

Editor-in-chief: *Daniel Sneider*  
Editor: *Linda de Hoyos*  
Managing Editors: *Kathy Stevens,*  
*Vin Berg*  
Art Director: *Deborah Asch*  
Circulation Manager: *Lana Wolfe*

Contributing Editors: .  
*Lyndon H. LaRouche, Jr.,*  
*Criton Zoakos, Nora Hamerman,*  
*Christopher White, Costas Kalimtgis,*  
*Nancy Spannaus*

**INTELLIGENCE DIRECTORS:**

Africa: *Douglas DeGroot*  
Asia: *Daniel Sneider*  
Counterintelligence: *Jeffrey Steinberg*  
Military Strategy: *Paul Goldstein*  
Economics: *David Goldman*  
Energy: *William Engdahl and*  
*Marsha Freeman*  
Europe: *Vivian Zoakos*  
Latin America: *Dennis Small*  
Law: *Felice Merritt*  
Middle East: *Robert Dreyfuss*  
Science and Technology:  
*Morris Levitt*  
Soviet Sector: *Rachel Douglas*  
United States: *Konstantin George*  
United Nations: *Nancy Coker*

**INTERNATIONAL BUREAUS:**

Bogota: *Carlos Cota Meza*  
Bonn: *George Gregory*  
Brussels: *Christine Juarez*  
Chicago: *Mitchell Hirsch*  
Copenhagen: *Vincent Robson*  
Mexico City: *Robyn Quijano*  
Milan: *Muriel Mirak*  
New Delhi: *Paul Zykofsky*  
Paris: *Katherine Kanter*  
*and Sophie Tanapura*  
Rome: *Claudio Celani*  
Stockholm: *Clifford Gaddy*  
Washington D.C.: *Laura Chasen*  
*and Susan Kokinda*  
Wiesbaden: (*European Economics*):  
*Mark Tritsch and Laurent Murawiec*

Executive Intelligence Review is  
published by *New Solidarity*  
*International Press Service*  
304 W. 58th Street  
New York City, N.Y. 10019

Copyright © 1979 *New Solidarity*  
*International Press Service*  
All rights reserved.

Reproduction in whole  
or in part without permission  
strictly prohibited.

Subscription by mail for the U.S.:

3 months—\$125, 6 months—\$225,  
1 year—\$396

ISSN 0 146-9614

# EIR

## From the Editor-in-Chief

This week our special report, "France's Bid for World Leadership," gives you an in-depth look at France, its role in the world today, and its leader, President Valery Giscard d'Estaing. The question of leadership and the role of strong sovereign nations is the center of the ongoing global crisis—at every point it is the elimination of strong leaders and the destruction of the nation-state itself, as in Iran, that has been placed on the agenda.

France stands out, not only as an independent force, growing on the world scene, but because of President Giscard's central role in that process.

This story is the product of a combined effort by our staff. Contributing Editor Christopher White has overseen the effort, and leads the story with a profile of Giscard and an overview of the international role of France. The research and writing of our French desk experts, Garance Phau and Dana Kastner, has been supplemented by reviews of France's role in Asia, Africa and the Middle East, France's role in the creation of the European Monetary System, and the French role in East-West relations, contributed by our area experts. In all, we have given our readers a little of the depth of understanding that guides our day-to-day work.

This is the last issue of 1979 for the *EIR*—as is customary we do not publish a Christmas-New Years issue. We wish our readers a Merry Christmas and share your hopes for a better new year in 1980.



# EIR Contents

## Departments

- 1 From the Editor-in-Chief**
- 5 Editorial Comment**
- 64 Trade Review**

---

## COMING SOON:

### **How the British run the Muslim Brotherhood**

With *EIR*'s next issue in two weeks, we will offer a devastating exposé of how London's Royal Institute of International Affairs, through the British Secret Intelligence Service and the U.S. Pentagon's Office of Naval Intelligence, is currently exerting top-down control over the terrorists of the Muslim Brotherhood and its Khomeini government inside Iran. We will explore why the Naval Intelligence office itself is housing the Iranian Embassy's Military Attaché and "Student Coordinator," even as the Iranian crisis persists, and "Islamic students" deploy for terror in the U.S.A. It is a story of high treason inside the Pentagon, the State Department and the National Security Council—an *EIR* exclusive.

## Economics

- 6 After Caracas: the demise of OPEC?**  
Saudi Arabia failed to force a common oil price at the OPEC meeting in Caracas last week, and the 19-year-old oil cartel may be on the verge of breaking up. This has happened according to a design, drawn up in New York and London, and the immediate big losers will be the European and Japanese economies.
- 8 International Credit**  
The IMF takes command
- 9 Gold**  
The new bi-metalism
- 10 Foreign Exchange**  
For the EMS, small breathing room
- 12 Brandt Commission turns the world upside down**  
An advisory panel to the World Bank headed by a former West German chancellor proposes that oil and other commodities be stockpiled, competing currency blocs index their contracts to commodity prices, and that the world be taken over by a "World Development Agency."
- 14 Kissinger's IRB is back**
- 18 Business Briefs**

## Special Report



On the cover: French President Giscard d'Estaing with Mexican President Jose Lopez Portillo. Photo-Richard Melloul, SYGMA.

### 20 France's bid for world leadership

In a time of crisis, when the very existence of sovereign nation-states is under attack, the nation of France stands out for having a government—under Valery Giscard d'Estaing—whose positive approach to issues of governance, war and peace, and a new order of economic development, flow from a single “grand design” conception.

### 23 Energy policy

### 27 East-West relations

### 28 Economic policy

### 30 North-South relations

### 33 Asian policy

### 34 Inside France

## International

### 36 The U.S. backers of the Muslim Brotherhood killers

With the full knowledge of the State Department Iran's Muslim Brotherhood has sent up to 300 trained terrorist killers into the United States on forged passports. And the U.S. government states that it will leave the matter to “local authorities”...

### 37 Idaho's Hansen demands Iran probe

### 40 Carter's new military alliance in Southeast Asia

It sounds like 1960, but it is happening today. U.S. military advisors are flooding into Thailand, refitting old B-52 bomber bases and generally preparing to support Chinese designs against Soviet allied Vietnam.

### 42 Ohira plays the 'China card'

### 44 International Intelligence

## National

### 46 Arms buildup and Euromissiles: the quest for 'limited war'

There's a close link between the speech on defense spending given by Carter in Washington, Britain's Thatcher blustering against the Soviet Union in New York, and the vote by the Brussels NATO meeting to place tactical nuclear warheads on European soil.

### 48 Why the CFR wants SALT II

### 49 Thatcher calls the tune... And Carter dances

### 50 Why does Kennedy parrot Moscow's line on Iran?



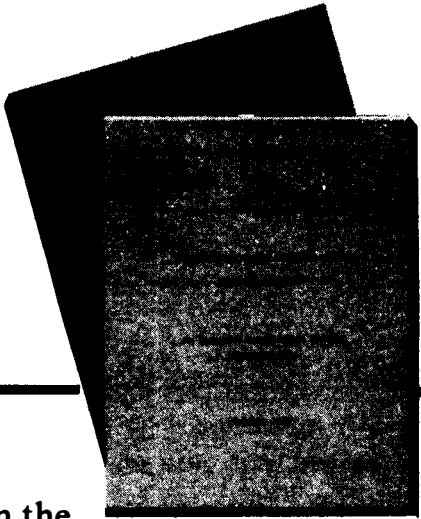
Sen. Ted Kennedy has said the same things about the “Iranian revolution” that certain quarters in the Kremlin are saying. Nevertheless, Kennedy is not an agent controlled by Moscow, reports Contributing Editor Lyndon LaRouche; the similarity, however, does reveal certain intelligence connections of overwhelming strategic importance.

### 59 Campaign 1980

### 60 Congressional Calendar

### 62 National News

# EXECUTIVE INTELLIGENCE REVIEW



## -Special Reports-

Some men and women, in positions of high responsibility, need to know even more than the weekly **Executive Intelligence Review** can report. These men and women get what they need through **EIR Special Reports**.

**Gold Returns to the Monetary System:  
The Inside Story**

*EIR* has by far the best prediction-record on gold prices of any publication, any analyst. Gold is a political question: what governments do, not "private market forces," determines price behavior.

A 40-page report with all the background information required to put *EIR's* method to work in planning investment strategies.

\$50.00

**An Energy Program for America**

An exceptional, in-depth report that combines the comprehensive intelligence capability of *EIR* with the expertise of scientists at the Fusion Energy Foundation.

Included: the myth and the reality of the "energy crisis," the consequences of "synthetic fuels," the potential of fission, fusion and hydrogen technologies.

\$50.00

**Kennedy and the Environmental Terrorist Movement**

This is the report whose circulation prevented violence at an early October demonstration against nuclear power in New Hampshire. Who was planning the terrorism—and will try again, elsewhere? Plus an in-depth look at the Wall Street and Kennedy machine backers of a Europe-style wave of terror in the U.S.

\$50.00

**Also available**

- The 1979 Bilderburg Society Conference: Planning for a New Oil Hoax \$50.00
- The José López Portillo World Energy Proposal \$100.00
- The Case of Max Fisher: Zionist Treason in America \$50.00

- The Significance of the May 1979 Cabinet Change in Mexico \$100.00
- The New Downturn in U.S.-Mexico Relations: What's Behind It? \$100.00
- The Energy Crisis and the World Economy: The Facts and the Future \$50.00

-----

Gentlemen: Please send me the **EIR SPECIAL REPORTS** I have checked. Please charge to:

Mastercharge No: \_\_\_\_\_ Name \_\_\_\_\_  
 Interbank No: \_\_\_\_\_ Address \_\_\_\_\_  
 VISA No: \_\_\_\_\_ City \_\_\_\_\_  
 Signature \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

I enclose \$\_\_\_\_\_ check or money order.

**NOTE: THE STAFF OF EIR IS AVAILABLE TO PREPARE REPORTS ON AN EXCLUSIVE BASIS.**

For more information, contact Mr. Peter Ennis, Director of Special Services, *EIR*, 304 W. 58th St., fl. 5, N.Y., N.Y. 10019 (212) 247-5749.