Mail* and other London sources have pointed to his financial dealings with a certain Mahmoud Sipra, also Pakistani-born. Sipra, now reportedly in Pakistan, was the chief culprit behind the collapse of Britain's gold-bullion-trading Johnson-Mathey Bank in the 1984-85 period. Sometime in the early 1980s, so informed sources claim, Sipra arranged for Kurtha to receive a £400,000 loan for real estate deals.

Sipra collapsed Johnson-Mathey by arranging to get massive loans for companies and enterprises that were largely shells. He would bring certain bank officials into sex orgies, arranged through a call-girl network at the command of himself and his buddies.

Russians use Scotland church meeting to push for Dostoevskian world order

by an *EIR* Investigative Team

Representatives of 119 European Churches from 26 European countries, East and West (and, curiously, non-church government representatives from the East bloc) attended the IX Assembly of the Conference of European Churches (CEC)—an “autonomous” arm of the Geneva-based World Council of Churches—on Sept. 4-11 in Stirling, Scotland. The site of the conference, the medieval Airthrey estate, was particularly fitting to CEC, leading members of which have often called for a “New Middle Ages.”

The Stirling Conference is known informally in church circles as an “Ecclesiastical Helsinki,” referring to the 1975 Helsinki East-West Conference on Peace and Security. Officially it was titled “Glory to God and Peace on Earth”; it was destined to be a stepping stone on the path of a Moscow-orchestrated “Peace Offensive,” which, with the aid of leading Western churches grouped in CEC and the World Council of Churches, will peak in 1990, when a “World Peace Council” of Eastern and Western Churches is scheduled. The other purpose of Stirling was to be a unique, eight-day East-West “back channel” meeting between church and government representatives of byzantine Russia on the one hand, and church leaders—behind the scenes political “string-pullers”—from Western Europe.

The Soviets at the conference brazenly proclaimed a “new moral order” in Europe based on “Dostoevskian Christianity.” In this scenario, the 1990 World Peace Council would serve as a *post facto* celebration of the triumph of Russian imperial domination over Europe, following the 1988 celebrations of the 1,000-year anniversary of the evangelization of Russia and the fulfillment of the cult prophecy of Moscow as the “Third and Final Rome.”

Fyodor Dostoevsky, the anti-Semitic literary godfather

of fascism, was the late 19th-century Russian exponent of the mystical doctrine of “Moscow, the Third and Final Rome,” mystically “grounding” Russia’s “mission” to dominate the world. Dostoevsky’s “Third Rome” cult doctrine was to become the Nazi racialist “Third Reich” mystique.

SDI under attack

The Russian contingent came to Stirling in force—bolstered by large Bulgarian and Romanian delegations—with the clear intention of ensuring that CEC participants would adopt the Soviet “peace” policy. The “peace” resolutions adopted by the delegated membership reflected the anti-West initiatives of the 35-man Russian Orthodox Church delegation, which far outnumbered any other delegation. President Reagan’s SDI program was a focal point of attack.

The conference approved a proposal to establish a Secretariat for “Peace, Justice and Human Rights,” and adopted the following program of activities: stopping the militarization of space; support of peace proposals by churches and governments for the reduction and liquidation of nuclear weapons; activities in the field of armaments/disarmament; establishing nuclear-free zones; “elimination of enemy stereotypes”; cooperation between Christian and public peace movements and organizations; creation of “trust and peaceful co-existence”; preparations of the “conciliar process” leading to the WCC-initiated 1990 “worldwide ecumenical peace conference.”

One disgruntled delegate, not alone in his views, privately described the whole event as “pre-planned and pre-calculated.” The Russian Orthodox Church’s Holy Synod “Message on War and Peace in a Nuclear Age,” circulated before and during the conference, gave the line on every single

agenda point discussed at the “delegates only” Section meetings, which were later voted into resolutions.

The Holy Synod “Message” attacked the American plans to build the “Space-based Defense System,” the SDI, as “ineffective and dangerous.” In military-like language, the ROC message warned that the system which is estimated to be only “70 to 95% effective . . . creates the illusion that the first strike will stay unpunished.” The history of the Soviet Union’s “development of science and technology testifies to the fact that any step toward increasing the fighting efficiency of one of the sides will inevitably provoke a reciprocal measure of the other side.” The Message included a call for the “intensification of the peace movement . . . Christians have every right to fight this [the SDI] evil.” When members of the Moscow Patriarchate held a press conference to present the Message, they stressed that “it sums up the peacemaking efforts of the Millennium of the Baptism of Russ.”

Russians stage CEC coup

The election of the CEC’s new executive body, the CEC presidium, even more than the resolutions, showed how willfully the Western majority acceded to Soviet domination.

Among the members of CEC’s new eight-man presidium, three are from the East bloc: Russian Orthodox Metropolitan Alexei of Leningrad and Novgorod, Romanian Orthodox Metropolitan Antony of Transylvania, and the Polish Methodist General Superintendent Adam Kuczma. Before the vote, the Russians bullied and threatened, stating that if Alexei were not re-elected to the presidium, the Russians would walk out of the Conference. The ploy worked.

Not all the Western delegates capitulated to Russian intimidation tactics. About 20% of the Western delegates consistently voted against the Russian sponsored “peace” resolutions. But—according to confidential discussions with many delegates—this “no” vote did not reflect the actual level of opposition to the Soviet demands. It would have been much higher, had not many delegates—who stated in private conversations that they view the current international situation as a *pre-war period*—feared jeopardizing their “back channels” to the Soviet church and state hierarchy.

Knowing this appeasement profile, the Moscow Patriarchate reinforced it by sending the high-ranking Metropolitan Alexei to head the ROC delegation.

Metropolitan Alexei, who is also the Chancellor of the Moscow Patriarchate, is a member of the noble Estonian Baltic von Ruediger family, who had served the czars. He is one of the most powerful men in the Russian Orthodox leadership and, according to high church sources, one of the contenders to replace Patriarch Pimen, who is reported to be seriously ill. Alexei was strengthened after he was recently appointed as the new Metropolitan of Leningrad and Novgorod, while retaining his previous position as Metropolitan of Tallinn and Estonia. With his re-election to the CEC presidium, Metropolitan Alexei becomes the most senior officer

on the presidium, having been first elected to office in 1964. The Russian Orthodox Church has been a member of the CEC since its founding in 1959—i.e., two years before the Russians officially joined the World Council of Churches in 1961.

Russian strong-arm methods were evident throughout the conference. Anything not conforming to Russian designs was denounced by the Soviet delegation. A Russian Orthodox delegate even moved to delete the term “Human Rights” from the title of the new Secretariat, a move which was only narrowly defeated. CEC’s “bridge-building” efforts were reflected in the care taken by CEC officers and Western delegates not to refer to matters politically sensitive for the Soviet bloc. For example, when drawing attention to the events affecting Europe in 1968, outgoing General Secretary Dr. Glen Garfield Williams spoke of student rebellion and the upsurge of violence in Northern Ireland, but refrained from mentioning the Soviet invasion of Czechoslovakia. One participant from Eastern Europe privately expressed regret that such important events in Eastern Europe appeared to be taboo. In another example, when CEC’s Human Rights Secretary mentioned the “alleged forced assimilation of religious and ethnic minorities” in Bulgaria in a list of eight human rights cases covering both East and West, the Bulgarian delegation sharply protested and the debate was squelched. A Scottish delegate, after witnessing the Soviets in action, exclaimed: “My Lord, the Russians are complete fascists when it comes to human rights. I sat in on the discussions with them and saw every ‘human rights’ motion on Afghanistan, Bulgaria . . . turned down.”

Dostoevskian Christianity

“Dostoevskian Christianity” must become the basis of the “new world moral order,” exclaimed Soviet delegate Anatoly A. Kutzenko at the Conference. Kutzenko, who is not even a member of the Russian Orthodox Church but a member of the Soviet Academy of Sciences and editor of *Asia and Africa*, keynoted the discussion titled “A.D. 2000 Quo Vadis Europa?” His presentation expressed the essence of the Russian Empire’s policy goals for this decade.

Kutzenko’s message to the conference: “We need a new economic order and a new moral international order . . . Europe must not abdicate Dostoevsky’s ethical morality. . . . As we come to greater understanding, the principles of Dostoevsky’s Christianity will become the basis of common universal concepts and elements of universal morality.” Other panel speakers attacked Western “technological optimism,” exemplified by the SDI program and “new forms of idealism.” The speakers asked, What can Europe do to see the year 2000 without the danger of a nuclear holocaust? Their answer: “Churches must play a bigger role in the new Ideological Détente. Europe’s future cannot be separate from the East. . . . Cooperation between East and West should take central place. . . . The Year 2000 must become the

What is CEC?

The Conference of European Churches was created as the meeting place of the European Churches, East and West, in 1959, at Nyborg, Denmark, eleven years after the founding of the one-world federalist dominated World Council of Churches in 1948. Although legally autonomous, the Conference of European Churches describes itself as "one of the eight, and oldest, ecumenical regional organizations of the World Council of Churches" and is based at the headquarters of the World Council of Churches, in Geneva, Switzerland. The goals of the founders, Dr. Egbert Emmen and Prase i. R.D. Ernst Wilm, dovetailed with the attacks on sovereign nation states by WCC founders such as Lord Lothian (Philip Kerr) of Great Britain. Emmen and Wilm conceived CEC to be based on "common (East-West) European thinking."

Consisting now of 119 member churches of Western and Eastern Europe in 26 countries, one-half the

member churches are from Eastern Europe, making CEC the largest legal institution in Europe that functions as a "bridge" between East and West.

With one-fourth of the member churches of CEC not members of the World Council of Churches, the WCC sees CEC as a very important institution to have "indirect" control over and shares overlapping manpower particularly in the leading delegated bodies of the CEC: CEC representatives meet every year in the form of two consultations, to discuss the main themes of CEC work, especially church unity (e.g., *Filioque*), "common (European) security," and the peace-ecology movements. Between the plenary sessions, held once every seven years, to which all members send delegates, there are dozens of "council" meetings, which function as regular, informal East-West back channel discussions.

The leading executive body of the CEC is the presidium, of which the current and outgoing General Secretary is Pastor Glen Garfield Williams from Wales. The incoming general secretary is Jean Fischer, Secretary of the "Hilfswerks der Evangelischen Kirchen" (HEKS) in French-speaking Switzerland.

Millennium of Christianity . . . Dostoevskian Christianity."

Kutzenko told *EIR* that Dostoevsky—who was played down during the Stalin era—is seeing a "big revival" in Russia today.

'World Peace Council': Pax Sovietica

The Assembly also supported a call for the preparation of the "conciliar process" which would lead to a worldwide ecumenical peace conference on Justice, Peace and the Integrity of Creation—organized by the World Council of Churches—by 1990. One must bear in mind that the seemingly innocuous phrases attached to this call are in fact located in the context of the 1990 "Ecumenical Peace Conference" being a rubber-stamping of the Soviet demand, discussed earlier, for a "New Moral Order" based on Dostoevskian, i.e., fascist, "principles."

The CEC proposal for the 1990 Conference went on:

"We appeal to all Member Churches of CEC as a contribution to this event to intensify their efforts at congregational levels in education for peace and the creative use of conflict.

"The theme of this conference must be the powerful challenge to the churches in the northern hemisphere in view of the threat to life represented by nuclear armaments. The conference should include representatives of churches in the

Third World and take account of their experience of northern domination.

"We hope that this conference will lead the churches to a unanimous witness for peace that will be authoritative and impossible to ignore . . . Member Churches should be encouraged to contribute to peace activities from their own areas to the preparations."

In preparation of the 1990 World Peace Council, the Assembly called for the holding of a "Northern Assembly" in 1988, representing churches from all the signatory states of the Helsinki Final Act, to discuss "Peace with Justice" before the 1990 WCC event. An invitation to hold the Northern Assembly in Coventry was made by Canon Paul Oestreicher of the British Council of Churches and now the new Director of International Ministries at Coventry Cathedral.

This series of conferences, the Northern Assembly in 1988, and the final big one in 1990, represents two major steps for the Russian Orthodox Church in its ongoing reorganization of the Western Protestant churches. The overall intended effect of these conferences and the processes leading up to them is to celebrate the ROC victory over the legacy of the Renaissance at a grand "World Peace Council" being planned for 1990.

For more than 500 years, the Russian Orthodox Church

has been an embittered enemy of the Renaissance, determined to eradicate Western civilization and its commitment to the idea of scientific and technological progress. The Russian Orthodox Church during the 1440s formed the bulwark of opposition to the short-lived Augustinian Ecumenicism achieved at the Council of Florence by the Renaissance factions of both the Western and Eastern Churches. Its current campaign—backed by the military might of the Russian Empire—is seeking the imposition of a new European Order—a “Council of Florence” in reverse—where “ecumenical” unity is established by subordinating the West to the East on an anti-Renaissance basis.

The *Journal of the Moscow Patriarchate* recently stated that the “next millennium” should be “Slavonic.”

The goals of the 1990 World Peace Council, that the church should be totally refocused on “peace” (minus the SDI)—Neville Chamberlain type of “disarmament” in the West—dovetails with the goals of the Soviet state. For Russia to become a global empire, it must achieve absolute military strategic superiority. The key to that is eliminating the American SDI program, while Moscow covertly builds its own extensive anti-ballistic missile system, and simultaneously amasses overwhelming offensive striking power.

The Moscow Patriarchate does not, however, merely “tail” the Soviet state in the anti-SDI campaign. The Russian Patriarch was the *first* institutional leader in Russian to decry the development of beam weapons, at a Moscow Patriarchate-sponsored World “Peace” conference in 1982, eight months before President Reagan announced the SDI.

The Russians receive ample assistance from their Western ecumenical partners, notably from the Protestant Churches of both West and East Germany, which are, according to their own charters, “sister churches.” The World Peace Council idea was hammered out in Moscow in a series of “Round Table” conferences organized and hosted by the ROC Department of External Church Relations, beginning in 1982.

The idea next resurfaced at the World Council of Churches Assembly in Vancouver, presented by the delegation of the Federation of the Protestant Churches of East Germany, under the “spiritual” guidance of Bishops Werner Leich and Joseph Hempel. More recently, it has been sponsored by the leading Protestant Church of West Germany member, the “philosopher-scientist” Carl Friedrich von Weizsäcker, and Lutheran World Federation president Guenter Stalsett of Norway, who have both been consulting with the Russians for years.

‘Europeans must learn to love the Russians’

This message was drummed into the 350-400 Christians attending the conference. C. F. Weizsäcker’s Occasional Paper No. 12 on “Confidence, Détente, Disarmament” was one of the key documents used in the Section discussing the “New Détente.” “Loving one’s enemies is a political necessity,”

Weizsäcker wrote. “Love your enemies! Do good to those who hate you.”

The same point was made by Romanian Orthodox Professor Dumitru Popescu, the man in charge of CEC’s Theological Study Program, who had organized the Riva del Garda CEC ecumenical consultations in 1984 which had demanded the removal of the *Filioque* from the Nicene Creed. The *Filioque* clause, added to the Western form of the Creed during the 8th century at the impetus of St. Augustine’s writings, made explicit that the third member of the Trinity, the Holy Spirit, “proceeds from the Father *and from the Son*” (*Filioque*), and thus underlined the necessary role of man, represented in the Godhead by Christ, in the ongoing process of Creation. This one word has become the touchstone for the notion of the necessity of progress in the West. The Great Schism was caused when the Eastern Orthodox Church violently rejected the *Filioque*, recognizing that it was in total conflict with the autocratic form of the Byzantine Empire, hostile to all change that might upset the rigid hierarchy of imperial authority.

Popescu in his speech on the first day of the conference said:

“Through the Holy Spirit . . . [Western] Christians have the task to *convert the paradigm of the enemy* into that of the neighbor, turning confrontation into cooperation and national security into common security. . . . New adventurous steps towards disarmament should be taken . . . the NATO countries should now also renounce first use of nuclear weapons, just as the Warsaw Pact countries have already done. There should be a freeze of all nuclear weapons; reduction of arms exports to third world countries; creation of nuclear free-zones in Europe. . . .”

The central role of Popescu in the CEC illustrates a “division of labor” worked out by Moscow, regarding the various Orthodox Churches behind the Iron Curtain who are members of the WCC. The Romanians play a “pioneering” role, seeming to be “ahead” of the other East Bloc churches, with the ROC, at a later point then “lining up” with the “Romanian” position. This is a charade, presented to give the naive Westerners the idea that not only are Western churches making concessions to the East, but that Moscow is also “making concessions” to accommodate a position taken by the Romanian Church.

As inside sources have told *EIR*, “the Romanians [Orthodox Church representatives] have a freedom of action and movement, which the Russians—when they operate abroad in the West—do not. Thus, many things which the Russians will not—or can not—say, are assigned to the Romanians, who always act far more open, amiable, and talkative.”

Anyone who has ever attended WCC functions will immediately relate to this point.

There is another significance to the Romanian Church. If anything, the relation of the Romanian Orthodox Church and

State forms the closest replication of the byzantine caesarpapist model in the modern period, surpassing even the current Russian model, as well as the modern Bulgarian byzantine model, though Bulgaria ranks second to Romania in this regard.

Western Christianity under attack

The fact that the keynote address on the first day of the Conference was given by Prof. Paolo Ricca, a leading member of the revenge-seeking Waldensian (Protestant) Church of Italy who very often refers to the Pope as the "Devil" and "Satan," was a signal for an acceleration of a coordinated Russian Orthodox-World Council of Churches attack on the papacy and Western, Augustinian Christianity in general.

Ricca, a professor of theology at the Waldensian Seminary in Rome, said: "Europe is near to vanishing if not already gone beyond recall. For has not Europe become the most secularized continent in the world? Europe has some hundreds of non-European (i.e., American) rockets stationed

on its soil, threatening to turn the continent into a heap of rubble and making it the continent most exposed today to nuclear destruction. Europe's marriage to Christianity has not given birth to peace. . . . The soil of Europe as a land of peace like Canaan of old is still wholly to be discovered and conquered" (by the Russians?).

In view of its small numbers (several millions worldwide) the Waldensian community has opted tactically for behind-the-scenes operations to influence crucial elites and to combine with other schismatic church figures. The Waldensians have their own Academy in Rome.

The Waldensians' anti-papal fanaticism is so strident that many Protestant and some Orthodox as well are appalled at it. One source at the Stirling conference commented that the "Orthodox and Protestant students from the Bossey center [the Orthodox ecumenical center in Geneva, Switzerland] are required once a year to go visit Professor Ricca at his Academy in Rome and hear him attack the Pope as the Devil . . . everyone thinks it's quite boring."

"European Christian history has been neither peaceful nor peacemaking. . . . Christianity has proven to be susceptible to almost exclusively associating 'Glory' [of God] with ideas of authority and power, dominion, prestige, and hegemony with a resultant negative effect," exclaimed Ricca in the keynote.

"Genetically and culturally, Europe is prior to the nations of Europe." The problem, noted Ricca, is that the "process of individualization has progressed in modern Europe . . . from the second half of the 18th century, the 'nation' idea has been affirmed, to be further developed during the 19th century, until we come to the frenzies of nationalism in the 20th century. There may be indeed tension between the European and the national ideas. . . . Can the tension become creative? Can the tension become the national consciousness of the various European peoples? And what are the current forms in Europe of that tumor on the face of patriotism which we call nationalism?"

The Waldensians run the leading anti-nation state organization in Western Europe—the Pan-European Union. The Swiss "Convert" to Catholicism and former "Waldensian," Vittorio Pons, is currently the General Secretary of the Pan-European Union. Count Richard Coudenhove-Kalergi, the Venetian-Austrian Empire noble who deeply influenced the Pan-European movement, believed that Europe belonged culturally and geographically to the *Eurasian* landmass, i.e., in "unity" with Russia, and separate from the United States.

Ricca's recommended remedy: Europeans must bring about "peace through overcoming nationalisms . . . confessionalisms . . . capitalist systems . . . racism . . . sexism . . . militarism."

East bloc makes big push on ecology

Green "ecologist" activities were given ample praise by the East bloc speakers at the CEC Conference in Stirling,

'New Age' worship

Participants in the Conference of European Churches (CEC) were subjected to an evening of semi-theatrical "worship and Christian education" by the "Wild Goose Worship Group."

The "Wild Goose Worship Group" comes from the Iona Community, a small island off Scotland. The Iona Community, founded in 1938 by Baron MacLeod of Fuinary (Very Rev. George Fielden MacLeod) and one of Her Majesty's Chaplains in Scotland, Aron Lord McLeod, is an ongoing "New Age" experimental "ecumenical body" of over 200 members and 800 associate members. The "Worship Group" which presented the pantomimes, sketches, and slides—based on distorted biblical themes—was described as "an expression of the Community's commitment to the renewal of worship."

The "Credo" section of the Wild Goose Worship Group was a meditation on the Apostles' Creed using slides and African-like chants of the Credo. The worship was concluded with Liberation Theology songs from the black churches in South Africa. For example, *Akanamandla*:

"Akanamandla, Alleluia/Akanamandla, Usathane./He has no power. Alleluia!/He has no power—Satan's had it!/He has been cheated, Alleluia!/He has been cheated, Satan's had it!/He flees far from us, Alleluia!/He flees far from us—Satan's had it!"

Scotland. The Green movements, CEC speakers said, helped "to attain a greater sensitivity in our society which is irresponsibly exploiting natural resources and bent on self-destruction." To "solidarize" with the Green fascists of West Germany and Europe, a leading member of the East German Evangelical Lutheran Church of Saxony, Rev. Evamarie Taut, in her long speech—following Ricca—exclaimed in a very emotional tone:

"We have only begun to pay attention to the warnings sounded years ago by the Club of Rome, since we ourselves have had to breathe in the foul-smelling air . . . since our water has become undrinkable in many places . . . no more frogs or butterflies to be seen . . . our landscape marred by stretches of dead and blackened forest. . . ." In the same breath, Reverend Taut attacked the SDI program and called on the churches to press respective governments to support Soviet leader Gorbachov's "three-step plan to achieve comprehensive denuclearization."

In its "Message" to the CEC Assembly, the Russian Orthodox Holy Synod warned of "The Ecological Evil of the Arms Race." "In abusing the natural resources, the arms race does both direct and indirect damage to the environment. The negative ecological changes resulting from military activity are aggravated by an increasing number of cases of radioactive pollution of the environment during nuclear tests, by accidents connected with nuclear arms delivery systems and storing facilities, during "burying" radioactive material and during the use of chemical weapons . . . the arms race is revealed as an evil not only in regard to society but also nature . . . an evil which threatens to destroy the whole creation."

The following "practical steps" were drafted at the Conference in the context of the CEC Ecology Consultations called "Groaning of Creation" ("the groaning of creation caused by humanity's tendency to take God's place on earth"): "• Participation of the whole population in ecological matters is imperative; • We should welcome and support all government measures which contribute to the preservation of creation and thus show our opposition to those in our churches who consider that this is not part of the Church's mandate; • A reduction in armaments will have a direct effect in easing problems of the environment; • Critical monitoring of large-scale technological projects; • Support for all attempts to explore alternative, i.e. non-nuclear sources of energy, looking also at all the possible dangers and implications for the environment. • Encourage local congregations to take an active part in preserving creation in their immediate environment through prayer, liturgy, proclamation, and action."

Cooperation with the Roman Catholic Church

On cooperation with the Roman Catholic Church, which of course is not a member of the Council of European Churches, the relevant CEC resolution read: "One of the real advances between the VIII and the IX Assembly has been the cooperation with the R.C. Church through the Consilium

Conferentiarum Episcopaliū Europae (CCEE), culminating in the Third European Ecumenical Encounter in Riva del Garda and Trent." (The Riva del Garda meeting which included Cardinal Hume, Venetian Patriarchate, ROC, and others decided to omit the *Filioque* from the Nicene Creed.)

"We recommend that the Joint Committee be reconstituted at the first possible opportunity, and that close cooperation and constant exchange of information between the Secretariats be continued. . . . We welcome the fact that preparations are already under way for a Fourth Encounter and we recommend that these be continued."

The Conference of European Churches is well on its way to organize the fourth in a series of "encounters" which have had a profound impact on European history. These meetings which started in Chantilly in 1978, have created the momentum inside the European delegate churches to remove the *Filioque* from the Nicene Creed.

Organizing the encounters has been the work of a joint task force of the Conference of European Churches and the European Bishops Conference. The Roman Catholic European Bishops Conference and the CEC meet at least once a year to discuss "interfaith" dialogues and set on their agenda the "gradual" removal of the *Filioque* as one of their main tasks. Contributing heavily to this discussion was the Russian Orthodox Church team which insists on the removal of the *Filioque* as a condition for "reconciliation" between the churches.

(In brief summary, the *Filioque*, a clause meaning that the Holy Spirit proceeds equally from the Son as from the Father, was added to the Nicene Creed in the 8th century to express more explicitly the necessity of man's crucial role in the ongoing process of Creation. After a long schism, this expression of the necessity of progress was accepted by the Greek Orthodox Church at the Council of Florence in 1439, but violently rejected by the Russians, who broke off and formed the Russian Orthodox Church shortly thereafter. To this day, the *Filioque* has been the central theological point over which the Judeo-Christian mainstream has fought for the idea of progress against the backward, oriental-despotic model the Russians today call "Dostoevskian Christianity.")

Cardinal Basil Hume, the Benedictine-trained head of the British Roman Catholic Church, appeared briefly at the Stirling Conference in his capacity as head of the Roman Catholic European Bishops Conference to endorse the work of the Assembly. Hume, one of the authors of the "Nuclear Freeze" movement in the United States who, as President of the European Bishops' Conference, has played an instrumental role in these cross encounters, gave the introductory address at the last encounter in Riva del Garda, Italy.

Hume, a close friend of the Anglican Church and Robert Runcie, is also in favor of the Archbishop of Canterbury's push to remove the *Filioque* at the upcoming Lambeth Conference in 1988, where the fate of the *Filioque* will be decided.

The existence of Satan

The Pope's two homilies have brought out from under their rocks many who would like to see evil go unnamed.

The two homilies by the Pope on the existence and nature of the Devil have provoked the most incredible reactions and the most varied comments, many of them frivolous, on a subject which is certainly not easy, much less banal.

It has been written that John Paul II is an obscurantist proposing to bring back a medieval Church; that he is an apocalyptic; a providentialist; that he wants to restore taboos and break with modern thought. In short, to have brought up the problem of Satan's existence again has touched off a scandal—as if evil did not exist on this Earth.

It is hardly amazing that a discussion on the origins of evil could stimulate so many such reactions. Paul VI had already said: "The problem of evil, seen in its totality, and in its absurdity with respect to our unilateral rationality, becomes haunting. It is the greatest difficulty for our religious intelligence of the cosmos. Not for nothing St. Augustine suffered over it for years: *Quaerebam unde malum, et non erat exitus*, I looked for the source of evil, and I did not find the explanation."

But it is absurd to get upset when a Pope reminds the world that not only does Satan exist, but is the cause of destruction, division, slander, and that his genius is precisely that of making men believe he does not exist. "The skill of Satan in the world," said John Paul II, "is that of inducing men to deny his existence in the name of rationalism and every other system of

thought that seeks every loophole in order not to admit the deeds."

We suspect that those getting angriest are in fact spokesmen for those whose interest it is to keep the spirit of evil ignored and hidden from men's eyes. They are those who, substituting themselves for God, want to make life and death decisions for entire peoples and continents.

They are those responsible for the usurious economic policies of the International Monetary Fund and the World Bank, who are condemning millions of persons in the Third World to death.

They have sabotaged every attempt to impede the proliferation of locusts and grasshoppers which are now devastating Africa, provoking one of the greatest famines of recent history.

They are those who demand the drastic cutting of health spending in the West and thus favor euthanasia for the old and ill. They are those who inspire the imperial policies of oriental dictatorships. They are the instrument of the Evil One on this Earth.

Just as they weave their criminal and diabolical designs, they attack anyone who denounces evil by its own name.

The usual technique for hiding Satan is to pass evil off as a pure invention of the human mind, thus reducing it to a merely psychological reality, which it is not necessary to oppose.

The Italian communist philosopher Massimo Cacciari, noted for his ties to the Gnostic-fascist circles of the

"New Right," and the Maoist-leaning daily *Il Manifesto* of Rome intervened into the question, exposing philosophical hooves and forked tail. The Pope has gone too far, they write, criticizing what they term "a conciliatory, neo-humanistic Catholicism, for everybody. A wholly secularized Church which seems to have forgotten the Christianity of tragedy and of the cross."

In practice, Pope John Paul II is upbraided for trying to realize the Augustinian Christian ideal heralded by Paul VI. "They are trying to make theological-scientific talk," Cacciari shouts in disgust, "at the expense of an oriental-type mystical transcendence."

Where—wonder these new Nietzsches—is the "Christianity that does not resolve, nor sum up, nor sanction, nor legitimize, nor reaffirm, nor reconcile?" Against such a "Christianity of Tragedy," the Pope proposes too many certainties, a defense of moral values, and (Satan forbid!), he has said that "the whole world lies under the power of evil" and has called on all men to prepare for battle for a victory over the Devil.

The Pope also put an end to innumerable speculations on "suffering Christianity, which leaves open abysses and splits, which suffers contradictions without softening them, for which the world keeps its negativity, the Christianity, in sum, of authentic dialogue where not only is the risk opened up of absolute separation, but of the complete loss of identity," which Cacciari and like-minded philosophers like so much.

It's true, and such existentialists perhaps were the first to catch on; it is the end of doubt, of soul-searching dialogue and sociological discussions; and the beginning of the certainty of a battle to stop evil.

How nice is the Red Army?

Something is very rotten in the carrots Gorbachov keeps offering to Germany.

After the Reykjavik summit, which discredited the Soviet position and brought the West German government close behind President Reagan's Strategic Defense Initiative policy, Mikhail Gorbachov knows that he has to find new cards to play, if he is to win the West Germans away from the SDI again.

The cards being played are "prospects for broadened economic cooperation" and "cultural relations." The aim is to make West Germans forget that there is such a threatening thing as the Red Army, which has 400,000 men, almost as many as the total West German army, under arms on the East German border.

There is immense cultural activity going on between the Soviets and West Germany these days, presenting the Russians' "nice" side. Some 16 cities in the state of Baden-Württemberg held "Soviet Culture Weeks" in mid-October, and there are Russian ballet troupes, always "very impressive," deployed into other cities, too. Soviet "new movies," centered around stories of a world after a nuclear war, around environmental and soap-opera-like stories of "genuine Russian religiosity," are being shown to West German audiences, and seem to have been produced just for this purpose.

The Kremlin rulers know that many Germans have fallen for the propaganda image of the Russians as a "very emotional, nature-loving, and deeply religious people." In stark contrast to the official Soviet black propaganda against alleged "revanchists in West Germany," a ranking delega-

tion of the Supreme Soviet under Vice-Minister President Batalin, toured West Germany a few days after Reykjavik, and stated: "We like this country very much!"

For those West Germans who do not fall for this all that easily, the Soviets also play an "economic card." They speak of a "new phase of economic cooperation," of a larger West German share in coming Five-Year Plans, and advertise the new chances offered by Gorbachov's "economic reforms."

One week after Reykjavik, Igor Guriev of the IMEMO institute, came to Bonn to brief politicians and industrialists on Gorbachov's policy of "far-reaching liberalization in Soviet trade with the West." Individual government agencies and businesses in the Soviet Union would be permitted to sign direct contracts with partners in the West, and would like to do so especially with partners in West Germany. Guriev's remarks were treated as "sensational." Less attention was paid, however, to the fact that he arrived at the invitation of Kurt Biedenkopf, a ranking member of the West German section of the Trilateral Commission, which has been parroting Moscow's propaganda warning that West German cooperation with President Reagan's SDI would "ruin the prospects of extended trade relations with the Soviets."

Prospects of extended trade alone would not move the West Germans away from the SDI. Linked to it, therefore, is the carrot of German reunification.

It was very striking, in this regard, to see an essay in the liberal daily *Frankfurter Allgemeine Zeitung* of Oct. 22, dealing with exactly this linkage. The basic point was stated at the beginning of the essay. On Moscow's mind are three things: "There is, first, the American presence in Germany, second, the integration of West German potential into the Western Alliance, and third, the emergence of a new national movement among Germans for the reunification of their country."

The essay continued, a bit later: "It is quite obvious, therefore, that from the viewpoint of Soviet power interests, one day consideration could be given to solving the third factor and thus removing the other two factors. . . ." The Soviets would offer reunification to the Germans on the condition that West Germany leave NATO. The West Germans would gain, in this reunified, "neutral" Germany, an "excellent chance for long-term and comprehensive economic cooperation with the Soviet Union and the Eastern economic community, which could lead into a long-term political alliance with the Soviet Union."

"Should it succeed, by the re-establishment of German national unity by the end of this century, in achieving a European order pleasing to its security interests more than the *status quo*," concluded the essay, "the Soviet Union would have achieved an historical victory of immeasurable weight."

There is not much one could add to this. But the author of the essay, Prof. Wolfgang Seiffert of the University of Kiel, was an East German economist of considerable rank, who only "moved west" eight or nine years ago!

Some sources in Bonn say that by relying on such exile "co-thinkers," Moscow may gain even more than by direct propaganda.

Drug legalization advances

The legalization lobby is proceeding hand-in-hand with narco-terrorists to impose a drug empire.

In the two Andean countries of Peru and Colombia, the drug lobby is moving to ram through drug legalization. Their narco-terrorist allies are laying the groundwork for that drive to succeed.

In late October, Peruvian President Alan García—a fierce opponent of the drug mob—was the victim of at least three assassination attempts. In Arequipa, while touring a stadium, two bullfight bulls inexplicably broke loose towards him and would have gored him had he not jumped into the stands. In nearby Puno, police deactivated a car-bomb in the central plaza shortly before the President's arrival there.

The magazine *Equis X* was simultaneously informing the President that, unless he dropped his war on drugs, his days were numbered. The magazine, reportedly owned by jailed drug czar Carlos Langberg, is also a regular outlet for propaganda in Peru of the savage terror band, Shining Path. Its editorial, entitled "García's Life," was an ultimatum:

"García is the favorite target of terrorists. . . . [Neither] having a good security guard, nor jailing real or presumed Senderistas, nor deactivating bombs left in the street" will stop them. Unless García "gives amnesty to the prisoners," threatens the magazine, "it will be impossible to have peace."

EIR in Peru reports that the national press is filled with warnings against presidential travel abroad, where Shining Path terrorists operate with

impunity—and in the case of the United States and France, openly.

During October, at least three different Peruvian publications gave favorable play to drug legalization arguments. The legalization campaign took off immediately following the release from jail of narco-boss Langberg, by a corrupt judge. (President García has since ordered Langberg returned to prison, and the judge indicted.)

The weekly rag *Kausachum* has published a series of articles arguing—in full-color front-page headlines—that the legalization of cocaine would "save Peru."

The Peruvian daily *La República* editorialized Oct. 20 that since "the worst thing about drugs is the drug trade," legalizing drugs would solve the problem. The article gives top billing to Italy's Radical Party homosexual-leftist congressman Marco Pannella, who argues that the big profits of the drug trade stem from its illegality. Legalize the trade and control the profits, claims Pannella, and you eliminate the lure of drugs.

Not to be outdone, *Equis X* devoted six pages to an interview with "psychiatrist" Baldomero Caceres, who demands drug legalization and urges youth to "not feel guilty" for using drugs.

The narco-terror campaign in Peru is finding a parallel in next-door Colombia. The attempted assassination Oct. 22 of the president of the first

commission of Colombia's Chamber of Deputies, Alberto Villamizar Cárdenas, has been universally viewed there as a threat to the entire Congress that the mafia expects a free rein.

Villamizar, a member of the anti-mafia New Liberalism faction of the ruling Liberal Party and a strong supporter of Colombia's newly strengthened anti-drug penal code, will be presiding over a debate on the fate of Colombia's extradition treaty with the United States, expected to come before his commission. The mafia, which sees the treaty as a major obstacle to its comeback, hoped that in eliminating Villamizar it could eliminate that obstacle.

While narco-terrorism continues its rampage in Colombia, elements in and around the government are going for drug legalization. While the magazine *Kausachum* is still arguing the economic benefits of drug legalization in Peru, the Barco administration in Colombia has formalized that argument with a "tax amnesty" proposal which would give drug-traffickers with fortunes stashed abroad the opportunity to "repatriate" their narco-dollars tax free. Finance Minister César Gaviria Trujillo has acknowledged to the press that the amnesty would benefit drug traffickers, but argued—in classic free-market style—that when the ultimate beneficiary is the economy, no questions will be asked.

In the recent period, the majority of drug legalization advocates in Colombia have either been journalists using Adam Smith-style arguments, or leftists pushing legalization in the name of the environment or of Colombia's indigenous population. The campaign took a new turn in early October when former Interior Minister Rodrigo Escobar Navia urged the legalization of drugs as an "audacious formula" for solving the trafficking problem.

Bankers fear a break with IMF

New York bankers' press confesses that the loan package was nothing but political pressure on Mexico.

Now that Mexico's Program of Enterprise and Growth has become a fiasco, and the promises of the International Monetary Fund to get Mexico \$12 billion in credits are vanishing, the Trilateral Commission media have started speculation over the presidential succession as a smokescreen to hide reality: The international financial system is about to blow up, and with it, all the deals that have been made.

The dramatic reality of the Mexican program's failure is reflected in the fact that on Oct. 21, while visiting Brazil, Mexico's foreign minister proposed a summit of Presidents of Hispanic-America and Brazil to deal with the foreign debt issue. Although Brazil said no, the proposal reflects the fact that Mexico (and, with it, the Ibero-American continent) once again faces the urgency of adopting the path of Peru and limiting payment on foreign debt to a percentage of export revenues—or be destroyed as a sovereign nation.

Mexico suffers the destructive effects of a rate of collapse of Gross Domestic Product of 5%; an inflation heading toward well over 100%; hundreds of millions of workers laid off; a devaluation rate of 150%; interest rates of 140%; and the imminent bankruptcy of 25% of the manufacturing industries. Mexico will also have to deal with the reentry of a million citizens which it is feared will be thrown out of the United States as a result of the new Simpson-Rodino immigration law.

In the face of all this, and as part

of the negotiation for \$12 billion Mexico asked for to service its external debts, the bankers are intervening in the fight over the successor to President Miguel de la Madrid. The *Wall Street Journal* started its campaign on Oct. 9 by saying that the new loans are "a bet that the IMF package will allow President de la Madrid to control succession within the PRI, that he will pick a candidate to further his fledgling reforms, and that they will spark enough growth in the Mexican economy to make the loans sound. Or, alternatively, a bet that \$12 billion will prevent a lurch to the left that would destroy whatever value the Mexican loans retain."

The bankers are basing their bet on the knowledge that even though President de la Madrid differs from the extreme monetarists in paying the debt at the cost of economic recession, in the face of blackmail, he capitulates.

On Oct. 23 the *New York Times* added psychological pressure, calling President de la Madrid the "Hamlet" of Mexico: "Mr. De la Madrid, known for his extremely deliberate manner in approaching problems, is called Mexico's Hamlet. . . . The President has consistently done too little, too late in economic initiatives."

It is not the first time that the bankers used this image; they have done it every time they have wrung a new concession from the Mexican government: entry into GATT, the sale of debt for equity in the indebted firms, the sale of more semi-state-owned entities, etc.

"What ensures 12 months of ten-

sion in Mexico is that no one knows what criteria Mr. de la Madrid will use to designate his successor," said the *New York Times* on Oct. 22. This is just a euphemism for announcing 12 months of pressures, blackmail, and destabilization, the purpose of which is not to designate a successor, but to impose the bankers' program when the monetary system finally collapses.

De la Madrid has chosen the "no confrontation" path to maintain a fictitious external and internal stability, but the time has come in which new concessions to the banks mean that what little stability the country has, will vanish. Both the *Wall Street Journal* and the *New York Times* speak of an uncertainty factor in Mexico's future behavior, a factor not residing in the President as such, they say, but in the emergence of a growing opposition in the nationalist ranks of the PRI, expressed in the labor movement—the backbone of the PRI—and what the *Wall Street Journal* identifies as the "behind the scenes" power of ex-President Luis Echeverría. The *Journal* recognizes that no matter how many economic accords there are, everything will depend on political relations inside Mexico when the economic crisis worsens. "Ultimately, real reform of Mexico's economy probably does depend on an opening of its political system. . . . An open split in the PRI might be a good thing," it threatens.

Nonetheless, these maneuvers have not succeeded in diverting the attention of Mexican nationalists. On Oct. 22, former interior secretary Enrique Olivares Santana went right to the point, saying that what is urgent is not choosing the next President but "being consistent with the times. We have other problems to worry about, such as how to find ways to solve the foreign debt."

International Intelligence

French radio found guilty of libel

French national radio was found guilty of libeling a French political party in a judgment handed down Oct. 15. The first civil court of Paris ruled against French Radio Europe 1, one of the three main national radio channels in France, in a libel suit filed by the Parti Ouvrier Européen (POE), French co-thinkers of Lyndon H. LaRouche.

Europe 1 was sentenced to pay 10,000 francs to the POE for having, in the court's terms, "outrageously" described this organization, at a peak listening hour, as "a sect led by hallucinated people and loonies." An additional 3,000 francs have been awarded to the POE to pay legal fees.

The slander was aired during a Soviet-inspired international media campaign last March, aimed at implicating the LaRouche movement in Europe in the murder of Swedish Prime Minister Olof Palme. In France, the POE filed a series of libel suits against French media which had echoed the KGB "montage."

While judgments are pending in most of these cases, in July, the same court sentenced the French Socialist daily *Le Matin de Paris*, to pay the same amount of damages for having slandered the POE as "a sect led by mentally sick people."

Soviet attack Old Testament, Judaism

The Soviet government publication *Nauka i Religiya (Science and Religion)* on Oct. 25 attacks the Old Testament, depicting the Israelites as a war-mongering nation, the self-styled "Chosen People" of a "bloodthirsty God."

Dr. I. Kryvelev, after misquoting the Old Testament to prove that the Israelites settled in the Promised Land by violent means, proceeds to attack Judaism. The conditions for Isaiah's "peace" ("... and they shall beat their swords into plow-

hares," Isaiah 2:4), writes Kryvelev, is Israel's world supremacy: "But they shall fly upon the shoulders of the Philistines toward the west; they shall spoil them in the east together: they shall lay their hand upon Edom and Moab; and the children of Ammon shall obey them."

Kryvelev concludes by saying that the Old Testament (and by implication, Judaism) "calls us neither to disarmament, nor to peace."

U.S. ambassador threatens Panama

U.S. Ambassador to Panama Arthur Davis threatened a U.S. cut-off of economic aid, unless Panama's Defense Forces stay out of politics, in a speech Oct. 23 before American Chamber of Commerce in Panama.

Davis stressed four times that the United States considers an "apolitical military" as its major objective in Panama, and warned that "the U.S. attitude" and "degree of support" will depend on the military staying out of politics. His statements are read as a threat to Gen. Manuel Noriega, who earlier on Oct. 23, had supported a demand by civilian nationalists that the cabinet resign, and International Monetary Fund programs be rolled back.

Sensational AIDS debate in England

In a banner headline story accompanied by pictures of deceased AIDS-victims Lord Avon, Anthony Eden's son, and Prince Charles' valet, the *Sunday Express* of London on Oct. 26 opened a sensational debate in England on the origin of the AIDS virus. Three scientists are quoted: an East German, a Briton, and an American. In the charges and counter-charges, a hypothesis is discussed that the AIDS virus could have been produced in the laboratory in the late 1960s or early 1970s, either accidentally or by design, through a combination of two animal

retroviruses, recombined and adapted to human cells—the slow-acting maedi-visna virus in sheep and the bovine leukemia virus of cows. If so, the question would be, where?

The *Sunday Express* article reports on charges from a 70-year-old East Berlin microbiologist, Professor Segal, who repeats the standard Warsaw Pact line that the AIDS virus was manufactured by the CIA in a military laboratory at Fort Detrick, Maryland. Dr. John Seale of England, who has distanced himself from the wild Fort Detrick story of Segal, is quoted as issuing an open challenge to the biomedical community of Britain to debate the question of whether or not AIDS was synthesized, accidentally or otherwise, in a laboratory.

Some have advanced the view that two likely suspects for the biological dirty work would either be the Soviet Union's V. M. Zhdanov, who now heads the Ivanovskii Institute of Virology, or West Germany's Friedrich Deinhardt who was engaged in a joint project of retrovirus experiments with the Soviet Union's Boris Lapin of the Sukhumi Primate Center in the late 1960s when Deinhardt was actually working in the United States. Deinhardt is now the World Health Organization representative running the AIDS cover-up in West Germany.

The American scientist mentioned in the article, Dr. Robert Strecker, was entirely misquoted. He has raised the question of the World Health Organization and United Nations' role in disseminating the AIDS virus, if it had been actually synthesized as a by-product of experiments in the 1960s. Dr. Strecker has given *EIR* an exclusive interview which will be published soon.

Anti-U.S. riots in South Korea

On Oct. 29, more than 900 students occupied five buildings at South Korea's Kun-Kook University and threatened to burn them down, during the second day of demonstrations to demand dismantling of nuclear bases and withdrawal of U.S. troops.

Demonstrators distributed leaflets in the name of a "National Patriotic Students Alliance for Struggle Against Foreign Influences and Dictatorship." One leaflet demanded the overthrow of a "pro-American fascist regime."

Another leaflet called for removal of nuclear bases in Korea, withdrawal of U.S. forces and an end to exercises that can lead to military clashes. Other leaflets urged the major opposition New Korea Democratic Party not to compromise with President Chun Doo Hwan's government, but to continue a violent struggle against it.

Mass 'mercy killings' in Holland

Dutch family doctors carry out about 5,000 mercy killings a year and 80% of all general practitioners have direct experience with euthanasia, according to a doctor's survey of his colleagues.

Dr. Gen. Van der Werf told Reuters by on Oct. 28 by telephone from the northern Dutch town of Haren that he had polled 63 doctors in his area on euthanasia and discovered the favored method was administering a liquid called vesparax. Some 51 doctors had carried out 90 mercy killings in the last two years, mostly on cancer cases.

The doctors surveyed treat about 1% of the Dutch population. Van der Werf therefore estimates that there are about 5,000 cases a year among family doctors across the country. The survey was published in the doctors' journal *Medisch Variations*.

Thai Communists said to be stockpiling arms

Thailand's Communists are stocking arms and penetrating all sectors of society, including parliament, in preparation for renewed revolutionary war, the government said Oct. 29. Prime Minister Prem, laying out a fresh counter-insurgency policy to

nearly 800 government and military officials, told them Communists remained the nation's number-one enemy.

Army chief Gen. Chaovalit Yongchaiyuth told delegates the battered Communist Party of Thailand (CPT) had succeeded in greatly expanding its front activities in the past year to the point where it was again threatening armed revolution. "We consider this a period of reversal or resurgence of war," Chaovalit told the twice-yearly counter-insurgency review session. Thailand claimed to have ended the outlawed CPT's armed struggle in 1983, cutting its strength to less than 1,200 guerrillas from a peak of about 12,000 three years earlier.

But Chaovalit said Communists had penetrated domestic and international organizations, fomented opposition to the government's economic policy, infiltrated political parties, stepped up propaganda, and were stocking weapons in preparation for war. A spokesman said numerous weapons caches, including "hundreds of thousands of rounds of ammunition," had been uncovered recently.

The pro-Chinese CPT took up arms against the government in 1965. Peking ended support to the CPT in 1979 to normalize ties with Bangkok. The party was further sapped by poor leadership and mass defections in response to government amnesty offers and military suppression.

New terrorism in West Germany

Three terrorists "knee-capped" the head of the Office for Aliens in West Berlin, Mr. Harald Hollenberg, early in the morning of Oct. 28. This is the first time such a technique has been used in Germany. The terrorists fled in a car which was later found abandoned and burning by the police.

Hours earlier, the Revolutionary Cells had bombed the Lufthansa headquarters in Cologne, causing \$47,000 in damage, and shot and wounded an immigration official in West Berlin.

Briefly

● **STORES, OFFICES,** and schools in the north Indian state of Punjab closed on Oct. 27 in a 24-hour protest strike against the weekend killing of eight villagers by Sikh extremists.

● **HELMUT KOHL** and François Mitterrand, at a joint news conference ending a two-day summit in Frankfurt, said Oct. 28 that any elimination of U.S. medium-range nuclear missiles from Europe must not be allowed to reduce their countries' security. "The underlying thought . . . is first that European security must not be decoupled from the security of the United States, and second that it must not be possible in the future to conduct wars in Europe."

● **JACK ANDERSON**, in his syndicated column on Oct. 29, states that French officials are deliberately misleading their own people and the international press about the true source of the terrorist bombings that have rocked Paris. "Our sources," says Anderson, "who are terrorism experts in various Western intelligence agencies, believe that Garbidjian, an Armenian Christian, born in Syria, is the French prisoner whose release is the crucial demand of the Paris bombers"—not Abdallah, who French officials have convinced the press is the key individual.

● **MUSLIM REBELS** ambushed a truck in the strife-torn south Philippines on Oct. 28, killing six people, including an army captain, and wounding 27 other soldiers and civilians, officials said. The attack raised to at least 21 the number of people killed in Muslim or Communist rebel incidents across the Philippines since Oct. 24.

● **METROPOLITAN FILARET** of Kiev held a "very private" meeting with Pope John Paul II in the Vatican Oct. 28.

International panel to probe Justice Department

A Commission of internationally prominent jurists and others has been formed to investigate lawless activity by the U.S. Justice Department that many fear is leading the United States toward a police state. The "International Commission to Investigate Soviet-style Human Rights Violations Inside the United States" was prompted by recent U.S. government behavior toward the movement surrounding controversial political figure Lyndon H. LaRouche, Jr. and his associates.

Charging the U.S. Justice Department with a politically motivated witchhunt against LaRouche, Commission members at a press conference in Washington Oct. 29 called LaRouche "the hope of the present-day world," and said they feared that no one's political rights would be safe if the United States permitted opponents of government policies to have their civil rights mercilessly trampled upon in the way they charged LaRouche's rights have been.

A massive raid was carried out on offices of businesses operated by supporters of LaRouche in Leesburg, Virginia on Oct. 6. Two of his associates, Michele and Jeffrey Steinberg, are currently being held without bail in Massachusetts, although neither has a criminal record nor is charged with any violent crime. A third LaRouche associate, Michael Billington, faces trumped up charges of "securities fraud" in several states. All the charges are without merit, according to LaRouche spokesmen, and according to members of the international commission formed Oct. 29.

Internationally, 28 press conferences were held on three continents to announce the formation of the commission. Many of those involved have stated their fear that the process under way inside the United States, only currently focused on LaRouche, parallels the 1933-34 process by which Adolf Hitler wiped out all potential institutional opposition to his dictatorship.

At a press conference in Rome, a guest appearance, something of a surprise, was made by Elizabeth Rose, the octogenarian LaRouche supporter from Philadelphia whose children, with the connivance of attorneys and a corrupt judge, have had her declared "mentally incompetent" for no

other reason than her support for LaRouche. She walked out of the courtroom and went to Europe after the judge declared he would find against her.

The commission was formed by prominent international figures who are familiar with LaRouche's activities as the 1982 intellectual author of the U.S. Strategic Defense Initiative (SDI), a fighter against international narco-terrorism, and for international monetary reforms. Many of the commission's backers have expressed the fear that Soviet-style injustices in the U.S. threaten Western civilization.

A large fraction of the hundreds forming this commission, are outstanding legal professionals in their own nations, some of international repute. Many of these have stated, that what the U.S. news-media concede to be major features of the Leesburg raid are flagrant violations of the most elementary past standards of law in the United States. Leading Europeans have stated, that these actions remind them of the practices of the Nazi Gestapo, and the Soviet political police. It has also been noted, that these actions are clear violations of the Helsinki Accords on human rights of political dissidents.

'A great and noble man'

S. C. Birla, an attorney at the Supreme Court of India and secretary of the All-India Bar Association, issued a statement at the press conference forming the commission, calling LaRouche a "great and noble man." The statement was read by an associate of Mr. Birla's, K. D. Sharma. He was one of six eminent spokesmen from Spain, Peru, India, and the United States to denounce the recent legal actions against LaRouche.

"We are surprised and shocked beyond belief that the U.S. government and state agencies conducted a massive raid on the headquarters of organizations associated with a great and noble man like Mr. Lyndon LaRouche. We regard Mr. LaRouche as the greatest hope for the present-day world. And if he has to be treated in this ugly fashion in his home country, we do not know what future awaits others. We have

always viewed the United States as the land of the law which guarantees freedom and privacy of the individual, and protects their right to dissent. By any standards, the raid on Mr. LaRouche's headquarters is in violation of American laws and in violation of all known principles and conventions governing search and seizure operations. We find it hard to believe that innocent persons were arrested as part of this search and seizure operation, and that they are still being held without bail. It is a well-known and absolutely established legal principle that bail in all cases, except those involving heinous crime, is a right, and not subject to discretion.

"The least the government agencies can do is to release the innocent persons, drop the matter, and dismiss the officers who indulged in such an illegal act. This alone will restore to America the dignity which crowns her in the eyes of the whole world. The U.S. government owes an immediate apology to Mr. LaRouche and his associates, and of course, full compensation."

Milton Croom, former U.S. Senate candidate and North Carolina head of "Peace Through Strength," denounced "politically inspired prosecutions in this country aimed at destroying targeted individuals, their careers and effectiveness," at the Washington press conference.

Croom attacked what he called a "two-track justice system in the U.S." in which, he said, "persons guilty of horrendous crimes, who are unquestionably guilty, are freed if the slightest imprecision is found in their trials," while, on the other hand, "politically inspired prosecutions against minor alleged transgressions are carried out in an aggressive and merciless fashion."

He included the cases of Watergate, Sen. Harrison Williams, Rep. George Hanson, and Judge Harry Claiborne as examples, and said these and the case of LaRouche associates Jeffrey and Michele Steinberg are "extreme examples" of victims of such a system. "In this case," he said, "individuals of an organization unpopular with the government were assaulted by a small army of government agents based on minor charges and dubious evidence, and are now being denied bail."

As a result of tolerating such action, he said, "No citizen of the United States is safe."

He endorsed Senate Resolution 514, sponsored by Sen. William Armstrong (R-Colo.), which creates a congressional subcommittee to investigate violation of individual rights by excesses of the Justice Department and its agencies.

A protest from Spain

Victor Girauta y Armada, a noted attorney from Spain, appeared at the press conference to proclaim the war on international drug trafficking and "narco-terrorism" as "the main object of my life," and declare LaRouche "the most courageous fighter in this field in the world."

Girauta is a member of the National Lawyers Board of

Spain and the Spanish-German Lawyers Association.

He joined other spokesmen in expressing his "deep concern" for recent actions led by U.S. Assistant Attorney General William Weld against LaRouche. When asked by reporters if he concurred with the analogy made by Schiller Institute President Webster Tarpley between the treatment of Mr. LaRouche and his associates and "Soviet-style human rights violations," Mr. Girauta said, "I do not disassociate myself from such a view."

He praised Mr. LaRouche's determination to "investigate the banks and the big businesses behind the drug trade," and said that Spain, "as a new, young democracy, looks to the United States as a model.

"We look up to the United States," he said, "where human rights are supposedly protected. It is hard for us to accept what has been going on in the treatment of Mr. LaRouche. . . . It is the intention of European legal associations to inquire about this case, from the standpoint of violations of the U.S. Constitution and the Helsinki Treaty."

Ricardo F. Martin, former assistant attorney general of Peru, and former ad hoc prosecutor for drugs and narco-terrorism, made one of the most moving statements of the press briefing: "I fully support the formation of the Investigatory Commission of Human Rights Violations in the United States, raising my energetic voice of protest and surprise at the violations of constitutional and civil rights, which citizens who support the Democratic presidential candidacy of Lyndon LaRouche have suffered.

"I energetically protest the use of force in violation of the human rights of people who find themselves jailed on the basis of absurd accusations, without any right to defense and bond. Even the worst criminals are granted these minimum rights, which are a guarantee that the law is carried out. I also protest the brutal police methods employed in the raid on the offices of organizations which support Mr. LaRouche. Hundreds of policemen, armed to the teeth, armored cars, and helicopters were used in the raid. This entailed unprecedented levels of force for the United States in the battle against crime. I want to ask if at any time, similiar force was used to carry out an anti-drug operation, to combat the 'crack' which is assassinating thousands of citizens? I answer, never has this been done!

"We, the people of Latin America, are accustomed to the fact that, when in one of our countries, members of some political party are arrested, or their offices or homes are raided, the U.S. State Department and all the press immediately open fire against these acts, calling them 'violations of human rights,' 'violations of the Constitution,' and 'police states.'

"Well, today, the people of Latin America alert the U.S. State Department: 'You are violating the Constitution and trampling on civil rights, trampling on human rights, and using police state methods!'"

'AIDS epidemic could become catastrophe'

by Warren J. Hamerman

On Oct. 29 the Institute of Medicine (IOM) and the National Academy of Sciences (NAS) released a courageous 374-page report to the nation, entitled *Confronting AIDS: Directions for Public Health, Health Care, and Research*, which for the first time officially lifted the lid off the cover-up on the true threat of AIDS which the Atlanta Centers for Disease Control (CDC) have been irresponsibly maintaining. The IOM-NAS report asserts: "A sizeable proportion of those now infected will, in a few years, progress to severe disease and death. If the spread of the virus is not checked, the present epidemic could become a catastrophe."

The report called for a \$2 billion annual budget before the end of the decade from federal sources: \$1 billion for basic biomedical research and \$1 billion for education and other public health measures such as blood screening.

Ironically, five days before the IOM-NAS report appeared, those two national institutions were placed in charge of an emergency investigation of the collapsing CDC, which has lost all institutional credibility because of its repeated mismanagement of the AIDS program. Seven of the CDC AIDS laboratory's 13 senior scientists have either quit, been fired, or transferred from the AIDS program. At least two of the remaining six scientists have announced that they will also leave as a result of turmoil at the CDC. Dr. Paul Luciw, the University of California virologist who helped decipher the genetic code of the AIDS virus, commented on the turmoil at CDC: "It is not easy to get people who are skilled and creative. I don't see them recovering. They've lost their credibility almost completely."

Projections of a catastrophe

Among the summary of the IOM-MAS report are the following:

- There is a likely 10-fold increase in AIDS cases over the next five years.
- Anyone who has antibodies to the virus must be assumed to be infected and probably capable of transmitting the virus.
- A person infected with HIV may not show any clinical

symptoms for months or even years, but apparently never becomes free of the virus. This long, often unrecognized period of asymptomatic infection, during which an infected person can infect others, complicates control of the spread of the virus.

- There have been 24,500 AIDS cases and an additional 50,000 to 125,000 ARC cases already counted.
- At least 25 to 50% of infected persons will progress to AIDS within 5 to 10 years of infection. The possibility that the percentage is higher cannot be ruled out.
- There is no satisfactory treatment now for HIV infection. Prospects are not promising for at least five years and probably longer for a vaccine or an acceptable cure.
- By the end of 1991, there will have been a cumulative total of more than 270,000 cases of AIDS in the United States, with more than 74,000 of those occurring in 1991 alone.
- By the end of 1991 there will have been a cumulative total of more than 179,000 U.S. AIDS deaths, with more than 54,000 of those in 1991 alone.
- Because the typical time between infection and development of clinical AIDS is four or more years, most of the persons who will develop AIDS between now and 1991 are already infected.
- Pediatric AIDS cases will increase almost 10-fold in the next five years.
- There will be substantially more cases in the heterosexual population over the next 5 to 10 years.
- The estimate for the direct cost of health care for the 174,000 AIDS patients projected to be alive during the year 1991, will be \$8 billion to \$16 billion in that year alone. This projection does not include the cost for treating ARC cases.
- There are an estimated 10 million individuals infected worldwide; the developing sector will suffer the most from the disease.

Recommendations

The committee of prestigious scientists calls for the creation of a National Commission on AIDS as a presidential or joint presidential-congressional commission. It calls upon the President and the cabinet secretaries to exert strong personal leadership. Specifically, it recommends that the President take a strong leadership role in the effort against AIDS, designating control of AIDS as a major national goal and ensuring that the financial, human, and institutional resources needed to combat HIV infection and to care for AIDS patients be provided. It calls upon the Congress to increase research and public health/education funding to a combined total of \$2 billion annually by 1990.

The IOM-NAS Committee on a National Strategy for AIDS is coordinated by a steering committee of 11 scientists co-chaired by Dr. David Baltimore and Dr. Sheldon M. Wolff. In addition to the steering committee, the report was prepared by 23 scientists grouped into a Research Panel and a Health Care and Public Health Panel.

Weinberger attacks Congress's micromanagement

Secretary of Defense Caspar Weinberger charged on Oct. 30 that the behavior of the U.S. Congress is "contrary to the national interest." During a speech to the First Annual Best Practices Conference here, he said that Congress has butchered his President's defense budget request for three years running, by \$16.4 billion in Fiscal Year 1985, by \$19.7 billion in FY86, and by \$28.6 billion in the budget just completed for FY87.

He said the combined defense budget for 1986 and 1987 represents a 7% real decrease below the level of 1985. "This is a most serious trend," he said, "that threatens to get worse, not better," because of congressional preoccupation with the deficit (under the Gramm-Rudman law, the deficit was technically supposed to be cut to \$154 billion this year; next year, it is supposed to drop to \$109 billion).

Unless the situation is turned around, Weinberger warned, "We will have to try to deter Soviet attacks with the budget of a second-class power." He scoffed at those who have the illusion that "in the case of a crisis, you just need to push a button, and you can rebuild the defense like a coin dropping out of a slot. It doesn't work that way. It takes five, six or seven years."

In addition to budget cuts, however, Weinberger let Congress have it for what he called "burdensome micromanagement."

"Rather than provide general oversight, broad rules, and basic direction, Congress has become a voracious consumer of the most detailed

information on the Defense Department," he said.

"The insatiable congressional appetite for reports, hearings, and meetings has produced burdensome micromanagement. It sometimes appears that Congress's desire for detailed meddling is designed more for the media than it is for America's national security.

"In the area of micromanagement, Congress now dictates to the military services, in the most excruciating detail, exactly what they can buy. More often than not, these demands reflect the parochial concerns of a few Congressmen, and in the traditional process of logrolling, gain considerable support. Thus we are directed to compete where there are no competitors; and we are forbidden to compete if competitors reside outside certain congressional districts. Or there are attempts, by those who spend the rest of their time decrying 'defense waste,' to buy airplanes no one except a weakened company wants. Both time and money are wasted in this process of attempting to please every narrow constituency and special interest.

"If we are to reform our acquisition system, more will be needed than just the efforts of the Defense Department and the defense industry. Congress's detailed manipulation of line items in the defense budget is contrary to the national interest. This is not what the Founding Fathers intended as Congress's role."

Weinberger concluded, "The threat has not diminished. The world has not suddenly become so safe that freedom can take a second place to deficit reduction."

Soviets bugged Hofti House

According to inside sources, sophisticated Soviet "bugs" (secret eavesdropping devices) were discovered by

U.S. authorities in all the rooms of the Hofti House in Reykjavik, Iceland, after the Reagan-Gorbachov summit.

These bugs were missed in a "sweep" of the building prior to the summit talks, but certain things said by the Soviets during and after the talks led U.S. officials to believe they must have been listening in to some of the private caucusing of the President and his staff in side rooms during break periods.

It was also reported that a number of hotel rooms of leading U.S. journalists were also bugged by the Soviets in the belief that they might receive inside leaks from high-level U.S. government officials during the course of the talks.

Giving Kalb too much credit

Those who were circulating rumors at Reykjavik that Secretary of State George Shultz's press spokesman, Bernard Kalb, was fired a month before for leaking, were apparently giving Kalb too much credit.

"To leak something, you have to know something, and Kalb didn't know anything," one source told this column. Kalb, he said, was forced out because he was lazy and doing a lousy job, and was coming under heavy criticism from the press corps at the State Department for refusing to comment on two-thirds of the questions they asked, answering, simply, "I have nothing on that."

Kalb simply took the occasion of the short-lived media hype over the alleged advocacy of "disinformation" tactics against Libya's Qaddafi by National Security Adviser John Poindexter to make a sanctimonious exit.

Kalb's replacement, Charles Redman, has answered more questions from the media, but, of course, the content of his answers—namely, State Department policy—has not changed.

Book Review

Ballerina fights for her art against the drug counterculture

by Christina N. Huth

Dancing On My Grave: An Autobiography

by Gelsey Kirkland, with Greg Lawrence

New York: Doubleday and Company

Illustrated. 286 pp. \$17.95

At age 34, celebrated ballerina Gelsey Kirkland has published her autobiography. This would seem an inappropriately early age to undertake such a task, but for the fact that Kirkland's recent appearance in *Romeo and Juliet* with the Royal Ballet of London, marks her 25th year on the stage, a career which began with her role as an angel in *Nutcracker Suite*, for George Balanchine's New York City Ballet.

Dancing On My Grave paints a sordid picture of the professional dance world over the past two-and-a-half decades. The sharply drawn experiences of Kirkland, in childhood, adolescence, and young adulthood, give the reader a rare insider's glimpse at the sorry state into which American culture has fallen, under the dictates of the immoral notion of "art for art's sake."

Kirkland describes the tortuous physical training of young ballerinas at New York City's American School of Ballet, which was overseen by Russian-émigré superstar choreographer George Balanchine, to produce dancers for his troupe. To achieve the "turned out" position of the leg and hip joint, considered essential to the aesthetic of 18th-century classical ballet, young dancers were drilled and grilled in a technique which virtually ensured serious injury, and forced retirement by their mid- to late twenties. Balanchine's orders to young dancers-in-training ranged from advice to imagine themselves as puppets on a string, to addressing them as "Zombies!" to the admonition, "Don't think, just do."

In 1968, Kirkland left high school and became a full-time member of Balanchine's company. She avoided the worst

excesses of his training program by working with independent coaches and physical therapists. But she could not so easily avoid the problems of a degenerated repertory. One of her first, and most lauded, major roles was that of the Firebird, in Stravinsky's ballet of the same name. In *Firebird*, the longtime partnership of Russian émigrés Balanchine and Stravinsky ("they shared faith in Russian orthodoxy and a fierce allegiance to their Russian homeland," according to Kirkland), produced succor for neither the artists nor the audiences—both subjected to the "savage rhythm" of Stravinsky's impressionist music, Balanchine's modernist choreography, and the "floating images" abstractionist kook Marc Chagall provided for stage sets.

Writes Kirkland of her performance in *Firebird*: "Stravinsky replaced the thematic development of classical music with a range of sensations that alternately jolted or lulled the mind. . . . The stage design was ultimately as insurmountable as the stumbling blocks in the music. I had vertigo when I looked at the set. Chagall's alteration of perspective caused an almost surreal sense of disorientation. I found an obstacle course rigged to trip the dancer at every turn."

But a Balanchine ballerina was supposed to dance, to dance, in fact, with gymnastic virtuosity, and this Gelsey Kirkland did, to high critical acclaim, and partnered with the most famous of male counterparts, for more than a decade after the production of *Firebird*. The self-perceived limitations of her accomplishment within the ballet world left her frustrated, personally insecure, anorexic, and, finally, addicted to cocaine.

Kirkland remained on the stage, in prima ballerina roles, for six years after she was introduced to cocaine by dancer Patrick Bissell, and had become an addict. She toured, partnered with the lionized Mikhail Baryshnikov and other leading male counterparts, for the New York City Ballet and the American Ballet Theater, while consuming up to \$600 worth of cocaine each and every week.

Although Kirkland does not say it in so many words, her narrative makes quite clear that her cocaine addiction, and the life-threatening medical problems it created (brain seizures, convulsions, and blackouts), were well known to the company's management. They were, to put it most politely, ignored. Kirkland headed toward bottom, confined in a psychiatric facility, whose doctors pronounced her incurable and fit to be institutionalized indefinitely, while conniving to get her bills paid by allowing her out to dance on "temporary passes" from the institution. She hit bottom, when, securing release from the hospital, she signed a contract with a manager that included an unwritten clause guaranteeing her supply of drugs—to be delivered by Federal Express, if necessary, when she was on tour.

Gelsey Kirkland saved herself from professional ruin, drug addiction, and a probable early death, by deciding to kick cocaine, take a leave of absence from dancing, and study the classics of music, literature, philosophy, and natural science, in a search for an understanding of dance that was not to be found on the New York City stage. She undertook this course of study in spring 1984, in collaboration with her husband, ex-cocaine addict Greg Lawrence, co-author of *Dancing On My Grave*. The transformation of her life by the great thinkers of history is apparent in her book, as is her conscious choice to embrace the classics and discard the culture of soap operas, popular music, and drugs.

The liberal critics howl

Kirkland's story of stubborn determination to bring art to ballet, an intellectual drive that saved her life, should make readers happy. It has made most of the critics of the liberal news media unhappy.

One of them calls it "hot stuff," recommending the book for its rendition of Kirkland's unhappy love life. The *Washington Post's* Suzanne Gordon scorns Kirkland's self-determined course of classical studies as pretentious, and characterizes Kirkland's collaboration with her husband as a new form of addiction, traded for dependence on cocaine.

These are mild abreactions, however, compared to the shrieks of horror emanating from the *Baltimore Sun*. The howls are from one Katie Gunther Kodat, no doubt a failed danceuse, trapped in the body of an art critic at a second-string metropolitan newspaper. Kodat really rattles her cage over Kirkland's description of how the international drug cartel delivers its poison into American society: from the International Monetary Fund's promotion of cash-crop drugs in the Third World, to the Tavistock Institute's "sex, drugs, and rock 'n roll" counterculture, to the laundering of hundreds of billions of dollars of dope profits through the biggest banks in the world. This picture of a global drug conspiracy, which helped Kirkland to understand the infestation of American art circles by drug abuse, is nothing more than self-delusion, Kodat raves. It insults the reader, according to Kodat, only slightly less than Kirkland's use of quotes on the nature of art



Farrell Grehan/Life Magazine

Gelsey Kirkland at 18, with Balanchine (left), in the costume fitting for Stravinsky's "Firebird." She describes the costume as "a flaming gold and red abomination. It was something that an overgrown canary might wear, not something a ballerina should ever have to put on, or dance in. The plumage was crippling. . . . Stepping into this contraption, I was a little ball of rage, not a Firebird. As the fitting session was prolonged for photographers, I spent the time glaring over my shoulder at Mr. B, giving him the old evil eye." Kirkland reports that Balanchine "actually identified the hero (of the ballet) with Stalin." (Reprinted by permission from "Dancing on My Grave.")

from Helga Zepp-LaRouche, Friedrich Schiller, and Saint Augustine.

By what means ballet may achieve the rank of art is an implicit subject of Kirkland's book, but settling the question remains beyond the scope of both *Dancing On My Grave* and this review. It can be said however, that Kirkland's story, often concerned with elevating the ballet, takes a few steps in the right direction.

No doubt, ballet will continue to be a morose shadow of art, as long as the dance is partnered not with music, but with noise—be it the romantic sensationalism of Tchaikovsky, or the modernist cacophonies of Stravinsky. Great music is a prerequisite to the task of uplifting an audience with drama, expressed through the harmonic movement of the human form. Suitable dramatic material is needed as well: It's time for the tripe produced by the godfathers of New York's culture mafia—the Balanchines, the Jerome Robbinses, the Twyla Tharps—to go out the window, preferably on the thongs of pitchforks brandished by an infuriated audience.

Finally, there are needed dedicated dancers, willing to take responsibility for not only their own performances, but for all the essential elements of the ballet, and thereby for the audience, and the society, which they serve as artists. *Dancing On My Grave* indicates that Gelsey Kirkland is struggling to make such a commitment, and is possessed of the determination and intellectual drive which may allow her to carry it out.

National News

Will anti-drug war get Libyan planes?

Representative George Darden (D-Ga.) announced on Oct. 25 that he plans to introduce legislation when Congress reconvenes in January to have the Pentagon confiscate eight C-130H planes built at Lockheed's Georgia plant in Marietta in the late 1970s, when Jimmy Carter banned delivery of the planes because of evidence of Libya's involvement in terrorism.

"The C-130 is ideal for drug patrols," Darden said.

President signs \$1.7 billion drug bill

President Reagan on Oct. 27 signed into law the \$1.7 billion Omnibus Drug Abuse Act of 1986. "The American people want their government to get tough and go on the offensive, and that's exactly what we intend, with more ferocity than ever before," he said.

The new law conforms to the President's six-point War on Drugs agenda in the following ways:

1) A drug-free workplace. It requires prevention, treatment, and rehabilitation programs for federal workers. This corresponds to an executive order signed by the President Sept. 15, that included mandatory testing for workers in sensitive positions.

2) Drug-free schools. It authorizes \$200 million this year, and \$250 million next year and the year after, for a grant program to "assist state and local governments in establishing drug-free learning environments."

3) Expanded drug treatment. It appropriates \$198 million this year for drug research, develops programs for clinical training of drug-abuse professionals, and authorizes \$42 million through 1989 for counseling and medical treatment.

4) Expanded international cooperation. Among other measures, it provides an additional \$322.5 million to add surveillance aircraft and radar systems, and almost \$250

million to Customs for additional personnel and equipment to fight drug smuggling.

5) Strengthened law enforcement. It provides life sentences for principals in major drug enterprises and toughens penalties for those using minors in drug-related crimes. It makes drug-money laundering a federal offense carrying up to a 20-year sentence.

6) Expanded public awareness and prevention. It creates a new Office of Substance Abuse Prevention in the Department of Health and Human Services (HHS), as well as a President's Media Commission on Alcohol and Drug Abuse Prevention, with 12 members appointed by the President to disseminate information.

Lawsuits settled between First Fidelity, LaRouche

Two years of intensive litigation between First Fidelity Bank of New Jersey, and the campaign committees and associates of presidential candidate Lyndon LaRouche, were ended Oct. 29, as all parties consented to a settlement of the lawsuits involved.

The settlement involved three separate cases: 1) The suit brought by LaRouche's 1984 campaign committees, The LaRouche Campaign and Independent Democrats for LaRouche, against First Fidelity, charging breach of contract and unlawful seizure of the committees' bank accounts; 2) First Fidelity's suit for libel and fraud against the LaRouche committees, which included claims that the bank had sustained over \$700,000 in credit card charge backs stemming from alleged fraudulent charges and unpaid loans to the campaigns; and 3) First Fidelity's racketeering (RICO) lawsuit brought against LaRouche personally, 17 organizations, and 20 individuals that the bank called the "LaRouche Enterprise."

Under the terms of the settlement, all parties are enjoined through Nov. 15, 1990 from "making or publishing any accusations against the opposing parties which accuse said opposing parties of tortious or criminal conduct; from making or publishing any statement with respect to any past activity, affairs, business, or operations of any party, its subsidiaries or affiliates or their officers,

agents, or employees which was the basis of any legal or factual issues in the within actions. . . ."

A spokesman for the LaRouche committees said the committees were "extremely pleased" with the settlement, and that all sides were happy to settle the lawsuits, which had become very expensive for all parties. Aides to Mr. LaRouche reported that the candidate was very pleased with the settlement.

Catholic feminists, lesbians in pagan frenzy

Over 2,000 Catholic feminists gathered in Washington, D.C., Oct. 10-12 for a conference entitled "Women in the Church," according to *The Wanderer* of Oct. 23. The meeting included pagan appeals to "the loving goddess" and denunciations of the "male-dominated" church.

Featured speakers were Sr. Joan Chittister, president of the Conference of American Benedictine Prioresses, and Fr. Richard McBrien, a theologian from Notre Dame University. Sister Joan told the assembled feminists and lesbians of her suggested "Agenda for the '90's," including an appeal to the Virgin Mary as "a Third World woman. . . . Mary's agenda was fullness of personhood. Mary was the liberated and the liberator."

Probably the highlight of the proceedings was a "feminist liturgy," conducted by the Women Church Convergence, which includes Catholics for a Free Choice, the Conference for Catholic Lesbians, and the Women's Ordination Conference. The woman conducting the liturgy spoke of how "We are empowered by a loving goddess," and "We proclaim the power of our foremothers." She then "consecrated" bread and wine, saying, "We bless this bread of the eucharist of Women Church," telling the others to "raise your hands to proclaim that we, as well as this bread and wine, are the living eucharist of Women Church." The crowd put their hands on each others' shoulders and rocked rhythmically from side to side.

Briefly

● **CHESTER CROCKER**, assistant secretary of state, met Oct. 29 in Paris with Jonas Savimbi, leader of UNITA, the U.S.-backed guerrillas seeking to overthrow the government in Angola.

● **HOWARD PHILLIPS**, head of the United Conservative Appeal, endorsed Proposition 64 on the Cable Network News "Crossfire" program Oct. 30. "The only reason the same public health standards which apply to syphilis, gonorrhea, typhoid, and tuberculosis don't apply to AIDS, is that there is no political lobby for syphilis, but there is for AIDS," he said. Los Angeles ACLU lawyer Susan McGreivy, who was a guest on the program (along with *EIR's* Webster Tarpley), maintained that the California AIDS initiative would persecute homosexuals, whereas in fact "lesbians have the purest blood of anyone."

● **TWO BOMBS** exploded in Puerto Rico Oct. 28, injuring one person, and federal authorities disarmed eight other bombs placed outside recruiting stations and military installations. Three radical pro-independence groups claimed responsibility: the Popular Puerto Rican Army, the Volunteer Organization for the Puerto Rican Revolution, and the Armed Forces for Popular Resistance.

● **PRESIDENT REAGAN** called the Strategic Defense Initiative an economic benefit "that will open the door to a new technological age." In a campaign speech in Colorado Springs on Oct. 30, he said, "Just as America's space program created new jobs and industries, SDI could open whole new fields of technology and industry, providing jobs for thousands right here in Colorado and improving the quality of life in America and around the world."

● **MICHAEL ARMACOST**, undersecretary of state for political affairs, has been in Central America on an "orientation visit" to discuss military aid to the Nicaraguan rebels, the State Department revealed on Oct. 29.

Archbishop Hunthausen rallies against Trident

Archbishop Raymond Hunthausen, who has been disciplined by the Vatican for opposition to the Church's social teachings, was among the 400-odd people who rallied in the rain outside a Trident nuclear submarine base in Bangor, Washington, on Oct. 26, UPI reported. The protest was held to mark the deployment of the *USS Alaska*, the nation's seventh Trident sub, said a spokeswoman for the anti-nuclear group Ground Zero.

The rally, one of a series organized by Agape, a nationwide Christian peace organization, was led by Bishop Michael Kenny of Alaska. Hunthausen was making his first public protest since September, when the Vatican turned over many of his duties to Auxiliary Bishop Donald Wuerl.

The following day, the Vatican issued a "chronology" of the Hunthausen case, which has drawn criticism of the Vatican from the "American heresy" faction of the Catholic Church. The chronology was reportedly written by Apostolic Pro-Nuncio Pio Laghi. It spells out five "problems" in Hunthausen's ministry, centering on the issues of divorce; contraceptive sterilization; homosexuality; permission for non-Catholics to receive communion at Catholic masses, and Catholics to receive communion at Protestant services; and use of inactive priests to teach and to say Mass.

Did Atlanta CDC sabotage AIDS research?

A team from the National Academy of Sciences has begun investigating allegations that AIDS experiments by the national Centers for Disease Control in Atlanta, Georgia were sabotaged and mismanaged, UPI reported on Oct. 24.

The CDC is the control-point for a nationwide cover-up of the AIDS epidemic,

and has maintained, against overwhelming evidence to the contrary, that environmental factors such as sanitation and insect population play no significant role in transmission of AIDS; that there is no risk to non-addict heterosexual populations; and that the "solution" to the AIDS epidemic is "safe sex and clean needles."

The three-person panel from the Academy's National Institute of Medicine will try to determine why 7 of 13 AIDS researchers left the center in recent months.

Kathryn Lord, a center spokeswoman, said the investigators "are specifically looking at allegations of impropriety and mismanagement in the AIDS laboratory program." One report cited infighting so severe among researchers, that some were sabotaging the experiments of their rivals.

Reagan hails Pope's message on terrorism

White House spokesman Larry Speakes, asked to comment on Pope John Paul II's call for a worldwide "truce" on Oct. 27, in which terrorists and other armed protagonists would lay down their arms for one day, commended the initiative, and pointed to the hope offered by the Strategic Defense Initiative for ridding the world of the threat of war.

The President has sent a message to the Pope, said Speakes. [He] states that it is his fervent goal and hope . . . that we will someday no longer have to rely on nuclear weapons to deter aggression and assure world peace. To that end, the United States is now engaged in serious and sustained effort to negotiate major reductions in levels of offensive nuclear weapons with the ultimate goal of eliminating these weapons from the face of the Earth. In addition, we are exploring the possibilities presented by new technologies to protect human lives from the threat of nuclear destruction, through the use of strategic defenses which threaten no one. Such technologies offer the hope of placing deterrence of war on a safer and more stable basis."

Editorial

An obligation to history

Important anniversaries invite us to reflect on two great moments in America's past: the drafting and passage of the Constitution, and the Civil War. Both occasions offer the opportunity to stir up renewed interest in history, and to remember that the American republic was founded and preserved by "patriots and world citizens," dedicated to setting an example and becoming a refuge for seekers of freedom throughout the world.

Celebrations have already begun for the 1987-89 bicentennial of the Constitution, which brought into being that "more perfect Union" for which many brave patriots had suffered or died in the 1776-83 Revolutionary War. Benjamin Franklin, George Washington, Alexander Hamilton, and the other founding fathers knew that the world's eyes were on them, and that only if they succeeded in framing and ratifying a Constitution that raised the Union above the states as the expression of a government dedicated to human progress through industrialization, could this, the first full-fledged republic, endure.

Against them were arrayed influential forces, committed to the vision of a confederation of agrarian states which would never industrialize, never support a large population, and certainly never be able to withstand Britain's determined economic (and later, military) warfare against its former colony.

This year also begins the 125th anniversary of the Civil War that wracked the United States from 1861 to 1864; its outcome saved the Union from a mortal threat while resolving a question left unsettled by the original Constitution, slavery. The threat had come from the same "state's rights" advocates who had opposed the Constitution earlier, and from British and continental European oligarchs and their "Boston Brahmin" colleagues who profited handsomely from the slave system of the South.

There were many dark moments in the early phase of the Civil War 125 years ago, after it became clear that the war would be long: when President Abraham Lincoln was deeply uncertain of victory, betrayed by generals who ranged from incompetent to treasonous,

undermined by oligarchist financial interests in the North, beset by the threat that Britain and France might recognize the Confederacy.

We are thrilled to see hundreds of Americans taking part in re-enactments and other activities that bring history alive for their families and fellow citizens. The care with which costumes are assembled, and details recreated of the lives of our forefathers, who sacrificed for future generations, has a unique potential to awaken in the populace the necessary *emotional* relationship to the past.

Yet, given that history has been replaced by "social science" and other drivel in most of our public schools, we must stress that it is not sufficient to assert that "both sides fought for their beliefs" in those great battles, as is frequently stated in modern-day commemorations.

Not all beliefs—however passionately and sincerely held—are equal; indeed, mankind owes an unfathomable debt to those leaders who identified the Good, and relentlessly made certain that it was the Good that triumphed on those two historic occasions.

It is especially important to stress this at a moment when the rights and principles affirmed in the Constitution, and rescued by the Union's victory in the Civil War, have been so flagrantly and persistently flouted, that a Commission of distinguished citizens of free countries around the world has been formed to probe these abuses in the United States.

As we warned at the time, the rule of law formally ended when the U.S. Senate condoned the "Abscam" frameup of Senator Harrison Williams in 1982. Today it is Lyndon LaRouche, the man most identified in the United States and abroad with the tradition of Franklin, Washington, and Lincoln, who has become the target of the lawless and powerful.

The Revolution and the Civil War were won for America not only by patriots on these shores, but by men and women who intervened from outside the United States because they knew the fight represented the only hope for the world. That is happening again; and the stakes have never been so high.

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