

On May 6, in Bonn, West Germany, Soviet President Leonid Brezhnev and West German Chancellor Helmut Schmidt signed a 25-year treaty which promises to be the most important diplomatic event in the 20th century.

Yet thus far the public has been kept in the dark about the West German-Soviet "deal of the century." Either through honest ignorance or (as in the case of the New York Times, the Washington Post, and the British press they ape) hysterical lying, the press has failed to report the facts of the Brezhnev-Schmidt treaty.

The Executive Intelligence Review has therefore combined its usual ECONOMIC SURVEY and EUROPE sections into our INTERNATIONAL report in this issue, to provide our readers with full analysis and documentation of one of the most important news stories ever.

*—Nancy Spannaus
Editor-in-Chief*

The Brezhnev-Schmidt Pact: Opening The Way Out Of World Depression

The unprecedented trade agreement just concluded between the Federal Republic of Germany and the Soviet Union provides a framework of cooperation between the two countries on a level that amounts to near-integration of the two economies: cooperation in industry, mining, science and technology, energy and nuclear power, and the establishment of high-technology industries in third countries in the developing sector.

The scope of the protocol, including its commitment to long-term, state-backed credits at most favored nation status, makes it the immediate springboard for a broad effort by the industrialized nations to launch a massive transfer of technology to the Third World, and a new monetary system based on that commitment.

This East-West trade agreement simultaneously signals a basic strategic shift between the military alliances of East and West. At the Brezhnev-Schmidt meetings and in the communiqué and treaty which they signed, the Soviet president for the first time adopted the perspective of avoiding war through the expansion of economic cooperation. As if to prove the value of such a war-avoidance strategy, Chancellor Schmidt and other West German government spokesmen have announced substantial progress on West Berlin, the Mutual Balanced Force Reduction talks, and disarmament since Brezhnev's departure.

The Schmidt-Brezhnev agreement is both an object-lesson and open invitation for the United States to enter into an new era of economic prosperity and détente. Chancellor Schmidt, who has been on the telephone repeatedly with both President Carter and Brezhnev since the visit concluded, has already conveyed this opportunity to Carter.

The controllers of the press, however, have determined that only lies or nothing will be printed. If they succeed in maintaining their controlled environment, the U.S. will once again be used as Britain's dumb giant, to enter the deepening spiral of depression into war.

Unlike the aborted Rapallo period of the 1920s, the

Included In This

Special International Report:

- The text of the economic agreement between West Germany and the USSR;
- The official Brezhnev-Schmidt communique
- The speeches in which both leaders announced their agreement to the world
- An analysis of the impact and significance of the agreement by the Executive of the European Labor Party;
- And a survey of reactions, public and private, to news of the Schmidt-Brezhnev pact — ranging from the enraged howls of the British press and its cothinkers, to some American and other leaders' search for how to bring the U.S. in.

aborted U.S.-Soviet collaboration during World War II, the aborted Atoms for Peace program of the 1950s and the Rogers plan of the 1970s, this opportunity must be seized by a U.S. population determined to build a future for itself and the world.

There is no question that Britain and her agents will do everything they can to subvert this opportunity. A conspiracy of silence, Fed chairman Miller's binge of high-interest rate "bear trapping," the real questions of financing, lies about sinister Soviet intent, escalated terrorism — all are being used.

The door, therefore, is open, but whether the world gets through that door into a new era of global peace and prosperity remains a question of political leadership. And that rests largely on how soon and how emphatically U.S. leaders, and the population generally, recognize and support the central leadership role of the U.S. Labor Party, which formulated four years ago the ideas that Brezhnev and Schmidt are now beginning to carry out.

Jobs, Jobs, Jobs

By the confession of the West German industrialists involved, the West German-Soviet agreement is too large to be carried out without involving other industrialized nations. The West Germans have already brought a high-level Japanese delegation, including Minister for External Economic Affairs Ushiba, into discussions, and have indicated that they will offer contracts to France and Italy. "Of course the U.S. is welcome," said the West German industrialists' association to a news reporter.

The scope of the implementation already under discussion shows why. During the course of this week, West German industry and government has been intensively discussing an integrated development plan for the Middle East that will involve the entire Eastern Mediterranean in a program of nuclear development and capital-intensive agriculture and industry. The core of the plan is Egypt, for whom West Germany has developed a plan for flooding the Qattari Depression that will now go into its second stage of operation, and for whom it is demanding a debt moratorium. But it also includes cooperation with Iran, Saudi Arabia, Sudan, Italy, and even Turkey. A director of the Deutsche Bank, speaking at the Middle East Institute in West Germany this week, estimated that this development would establish a market of about 7 trillion deutschemarks (about \$3.5 trillion).

Equally instructive is the collaboration developing between West Germany and Italy for the export of Western technology and infrastructure to the mineral-rich Soviet frontier of Siberia. As explained by an Italian banker, Italy will be able to employ thousands of people building components for plants that will then be sent to West Germany and assembled into entire factory complexes. "West Germany will be the lung of development," he said, "and we will be one artery of supply for that lung."

This development nexus has already made a formal offer to the United States through Japanese Premier Takeo Fukuda, who last week proposed the formation of an open-ended fund for the development of nuclear fusion power. Innumerable other offers are coming through private industry for nuclear plants and other technology

vitaly needed to develop the living standards and the creative powers of the European and East Bloc populations. They are being sabotaged in the State Department, in the Commerce Department, and according to all indications, by Carter confidante Robert Strauss. Where one plant alone means at least 600 man-years, the cost of that sabotage is nothing less than the U.S. economy.

Real War Avoidance

The strategic implications of establishing East-West relations first and foremost on a base of economic collaboration have begun to have equally dramatic results.

Schmidt's announcement of Soviet agreement to negotiate "grey areas" not dealt with in SALT and MBFR, and to "ensure secure defenses through approximate parity," as reported in today's Baltimore Sun, smash to bits the British NATO command's complaints about SALT. "Nitze's Team B-Committee on the Present Danger strategy (in fact, a war-provoking scheme), is destroyed by this," commented a high-ranking intelligence officer.

In combination with his mediation and parallel agreements reached by U.S. and Soviet negotiators in Geneva this week, the Schmidt-Brezhnev military results could tilt the balance for the conclusion of SALT.

The China strategy of the British and their minions Kissinger, Haig, and Brzezinski has been shaken to the roots as well. The show of collaboration between West Germany and the Soviets has reinforced Chinese fears that the British cannot deliver their anti-Soviet alliance. The pragmatic Chinese are already indicating that they may have to shift their "friendships" to ensure their own self-defense.

The military implications of the deal include the seeds of essential East-West collaboration against the British terrorist warfare, as PLO-Egyptian-Vatican-PCI-West German collaboration against Israeli intelligence already shows. The primary threat for terrorist deployment remains the shadowy anonymity of their controllers in Canada and Great Britain — as the British intelligence rampage in southern Africa already demonstrates.

I. The Text of the Economic Agreement Between West Germany and the USSR

The government of the Federal Republic of Germany and the government of the Union of Socialist Soviet Republics,

Recalling the resolve expressed in their treaty of August 12, 1970, for improvement and expansion of cooperation, including those of economic relations, in the interests of both states, and

In reference to the Agreement on General Questions of Trade and Shipping of April 25, 1958, the Agreement on Development of Economic and Technological Cooperation of May 19, 1973, the Agreement on Further

Cooperation With Respect To Economic Cooperation of October 30, 1974,

In honor of the considerable progress achieved previously in the areas of economic, industrial, and technological cooperation between the two states,

In the effort to deepen and continuously develop the entire area of relations between the two states,

In the conviction that an expansion and intensification of their long-term cooperation in the areas of economic, industrial, and technological relations...in the conviction