

Ambassador Arthur Burns is out to decouple West Germany from NATO

by Kathy Burdman

U.S. Ambassador to West Germany Arthur Burns, instead of promoting American interests in Europe, is working with Moscow to push the Federal Republic out of NATO, and reunify it with East Germany, sources at the American Enterprise Institute in Washington said the first week of January. At the time of his appointment as ambassador, Burns, a founder of AEI, was an AEI senior fellow.

Burns's thinking is that "we have to go back and reexamine our whole history of a strong relationship with Germany. We have to ask 'Why should we have a strong relationship with Germany?'," a top AEI official said Jan. 4. "What's wrong with German reunification?"

"Decoupling" Germany, according to sources, was discussed with Henry Kissinger at the Vail, Colorado AEI conference last summer, and is being discussed now with former Kissinger aide Robert McFarlane, director of the National Security Council.

Burns is promoting the decoupling, by deliberately giving Germans the impression that President Ronald Reagan is indifferent to Germany. Germany will break with the United States, Burns is telling intimates, because Reagan's defense policy is to abandon Germany and because Reagan's budget deficits will wreck the German economy, causing anti-U.S. sentiment to sweep the country.

The German economy is about to collapse, Burns believes, and along with it the German mark (see Foreign Exchange, page 13). This crisis will be blamed on President Reagan's economic policies, bringing in an anti-American Social Democratic government—which will take West Germany out of NATO.

European Labor Party chairman Helga Zepp-LaRouche, in a major statement on Jan. 2, called for a battle to save Germany and halt the "total decoupling" of Europe. There is an immediate danger, she said, within the next weeks of a military strike by the Soviets against West Germany or of Germany splitting from NATO. Either development could trigger World War III—or at the very least destroy America's standing as a superpower.

These are the stakes as the ambassador to Bonn contributes to pushing Germany out of NATO. The United States' sole option is to act forcefully to prevent Germany from

leaving NATO. The clearest way to do this is to recall Ambassador Arthur Burns from Bonn, she stated.

The 'neutralization' advocates

Who is Arthur Burns and why is he betraying his President?

The Austrian-born Burns is an asset of the "Mitteleuropa" Central Europeans who prefer a neutralized Europe in the shadow of Soviet domination to a strengthened alliance with the United States. Trained during the 1920s by Wesley Mitchell, the leading monetarist of the University of Vienna, Burns himself trained such opponents of government action to strengthen defense and the economy as Milton Friedman and current White House adviser Martin Feldstein, who recently made headlines with his demands the President slash U.S. defense spending.

During the 1950s, Burns became Eisenhower's chief economic adviser, attempting to curb U.S. defense spending and industrial expansion. In 1971, as head of the Federal Reserve, Burns presided over the decoupling of the dollar from gold and the creation of the offshore Euromarket slushpile which has fueled speculation and black operations by oligarchic financial elements (and by the Soviets), at the expense of U.S. capital flows into productive investment.

As ambassador to West Germany, Burns was complicit in transmitting the mis-estimates of the threat of violence during George Bush's visit there in May. A violent attack on the Bush motorcade was launched by "green-peace movement" members which could have succeeded in assassinating the Vice-President. On Aug. 3, a Green Party deputy, Frank Schwalba-Hoth, poured a bottle of blood on Gen. Paul Williams, commander-general of the U.S. Fifth Army Corps, shouting, "Here is blood for the bloody Army!" and on Aug. 7, the U.S. Air Force officers' club was bombed by "the movement." Nevertheless, during the month of August, Burns was occupied with arranging a September visit to the United States by Green Party leaders Petra Kelly and former general Gerd Bastian in the United States, including a speech to the New York Council on Foreign Relations, meetings with the State Department, and discussions at the National War College.

Now, Burns is meeting with West German Chancellor Kohl and asking him and other European leaders, including British Prime Minister Margaret Thatcher and French President François Mitterrand, to get on the telephone with Reagan and demand that he cut the U.S. defense budget.

Reagan policy 'garbage'

Burns is lying to Western European leaders, starting with West German Chancellor Helmut Kohl, about President Reagan's policy toward Europe.

The most outright lie has been to tell European leaders that President Reagan's beam-weapons defense policy is anti-European. Burns believes, AEI officials say, that President Reagan and Defense Secretary Caspar Weinberger, by promoting beam weapons, are planning to only look to the United States and leave Europe defenseless. The Burns group believes the Reagan beam-weapons program is "neo-isolationist garbage," the AEI aide stated. "The worst thing the U.S. can do is reach out for a revolution [in strategic doctrine]. . . ."

Under current strategic doctrine, the United States must start a nuclear war to defend Europe—a war NATO would lose, given the current Soviet advantage. Therefore, Reagan and Weinberger have proposed to build defensive high-technology energy-beam systems to shoot down Soviet missiles, a revolutionary doctrine which the President has stated could lead to "Mutually Assured Survival," if each superpower deployed such systems.

Burns is "playing back" the hornets' nest in Europe into Washington. He is using reports of European anger at the U.S. budget deficit—anger he encourages—to attempt to manipulate the President into accepting cuts in the Weinberger defense budget and stifling the beam program to assuage the allies.

Burns is telling the White House that Europe wants "a responsible U.S. behavior toward maintaining deterrence [MAD], and negotiating with the Soviet Union," one AEI source said. "There's no sentiment in Europe for junking the ABM Treaty [which in fact does not ban new anti-missile weapons such as beams—ed.]. Burns is saying 'Lie low, don't overload the circuits.' "

From a Jan. 4 interview with a an American Enterprise Institute member who is close to Ambassador Burns, provided to EIR by a financial journalist.

Q: In Dr. Burns's discussions with European leaders, with Kohl, what does he tell them about U.S. policies?

A: He puts the best construction he can.

Q: Does he suggest that they do certain things to get the administration to change its policy? He would like to see the budget pared down, right?

A: Yes, threefold aspects, social programs, defense programs, and taxation.

Q: The same as [former Social Democratic Chancellor] Helmut Schmidt?

A: Right.

Q: So Dr. Burns is trying to develop a consensus in Europe that the European leaders should tell the U.S. that themselves?

A: Yes, I think so, [Burns is telling European leaders] that it's important to communicate that at the very top of the system and not just through these meetings we have of inter-agency groups. . . . To be pretty explicit about what the Europeans expect from the Americans.

Q: You mean that Kohl should call up Reagan and tell him to cut the budget?

A: Well, [laughs] there are some in the Reagan administration that would give Reagan advice about where to tell Kohl to put his advice.

Q: But isn't that what it comes down to?

A: Of course, and they have these communications, Mrs. Thatcher has them, Mitterrand has them. We have her economic adviser here in residence, Sir Alan Walters, who feels very strongly about this too, he talks with her all the time, and I'm sure he's giving her a feel for what's going on in Washington in January and February.

Q: So he's telling her to up the pressure?

A: I don't know but somehow she's putting the heat on.

Q: . . . If you and Dr. Burns think that we should reduce the Weinberger defense budget from the Weinberger proposal of 16 percent real growth to 5 percent [as he said this month], what kinds of things should be cut?

A: Well it inevitably comes to the structure of forces in Europe, they take up a very big bulk of that budget, one way or another. . . .

Q: So what do we cut? Cut budget in Europe?

A: Cut budget in Europe, and we're going to have to cut back on standing forces, most of the budget is in personnel. That's where the largest part of the active force is, next to the continental United States, which is largely backup for Europe. If we just want to cut the defense budget, given the current strategy, then it's inevitably going to show up in Europe. If we couple that with the current economic frictions with the Europeans we get a situation where we could have a lot of frightened deer on our hands.

Q: Did you see the report by the European Security Study [ESECS], the one that Carroll Wilson ran, "Strengthening Deterrence in Europe"? What do you think of that? It's not a big bucks proposal.

A: It seems the most promising one of the group. If we can get by on the margin, with a more conventional emphasis, terrific.

Q: Weinberger is running around Europe assuring the Europeans that the [U.S. defense] money is going to be spent on the defense of Europe, and Weinberger claims that not only is there a conventional backup but the U.S. nuclear umbrella is over Europe.

A: Yes, [laughs] that's what every American defense secretary will say.

Q: It seems to me that Dr. Burns is warning people that that's not the case, because if the U.S. is going to cut the defense budget—

A: Well, it's unclear because the cheapest thing you buy is the strategic deterrence [MAD].

Q: Aren't you really saying that the U.S. is not willing to use it strategic deterrent?

A: Well, that's been broached by Kissinger, to say that probably this nationalism in U.S. policy means that it might hesitate.

Q: What does Dr. Burns think? He's basing it [the budget-cutting demand] on the concept of strategic deterrence?

A: Yes.

Q: The Carroll Wilson study says there will be no nuclear war, and therefore in fact the U.S. doesn't really need to maintain a nuclear umbrella over Europe.

A: Well, we'll lose the Germans, then.

Q: We have a report that as part of the idea of Reagan and Weinberger on the Star Wars thing, they are talking about proposing the U.S. spend \$100 billion on this Star Wars program to defend, they claim, both the U.S. and Europe from Soviet missiles.

A: Well, I don't know much about that. My impression was that all those space things were very incremental increases.

Q: But you're pointing out that the U.S. doesn't have a solution for Europe within the concept of strategic deterrence.

A: It [MAD] is tattered, but I'm saying that it's possible to revive it in some way. I'm saying that the worst thing the U.S. can do in these circumstances is reach out for a revolution [against MAD]. But if something is on the drawing board, then you can assume that people have already decided that NATO is a writeoff.

Q: What?

A: There's no way that strategy will work into NATO strategy, no way, a Star Wars approach to European defense. This is in addition to the existing budget, an add-on?

Q: Yes.

A: Oh well, that's off the wall, that kind of approach. That's bad for the markets and bad for NATO, that approach. But it may indicate a decision that NATO's a writeoff, that given

our other strategic commitments in the LDCs and so on, it's not worth it.

Q: Why is it bad for NATO? Weinberger is telling Europe that this is what the administration is going to do to put a real umbrella over Europe, that these [beam weapons] systems will be put up to defend Europe as well as the United States. That's not true?

A: I don't know, the problem is political. It would involve revisions in NATO strategy and European conceptions of U.S. commitment to Europe which just aren't going to wash. This is neo-isolationist garbage, this idea of an antiballistic-missile umbrella over Europe.

Q: What they're saying [Weinberger and Reagan] is that strategic deterrence isn't working, for the reasons you've outlined.

A: I know, but strategic deterrence is the basis of NATO, there is no other basis in the strategy. It says that the American people are as much involved in this [i.e., hostage to nuclear threat] as Europeans. Now, Weinberger is saying that nobody has to be involved! It's gonna be a clear operation. That's just isolationist garbage . . . he's saying there isn't going to be a war, that he's going to prevent war.

Q: You're saying that to build one of these [beam] antiballistic-missile systems. . . .

A: Basically he's cutting the ground out from under the idea of mutual deterrence, because he's saying the offensive systems are no longer the basis for the defense. . . . But if he's saying I've got something in its place [MAD's place] he's going to have to face the music in NATO as to whether it really is anything that NATO can live with. For example, won't it just simply destabilize the deterrence relationship?

Q: You were in Moscow, is that what the Soviets think too?

A: Yes, they have two views, on the one hand they think this, and a lot of Americans think this, but on the other hand [they think] if the U.S. is going forward with it then we have no choice but to do the same thing.

Q: What you're saying is that the message Dr. Burns is sending from Europe is that the Europeans want to see a continuance of mutual deterrence.

A: Yes, a responsible U.S. behavior toward maintaining deterrence, and negotiating with the Soviet Union, as well to improve our strategic forces. And making some strategic offers. And that there's no sentiment in Europe for junking the ABM treaty. And that the U.S. should not be throwing new items into its strategy, throwing it out in an experimental way before it gets discussed in NATO.

Q: So Dr. Burns is telling the White House, "Don't do it" [the beam-weapons program]?

A: He's saying "Lie low, don't overload the circuits."