

Wilson.

Forsberg maintains frequent contact with the leaders of the European peace movement, including E.P. Thompson, the Russellite British peace leader and the former head of the Committee for Nuclear Disarmament, and Petra Kelley, the former staff aide to Senator Kennedy and current European Economic Community official who heads West Germany's Green Party. Forsberg has been to Europe "three or four times this year" according to a close aide.

Kelley and other freeze leaders will meet with six European peace movement leaders who will tour 50 American cities starting March 20. These same European leaders, who are currently planning a mass demonstration in Bonn when President Reagan travels there in June for the NATO summit, will also meet with the Council on Foreign Relations in New York City, as well as the *New York Times* editorial board.

According to an aide to Forsberg, the first freeze proposal was introduced in 1979 by Senator Mark Hatfield as an amendment to the SALT II treaty. Its timing coincides with the first moves to build the European peace movement in response to plans to modernize NATO's theater nuclear weapons. Freeze resolutions have been circulated through New England town meetings and state legislatures. Organization and leadership were provided by such sources as the American Friends Service Committee, the Unitarian Church, and the Jesuit Georgetown University and its President, Father Healy.

June demonstration planned

It was not until after freeze resolutions had passed scores of town meetings and parts of six state legislatures that the Council on Foreign Relations trotted out Kennedy and other Congressmen as spokesmen and added its own heavyweights like Harriman as public backers. National media coverage began in late February and is expected to escalate as the resolution is brought to a vote in September or October.

The freeze organizers plan a mass rally in front of the United Nations Special Session on Disarmament June 12. The freeze movement, now headquartered in St. Louis, claims 20,000 organizers and "millions of supporters." By "importing" Europeans and Japanese for the event, organizers boast they will have "at least 250,000 people in the streets of New York."

Where is the money coming from to finance all this? The European green leaders who will arrive this month are planning meetings with major foundations, whose heads coincide with the Council on Foreign Relations crowd. And, freeze organizers claim, they are getting backing from "prominent and concerned citizens"—like those who ran both sides of the Vietnam catastrophe.

Congress leaps into Volcker budget trap

by Graham Lowry, U.S. Editor

Under marching orders from the financial centers of the European oligarchy, the Republican and Democratic leaderships of the United States Congress have ganged up to try to stampede President Reagan into scrapping his proposed 1983 budget and accepting the extreme austerity package demanded by Federal Reserve Chairman Paul Volcker. During the week of March 15, a barrage of public demands to slash federal deficits, made by the International Monetary Fund, Wall Street, and the Fed itself, sent much of the same crew on Capitol Hill who backed the railroading of Harrison Williams scurrying forth with "bipartisan" calls for increased budget cuts and tax increases.

Typifying the pro-Volcker forces dictating this further assault on both the U.S. economy and President Reagan, IMF Managing Director Jacques de Larosière called on Washington March 16 to muster the "political courage" to lower the budget deficit—or suffer continuing high interest rates. This intrusion into U.S. affairs was enthusiastically endorsed the next day by a prune-mouthed *New York Times*. Whining as though Reagan's refusal to cut entitlements, slash defense, and raise taxes were a repudiation of the deity, the *Times* asked editorially, "Can he continue to dismiss doubters like Mr. de Larosière?"

On the same day, Wall Street economist Henry Kaufman of Salomon Brothers told the House Budget Committee that unless the budget is slashed now, interest rates will rise rapidly and raise the threat of 1930s-style depression. Wall Street, Kaufman declared, has "lost confidence" in President Reagan's economic program.

Federal Reserve Board governor Henry Wallich, a mouthpiece for the Swiss-based Bank for International Settlements, told foreign correspondents at the same time that the Fed's tight money policy would continue unless "there were an incomes policy, no farm price supports, a reduction in the budget, [and] a \$10 [per barrel] oil import tax." Privately, the BIS and the Organization for Economic Development are running the same demand for greater budget austerity past anyone who

will listen.

Senate Democrats quickly convened a caucus March 16 and endorsed an open letter to Reagan, over the signature of Minority Leader Robert Byrd (W.Va.), calling the currently projected deficit unacceptable, and demanding that Reagan submit a new budget, including a deferral of the 1983 tax cut and a commitment to balance the budget by 1985. Sen. Paul Laxalt (R-Nev.), immediately embraced the Democrats' call for a balanced budget, calling it "the most significant development we've had in trying to reach a consensus" and predicting "it should be a tremendous driving force" for reaching a bipartisan "solution."

This "bipartisan" assault on President Reagan has been put forward under the fraudulent claim that the ballooning federal deficit is the cause of continuing high interest rates—a hoax that even Volcker repudiated under sharp questioning at a recent congressional hearing. Carrying the absurdity further, congressional leaders are now proposing to implement Volcker's program for greater austerity as the means of satisfying constituency demands that depression-enforcing high interest rates come down. Senate Finance Committee Chairman Robert Dole (R-Kan.), warning that Republicans face defeats in the November elections and possible loss of control of the Senate, chimed in the day the Byrd letter was announced, "If the President has good political antennae, he'll give in some."

Majority Leader Howard Baker (R-Tenn.) and House Minority Leader Bob Michel (R-Ill.) joined Laxalt in delivering a warning to Reagan that "unless these budget numbers are improved and interest rates are brought down, there will be serious political as well as economic problems."

As Advisory Board Chairman Lyndon LaRouche of the National Democratic Policy Committee (NDPC) warned in a March 8 release which has saturated Capitol Hill, the threat of irreversible depression makes all this haggling over budget cuts and tax increases "sheer idiocy." Urging immediate passage of President Reagan's proposals, LaRouche emphasized, "It is worse than a waste of time to improve the submitted budget now, an absolutely worthless exercise in legislative theatrics as long as the issue of Paul Volcker and Volcker's economy-wrecking policies is not resolved."

In a clear response to growing pressure from the NDPC, which has made Volcker its main issue for two years and has organized over 250 chapters nationwide in the last six weeks, Byrd's letter to Reagan concluded with some further hokum about the need for "a more moderate monetary policy" in order to reduce interest rates and permit economic recovery. Byrd urged Reagan to strike a deal with the Fed to adopt "a less restrictive monetary policy," *in return* for the same "fiscal tightening" Volcker has been demanding.

Science & Technology

NASA chief: 'space station next step'

by Marsha Freeman,
Science & Technology Editor

In an interview with the *EIR* on March 4, James Beggs, the Administrator of the National Aeronautics and Space Administration, reaffirmed his commitment to the idea of a permanent presence in space as the "next logical step" in the manned space program. In the recent period this concept has been under attack from spokesmen from the office of the President's Science Adviser, Dr. George Keyworth, and from Keyworth himself.

"We are still studying the permanent manned presence in space because we think that it's the next logical step, for a lot of reasons, not the least of which is to figure out how to have engineers and scientists working in space," Beggs stated. "I think space is no different than anything that we've done on Earth. We've got to try things out and then fix them and change them and it is better if you can do that in orbit than bring things back to Earth each time."

"You should be able to work in space and work the problems out and proceed to bring things, step by step, to commercial reality." Beggs stressed that this experience and uninterrupted access to space is what will make industrial processing in space a commercial concern.

"To do this you are going to have to have some kind of space station. The station also will enable us to get information and develop techniques for operating in space which will make possible moving men into geosynchronous orbit [22,300 miles above the Earth], then back to the Moon, and then maybe back to Mars. . . . I think eventually there will be a move toward that, starting with robotic stations on the Moon, and maybe Mars and then expanding from that.

"We still feel strongly [at NASA] that that's the case, but in the launching of a space station program I would not want to give up any of the other parts of NASA's programs."

Earlier, Beggs had stressed the importance of the often-threatened space science programs. During the