

On the lowest level is the monetarism-dominated empiricist-nominalist or pragmatist culture dominant in the United States and British leading circles.

This configuration is not accidental. We of the Labor Party are the most advanced, modern continuation of the Erasmian tradition in European culture, the tradition exemplified by Descartes, Leibniz, and the faction of French Freemasons who become the followers of Benjamin Franklin. Opposite to us, representing the Lowest relative level of moral and intellectual culture are the heirs of Franklin's enemies, the heirs of Pitt, Hume, Bentham, and Marat: the monetarist faction against which the American Revolution was fought. In between, historically semi-Erasmian humanists who have compromised intellectually with nominalist ideology, are the Soviets.

Otherwise, as I have developed this in my *The Case of Walter Lippmann*, the skilled American trade-unionist, the black worker who wishes to become a skilled trade-unionist or professional, and the hard-core of our industrially oriented population, our high-technology farmers are also Erasmians *by instinct*, the heirs of Benjamin Franklin *by instinct*.

At the moment, you face a Hobson's choice: Do you wish to die in thermonuclear war during 1977 because of the Carter Administration's presently operational policy, or do you wish to die of thermonuclear war about 1980, because of the Rockefellers' fall-back position for the case the Belgrade caper fails?

Your alternative is the Labor Party. Can you, at last, begin to get it through your stubborn heads that you have no other real alternative?

Nelson Rockefeller Eyes The Vice-Presidency

The following statement was released on June 11 by Lyndon H. LaRouche, Jr., U.S. Labor Party chairman and presidential candidate:

There is more than a hint in the wind stirred up by Henry Kissinger's current travels, that Nelson A. Rockefeller might be president of the United States by early 1978. The boys in the backroom have had it with the bungling incompetence of the Carter Administration and Nelson is heading up one of the major combinations planning the process of making replacements.

The urgent practical question this places before the nation and the world is: What sort of a policy will emerge from the process of Cartergating? A critical look at preliminary indications of Nelson's and Henry Kissinger's policy-changes is a useful way of defining all the major options for the period immediately ahead.

The fact that Nelson is now back in the ranks of contenders for the Presidency is important. Whether he is actually nominated as Walter Mondale's replacement — clearing the way for the subsequent Carter resignation — is not in itself the issue. The fact that he must now be considered a contender forces attention to the kinds of policy questions to be faced.

David Rockefeller's Big Fumble

On performance, one must conclude that the heirs of John D. Rockefeller II operate as a family council in making the governing decisions of the family forces as a whole. Until most recently, David Rockefeller's Trilateral Commission and its Institute for Policy Studies "left CIA" sidekick have obviously had the upper hand. Chase Manhattan was the center of policy-interest perceptions, and David's Zbigniew Brzezinski expressed the "new style" to replace that of Nelson's Henry Kissinger. Under Brzezinski and Brzezinski's puppet Carter, things went rapidly from bad to worse on all fronts. At the point

of imminent chaos, the family had, so to speak, another council meeting, bringing Nelson out of his semi-retirement.

It would be extravagant to suggest that the family has decided to put Nelson into the Presidency by way of the Vice-Presidency. Such possibilities may have been discreetly mooted, but that is not the primary purpose of the game presently afoot. The primary concern is to bring the family out topside of the looming monetary collapse. It is that primary concern which dictates going after the other crowd's boy, Walter Mondale. Not only does Mondale belong to the other crowd, but under present law, dumping the incumbent Vice-President first is the necessary preparatory step for replacing a President between elections. Nelson, who has never despised the ambition to become President, can not have overlooked the implications of the situation.

The central issues are the interconnections between the economic and military strategic situations. The Trilateral Commission's approach to the monetary problem was to impose a drastic form of Schachtian super-austerity on both the OECD and developing nations, a project which depended upon a Soviet leadership capitulation to a gigantic thermonuclear bluff. As the Carter "energy policy" exemplifies, the Trilateral austerity program meant that the NATO countries' industrial potential — and hence their war-fighting potential — would rapidly deteriorate during the 1977-1980 period relative to the Warsaw Pact. Furthermore, as long as some OECD and developing countries had the backing of Soviet economic cooperation, their political structures would resist the Trilateral Commission's hyperinflationary super-austerity package. Thus, unless the Soviet Union backed off from all cooperation with the "outside world," and also gave up a major part of its military potential during 1977, the Trilateral Commission package was a total failure.

With this thought in the background, consider each of

the Carter Administration's bungles from the standpoint of Nelson Rockefeller's worried advisors.

1. A Soviet leadership backdown depended upon strengthening the influence of the "soft-liners" in the Politburo and Central Committee. The Carter Administration, especially through Brzezinski's wave of terrorism and "human rights" gambits, has discredited the "soft-liners" and has brought the military and related Soviet factions into almost a dominant position. The possibility of a successful thermonuclear bluff against the Warsaw Pact leadership is now virtually nil.

2. J. Paul Austin's "perfect puppet," Jimmy Carter, is so obviously an unstable and foolish creature that his exposure to NATO heads of state, combined with his policies, has evoked disgust among all of the United States' principal allies.

3. The combination of the Carter Administration's Trilateral austerity policies, its electoral-fraud bill, its pushing of decriminalization of drugs, and its arrogant, grossly impeachable corruption in abuses of office, and the Carter Administration style generally, had driven the formerly-demoralized conservative Republicans and Democrats alike toward the threshold of launching an impeachment process on their own.

David Rockefeller's Trilateral Commission combination was on the verge of becoming a disaster, generating political instability in the nation and the alliance at the verge of a combined monetary collapse and a suicidal thermonuclear bluff against the Soviet leadership. At that juncture, Nelson stepped in to bend with and coopt a large segment of the opposition to Carter. The possibility to pull off such a cooptation rested principally in the fact that the majority of conservative, industrial and trade-union leaderships so far lacked the combination of perceptions and guts to carry through a fight even when victory is in sight. Nelson, habituated to the possession and use of power, had a minimum of difficulty in handling the situation.

There are, in fact, only three forces within the OECD countries which have the capability of leading those countries at the present time, the Rockefeller-centered group, a British-centered group of financial-political interests, and the leadership of the U.S. Labor Party. No other forces have the combinations of position, perception and guts to perform an effective leading role.

When the American Whig forces in the United States allowed themselves to be manipulated out of regrouping around the U.S. Labor Party, they degraded themselves, in the main to a marketable political commodity to be taken over by whichever of the other leading forces — either the Rockefellers or the British-linked crowd — moved in first to pick up their options. Granted, the process set into motion over the Memorial Day weekend has a long way to go, with new critical developments looming. Nonetheless, for the moment, Nelson Rockefeller is on top, with most of the U.S. conservatives in his political pocket.

What Nelson and Henry Will Do

Although Nelson and Henry regard the Labor Party as an adversary force in the political situation, in their design of their own policies they will be guided to a very large degree by what they regard as the Labor Party's

correct reading of the strategic economic and political situation. In part, they will be guided by the widespread perception among bankers and leading political circles that this writer's public proposal to found a private International Development Bank was one of the slickest political operations ever pulled.

The private International Development Bank is not just some sort of political trick. If it were, it would not have succeeded as it is in the process of succeeding now. It is politically a kind of double-edged sword. As a straight-forward proposition, such a bank established under the leadership of this writer, will work exactly as proposed. In that case, the forces grouped around this writer would, in effect, determine world monetary and economic policy. That is one edge of the sword. At the same time, every leading banker knows that the bank would succeed; that is the second edge of the sword.

I really put the proverbial cat among the proverbial pigeons with that news release. Every major financial interest was immediately confronted with three problems. Should he join me, directly or indirectly? Would the opposite major financial faction join me, directly or indirectly? Would the opposition move independently of me to try to set up such a banking arrangement on its own? Whoever first sets up such a bank, such a new hard-commodity-credit monetary system, wins and dumps the opposition into the category of losers. Whoever does not make the move becomes the loser. *Such is the force of ideas whose time has come.*

It is slightly more diabolical. Whoever acted first to attempt to block my influence, and stuck to that posture, set himself up to be clobbered by the opposition. If the Rockefeller-centered interests take a position aimed at blocking me, then they are creamed by their financial opposition. If their financial opposition positions itself to block me, the Rockefellers can cream them.

There is one further twist. The new monetary system can not succeed as an on-going proposition except by following closely the economic policies I have proposed. This creates a double problem for both main financier-political factions. First, unless the U.S. and Western European nations follow the economic policies of the U.S. Labor Party on energy matters and the "freezing" of Third World Debt, the Soviet Union will move rapidly out front with a technological advantage. Second, their very expertise as monetarists makes it almost impossible for them to understand the U.S. Labor Party's knowledge concerning the determining relationships between monetary processes and real economy.

Hence, if they are rational, they are obliged to follow the main lines of the Labor Party policy, both immediately and over the period ahead. If they are not entirely rational, if they look only for the short-term advantages and ignore the longer-term problems, then we are out of the immediate war-danger but plunging into a new mess during the period ahead.

For the present, we are obliged to assume the worst. We must assume that Henry and Nelson will follow only the short-term implications of the U.S. Labor Party policy and will tend to irrationally ignore the intermediate-term problems. We have to assume that they will tend to opt for a *modified* version of a "military-economy" austerity policy, a *modified* version of the Nazi war-economy model.

Henry Resurrects the SALT Talks

One very important feature to watch closely will be Henry Kissinger's efforts to rescue the Soviet salt negotiations from the bungling hands of Carter, Brzezinski, Vance and Warnke. Henry will reason as follows. "The Soviets will not trade something for nothing. If we wish them to reduce their strategic military potential, we must create some merchandise to trade off. Let's commit the NATO countries to a massive strategic weapons build-up — take whatever is on the drawing-boards and start cranking it out. Don't worry whether it's strategically sound. It isn't for fighting; it's for trading-purposes."

Henry will continue: "I know the Soviets. They'll go ape. This means that they will be faced with cuts in the five-year budget for civilian items in order to match our output. When that pressure builds up sufficiently, we can get the SALT through pretty much the way we planned."

Henry will tend to argue just that way, and Nelson and the others will tend to go along. It won't work, but Henry and the rest will strongly believe it will work.

Their problem is that they are incompetent in the ABCs of military strategy, but stoutly believe otherwise. Nelson is a pragmatic utopian to the core, and Henry has been teathed on his studies of Metternich and Bismark, with a credulously simplified view of their ostensible successes. Metternich and Bismark were successful because the City of London bankers and the Rothschild house rigged the game of nineteenth century European politics. Thus, from excessive admiration of the two "statesmen" one adduces sets of rules which operate on condition that the game is suitably rigged. Concerning the fundamentals of strategy, those principles which are determining in respect of well-matched adversaries in a non-rigged game, Henry's excessive self-confidence is key to his downfall.

The technology of Soviet strategic thinking is shaped by an industrial-development policy which emphasizes new scientific technologies as the pathway to leap-frogging the economic development of the industrialized capitalist sector. The point has been reached at which advanced technology, rather than new versions of existing devices, are the decisive margin of upset of the so-called strategic balance.

For example. The "philosophy" of the B-1 bomber is a flying second-strike capability. Not only is this absurd — for reasons we have given earlier — in terms of the accelerating obsolescence of all such flying artillery platforms, but the principle of "second strike" does not operate in an actual intercontinental ABC war. Thus, if Henry proposes to put a 1979-1981 fleet of B-1 "second strike" capabilities on the table as a bargaining counter with the Soviets, they will merely offer quid-pro-quo: they will agree not to produce an equivalent number of such bombers, and laugh about the matter afterwards in private.

For example, that present modification of the 1940s Nazi V-1 "buzz bomb," the "cruise missile." Apart from the fact that it is a lousy weapon, inherently susceptible to all sorts of countermeasures, it is a miserable item for trading-purposes. First, they will be counted by the Soviets as equivalent to intercontinental missiles. The

Soviets will say that any ABC warhead which can reach Warsaw Pact targets is the same as any other warhead of similar scale which can reach the same Warsaw Pact target. Whether a missile is launched from Nebraska or off Scotland's coast makes no difference to the target. Second, the existence of such objects creates a risk of unintentionally triggering the kind of Soviet alert which produces an immediate, full-scale Soviet launch.

Agreed, the Soviets will have fits about a new arms race. However, if the lessons of the Vance SALT fiasco are noted, the fact of starting an arms race will increase Soviet determination to develop their margin of war-winning advantage. Their negotiations of SALT agreements will follow strict line-for-line target-equivalence by type horse-trading. The result will be either no SALT agreement, and an uncontrolled arms race, or a growth of Warsaw Pact marginal war-fighting advantage with emphasis on new technologies.

If the Nazi military record is studied more rigorously, the fundamental error in Henry's mooted policy shows up clearly. The initial Nazi victories were not the result of any inherent superiority of the Nazi war machine. The Nazi war machine was, relatively speaking, vastly inferior to the Kaiser's. The 1940 fall of France was not the result of Nazi weapons superiority, but of the stupid Anglo-French political strategy from Munich 1938 through June 1940. The initial successes of Barbarossa were not a reflection of Nazi superiority over the Red Army, but a Red Army caught flat-footed by a political intelligence failure in the Kremlin, the assumption that the Nazis were "too realistic" to attack the Soviet Union before first conquering England. The Nazi emphasis on "Blitzkrieg" reflected a lack of in-depth war-winning capability against their adopted adversaries as a whole, a Blitzkrieg policy which depended upon the same basic sort of incompetence of political-strategic perception which presently governs the NATO command.

Henry, one of the architects of the form of "deterrence" policy which has governed the post-1957 period, has apparently not yet realized that there will be no "second strike" in intercontinental war. The first and only strategic ABC strike — excepting naval warfare — will be a "kill" aimed at the population and logistical centers of the United States, to eliminate the United States as a functioning nation during Hour One, eliminating the in-depth war-fighting capabilities of NATO forces. That capability the Warsaw Pact presently has. As yields of warheads are increased, that capability will increase even with a higher-missile-kill ratio achieved by the USA through replicating Soviet beam techniques. With that we have to live as long as the potential-adversary relationship between NATO and the Warsaw Pact persists. No SALT negotiation can change that fundamental. All arms races in search of a negotiating advantage for SALT are ultimately sheer waste and folly. Henry might develop a more plausible approach than the Carter Administration has adopted, but it would not produce any fundamentally different results.

Ironically, a correct USA military policy — junking austerity for massive, broad-based technological progress, through a new monetary system based on the International Development Bank — would readily enable the USA to overtake the Soviets in technology within a

few years, but it would also, indirectly, eliminate the possibility of war.

The Rockefeller move is an important element in the present situation, but it is not by any means a consolidated position.

In the United States itself, there are four crucial elements to be considered. Up front at the moment is the Rockefeller move. By threatening to save the Rockefeller-centered interests at the expense of the other powerful financier-political crowd, Rockefeller has virtually declared war on that crowd. They will not passively await Rockefeller's victory. In between the two financier-political forces, there is, most prominently, the burgeoning mass of Fabian and neo-Fabian machines,

which will react as a kind of Frankenstein monster, attempting to assert its own special interest in the situation. Finally, there is the Whig process focussed upon the Labor Party.

These four processes afoot, and their interactions are the new political reality inside the United States. Unless some damned fool plunges ahead on the established track toward 1977 general war, it is the interplay within the new political situation which will determine the actual outcome of developments coming toward a head this October and November. In this process, I intend to establish the International Development Bank, and to attempt to be sworn in as the U.S. President as soon as possible thereafter.

Vance Sets Up Confrontation For Belgrade; Harriman Circles Fear Blowup

One week before the June 15 Belgrade Conference on Security and Cooperation in Europe, President Carter reaffirmed his intention to sabotage the 35-nation meeting — which is scheduled to elaborate agreements concluded at the 1975 Helsinki CSCE — by provoking Soviet representatives into “storming out and going home.” In a characteristic display of “Jungle Jim” breast-beating and war-hooting, the imperial Administration announced June 7 it is “going to call the Soviets to accounts” for hundreds of alleged violations of the Helsinki accords, which the Administration claims to have “documented” in a 93-page report released June 6.

Carter's attempted replay of his failed Moscow SALT strategy to induce the Soviet Union to make unilateral concessions and sacrifices — this time around by demanding the USSR cede its national sovereignty to the Trilateral Commission Administration in the U.S. — has terrified leading circles in his own party loosely grouped around former New York Governor Averell Harriman.

Responding worriedly to sharp Soviet attacks on Carter by name for assuming the pose of “mentor to the USSR and the other socialist countries,” Harvard Soviet affairs expert Marshall Goldman volunteered this week that Carter's policy of provocations on the human rights issue could easily explode out of control, leading to a direct superpower military confrontation. “Words are being exchanged that heighten the tension. Things like this develop a momentum of their own. Bantering is suddenly out of control,” Goldman said.

Reflecting the substantial liberal Democratic backlash to Carter's human rights offensive, Vice President Mondale attempted to moderate the Administration's policy and allay liberal fears in a speech to the Naval Academy June 8. “This Administration is not going to be strident in our defense of human rights,” he declared. “We're not seeking to throw down a gauntlet before any nation. Nor do we have any illusions that regimes which rule by force and terror will change overnight.”

Vance Throws Down The Gauntlet

In testimony June 6 before the Washington, D.C.-based Commission on Security and Cooperation in Europe, informally dubbed the Helsinki Oversight Commission, Secretary of State Cyrus Vance insisted that the U.S. will demand a “methodical review” of Eastern European human rights violations at the Belgrade conference. This “review,” he pledged, will pre-empt “grandiose new proposals” by interested parties, such as Italian Prime Minister Andreotti, to conclude and extend joint Western development agreements to the nations of the Mideast and Mediterranean basin. Vance's remarks incited Rockefeller Republican Sen. Clifford Case to call for “the kind of knock-down, drag-out confrontation that I think is needed now” at the Belgrade conference.

One of the specific cases around which the United States plans to stage a major disruption involves the Russian-U.S. agent-provocateur Anatoly Scharansky, whom the Soviet government has charged with treason for working with the CIA. Pat Derian, State Department coordinator for human rights, complemented Vance's remarks in an address to the National Democratic Forum June 6 in which she threatened that if the USSR conducts a public trial for Scharansky, “It will be a very serious matter for Belgrade.”

'Human Rights Explosion'

U.S. Ambassador to the United Nations Andrew Young previewed the Administration's Belgrade wrecking tactic in a remarkable interview in the current issue of *Playboy Magazine*, which in recent months has upstaged *Foreign Affairs* as the Administration's favorite forum for announcing foreign policy initiatives. Young predicted that the Soviet Union would soon experience a “human rights explosion. You'll have literally hundreds of thousands of dissidents rather than a few hundred as you have now,” he promised. “There will be more and more mass action for freedom.”