

Afghanistan could pose the most serious threat to world peace since the Second World War. . . .

On the Persian Gulf. The region now threatened by Soviet troops in Afghanistan is of great strategic importance: it contains more than two-thirds of the world's exportable oil. . . . The Soviet Union is now attempting to consolidate a strategic position that poses a grave threat to the free movement of Middle East oil. . . . Let our position be absolutely clear: An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States. It will be repelled by use of any means necessary, including military force.

On Iran. In response to the abhorrent act in Iran, our nation has been aroused and unified as never before in peacetime. Our position is clear. We will never yield to blackmail. We continue to pursue these specific goals: . . . To enlist the help of other nations to end this criminal violation of the moral and legal standards of a civilized world; and to persuade the Iranian leaders that the real danger to their nation lies to the north from Soviet troops in Afghanistan, and that the unwarranted Iranian quarrel with us hampers their response to this greater danger. . . .

On defense. During the last three years, we have acted to improve our own security and the prospects for peace. . . . We have increased annually our real commitment for defense and we will sustain this increased effort throughout our five-year program. It is imperative that the Congress approve this strong defense budget without any reduction. . . . We have helped to strengthen NATO and our other alliances. . . . We are working with our allies to prevent conflict in the Middle East. . . . We believe that there are no irreconcilable differences between us and any Islamic people. . . . We are prepared to work with other nations in the region to shape a cooperative security framework that respects differing values and political beliefs, yet enhances the independence, security and prosperity of all. . . .

On the draft. I am convinced that our volunteer forces are adequate for our current defense needs. I hope that it will not become necessary to reimpose the draft. However, we must be prepared for that possibility. For this reason I have determined that the selective service system must now be revitalized. . . . so that we can begin registration and then meet future mobilization needs rapidly if they arise. . . .

On energy. At long last, we must have a clear, comprehensive energy program for our country. . . . Our nation

will then have a major conservation effort, important initiatives to develop solar power, realistic pricing based on the true value of oil, strong incentives for the production of coal and other fossil fuels. . . . and. . . development of synthetic fuels. . . . Let us make 1980 the year of energy conservation. . . .

On the economy. We will continue to reduce the deficit and then to balance the budget. . . . to work with business to hold down prices [and] with organized labor to restrain pay increases. . . . Our challenges are formidable. But there is a new spirit of unity and resolve in our country. . . . For this vision to come true, we must sacrifice, but this national commitment will be an exciting enterprise that will unify our people. . . .



LAROUCHE

'The president presents a dangerous bluff'

Democratic contender Lyndon LaRouche delivered his own "State of the Union" address Jan. 27, purchasing national network television time that evening, immediately following the official Republican reply to President Carter's speech. Mr. LaRouche took the following positions on leading issues.

On the Soviet Union. In the area of the Indian Ocean, Soviet forces at present outgun U.S. combined naval and ground forces and air forces about five to one. . . . In the Southeast Asia area, U.S. forces are totally outgunned. That doesn't mean that the United States is helpless. . . . No nation, including the Soviet Union, is going to go up against the thermonuclear deterrent, the strategic deterrent of the United States unless that nation feels that its

political existence is threatened by the United States.

That is precisely what Carter is implying ... and therefore the Soviets at present are on a rather adventurous track, less adventurous than Carter says, but nonetheless a very dangerous collision course with us.

... The United States does not have at present anything approaching a conventional warfare capability to take on the Soviets ... Any "flight forward" adventure of the type that Mr. Brzezinski and Mr. Carter propose will lead to either ... a humiliating retreat after having made the kind of bluff he made to a nationwide audience and before the Congress this week ... , or an actual shooting war in the Far East or Middle East ... U.S. forces being given a humiliating military defeat ... , or the Carter administration, fearing that it will be humiliated, goes to actual thermonuclear war. ...

On Iran. At the outset of the attack on the embassy in Teheran and the taking of the hostages, I advised the Carter administration that the only effective course of action to free the hostages was to tell the Muslim Brotherhood that if a single hostage were injured, a single hostage were killed, the United States would use its power and influence to declare the Muslim Brotherhood—the agency which is holding the hostages—an outlaw organization under international law, and to hunt it down and destroy the organization in the same way that the Nazi organizations were hunted down. And certainly the Muslim Brotherhood qualifies for the same treatment.

That is the only action which could conceivably assure the rescue of our hostages ... The Carter administration responded to my recommendation, delivered by my representatives, saying, 'We will not do that because Mr. Brzezinski supports Islamic fundamentalism'—the codeword for the Muslim Brotherhood.

On defense. Per capita, the Soviet Union has been developing in terms of capital formation, in terms of the number of engineers and scientists developed, in terms of advanced technology, while under recent administrations and most emphatically the Carter administration, all U.S. advanced R and D capability has been destroyed.

We must make the United States strong; we must have an adequate defense ... We must develop over the period ahead the kind of weapons which can destroy incoming nuclear ballistic missiles: beam weapons. These can be developed. I think we should develop them.

On the draft. We must have, in fact, universal military training. People who are not willing to go to universal military training, should not be bluffing in the international arena.

On energy. The Carter administration's lunatic energy policy has gutted the possibility of recovery until that policy is changed ... We are ruining our own economy with this idiotic antinuclear Carter energy policy.

On the economy. We must establish now a new world gold-based monetary system. This monetary system ... must issue bonds based on European Monetary System nations and the Arab nations at interest rates between 2 and 3 percent; bonds denominated in gold; bonds which are sold to central banks, to large private commercial banks, to industrial corporations which hold large masses of dollars; exchange these bonds largely for dollars. This would take out of circulation the approximate one trillion dollars or dollar obligations overseas ... These dollars would then become the basis—with gold backing—for lending at four to six percent rates for viable investment projects principally in the developing sector. ... This would crank up the world economy ...

Then we must turn to the Soviet Union and say, "We are committed to this ... If you wish to join us and support this policy then you can have peace ..."

The problem has been that France, West Germany and other nations have been attempting to introduce that approach, but the United States ... has so far not only opposed the policy, but has declared ... that the principal enemies of the United States are ... France, West Germany and Japan

Apology to Republicans

Just prior to LaRouche's televised speech, the Republican Party was provided time by NBC-TV to present the party's official response to Carter's address. *EIR* confesses to not providing the Republicans with equal time here, for two reasons. First to the extent that there was any substance in the principal statement of Republican national committee spokesman Ann Armstrong, she spoke for the same policies in the domestic and international arena that President Carter spoke for—the one notable difference being that Ms. Armstrong recommended a lunatic confrontation with the Soviets directly over Afghanistan. Otherwise, *EIR* notes that Ms. Armstrong is not actually a Republican spokesman, but rather, a spokesman for the English Speaking Union, the Court of St. James to which she long served as ambassador, and the Ditchley Foundation, an arm of British intelligence in the United States. *EIR*'s editors do not believe that Margaret Thatcher deserves equal time.