

Eye on Washington by Nicholas F. Benton

Shultz stunned by EIR inquiry

This reporter stunned Secretary of State George Shultz by confronting him with the Ariel Sharon link to the Abu Nidal terrorists during a rare appearance before the press corps at the State Department Jan. 9.

Shultz neither confirmed nor denied the link. I asked him of the implications of reports that not only did Sharon have two of his men in the leadership of the Abu Nidal organization, but that Sharon ordered the bombing of the Vienna and Rome airports as part of an effort to strike a deal with the Soviets and take the Pollard spy case off the front pages. I said that reference to this had been made in the *Washington Post*.

Shultz could only limply reply, "I suggest you talk to the *Washington Post* about that."

Shultz even admitted that economic sanctions do not work. "They can have some effect, but no one contends they have a decisive effect," he said.

In a potentially important change of inflection on another important African matter, however, Shultz did confirm that "we're on Savimbi's side" in the southern African conflict against the Soviet-Cuban-backed Angolan government. This departs from the State Department's earlier line, which sought to discourage congressional action to give aid to Savimbi and his Unita organization in the name of "negotiations."

Now, Shultz said that acknowledging support for Savimbi, and "remaining prepared to see if a negotiated outcome to the crisis can be reached," represent "no contradiction" to him.

Reagan: poor press conference showing

Two days before, at his first press conference since September, President Reagan's poor showing went beyond the seemingly impotent measures he announced against Libya.

The President was visibly less than his usual self. When he stumbled through his opening statement, members of the press corps were seen whispering, "It's going to be one of those nights," alluding to the kind of "off-night" that temporarily jeopardized the President's re-election in his first debate with Mondale in fall 1984.

The President was further destabilized by the first question from the floor. Sara McClendon, a Washington institution who runs her own news service, was welcomed back to the White House press corps in a warm statement by the President. She had been in the hospital with an extended illness, and Reagan greeted her and offered her the first question.

She told the President the truth: that under the systematic cutbacks of the Medicare system, and especially with the adoption of the "prospective payment" policy restricting Medicare reimbursements to hospitals, elderly patients are being thrown out of hospitals before they are well. She continued that with Gramm-Rudman, the elderly (like herself) are becoming even more worried that things are going to get even worse, and she wanted to know what the President was going to do.

Well, if the President's opening statement was rough, it was nothing compared to the stammering and gulping he exhibited in trying to evade the honest question of a woman he had just commended. He said that medical costs are among the highest in the country, and that "we're looking into it." That was all.

Sara's follow-up question was a

proposal that the President look at the Canadian system of free hospital and medical care for everyone. Again, the President did everything but physically duck.

LaRouche: Make hospitalization free

In reality, as declared candidate for the 1988 Democratic presidential race, Lyndon LaRouche, has asserted, it is cheaper to run a hospital by offering free care than by charging. The costs that go into high medical expenses come from real estate speculation, debt service, and insurance on the one hand, and administrative and other "paperwork" overhead expenses on the other.

The fact that doctors commonly pay \$100,000 a year for malpractice insurance alone, can be corrected, LaRouche says, by a policy of total transparency of the insurance and reinsurance companies.

This, combined with a policy of equity for 1) the patient, who accepts a certain risk and therefore must accept a limit on liability; 2) the physician, who must also assume a certain risk to perform competently; and 3) the insurance company, which must accept total transparency to demonstrate the need to charge the premiums it does, will resolve this runaway problem.

Increasing frequency of use of the most advanced medical equipment lowers the per-use cost, and raises the efficiency of care, LaRouche argued. With the nation's health care crisis set to detonate as a result of the AIDS pandemic and other diseases associated with nutritional and sanitation breakdowns under Gramm-Rudman, it is a choice of this approach—or escalating the systematic euthanasia which has already begun to be practiced, LaRouche asserted.