

National News

District mandates insurance for AIDS

The Washington, D.C. City Council approved a bill May 13 to prohibit health and life insurance companies from denying coverage to persons who test positive for exposure to AIDS.

The bill was opposed by the national insurance industry, which used a \$200,000 media campaign to warn that its enactment would result in higher insurance premiums for everyone else.

The bill prohibits insurers from denying coverage to anyone on the basis of a positive medical test for exposure to the AIDS virus. For five years, the companies cannot charge higher rates to those who test positive for exposure to AIDS. At the end of that period, insurers can petition the superintendent of insurance to allow higher premiums for AIDS victims.

Hart calls for law on money laundering

Janice Hart, the Democratic nominee for Illinois secretary of state, has called on the state's party chairman to aid her in passing a bill that would outlaw dirty money-laundering by the state's financial institutions.

A local UPI wire datelined Galesburg, Illinois reports that Hart, the "LaRouche Democrat" whose upset victory in the March 18 primaries created nationwide headlines, has sent a letter to state Democratic chairman Vincent DeMuzio urging his support for the money-laundering bill.

In the letter, Hart told DeMuzio that "as the chairman of the Democratic Party and a leading [state] senator, your sponsorship of a bill to prevent drug-money laundering in the state's financial institutions will make passage of this urgently needed legislation almost fully assured. . . . The key to destroying the drug traffic is breaking the financial nexus that allows it to operate."

To date, DeMuzio has made no reply.

American taxpayers subsidize Hammer

The \$2 billion in taxes which the five U.S. oil companies operating in Libya pay Qaddafi's government accounts for one-quarter of that country's yearly operating budget, which includes funds devoted to carrying out terrorist attacks on U.S. interests.

By contrast, the U.S. government collects little or nothing from these same corporations—W. R. Grace, Occidental Petroleum, Marathon, et al.—according to a recent congressional study.

"I doubt very much that the American people, if they knew, would want to subsidize Qaddafi's terrorism," Rep. David Obey (D-Wisc.) being forced to do." And Rep. Fortney Stark (D-Calif.) talk about government waste. I suggest his company stop paying taxes to Qaddafi so the U.S. government can 'waste' less on airport security."

Education cut for military kids

The Gramm-Rudman budget-cuts are wreaking havoc with the education of children of members of the U.S. armed services, statistics show.

Even before the latest cuts, army schools were running on a per-capita budget \$915 below the national average. Gramm-Rudman will mean an additional 4.9% cutback. Jack Anderson's column in the May 13 *Washington Post* lays out what this will mean to the children of service personnel—the nation's best source for future career military personnel:

- One of every three teachers leaving the system will not be replaced.
- A freeze will be imposed on hiring of art, music, physical education, and other "specialty" teachers.
- A moratorium will be imposed on

purchases of new texts and equipment.

- There will be no 1986 summer school.
- There will be no field trips.
- There will be a 25% reduction in purchase of audio-visual equipment.
- The opening of the 1986-87 school year will be delayed until Sept. 5.

These cuts will affect more than 156,000 students of military families overseas.

More Mossad agents leaving government?

Noel Koch, the Department of Defense's top counter-terrorism official and a suspected agent of the Israeli Mossad, will be leaving his post at the end of May.

Koch is a close associate of Michael Pillsbury, a believed Mossad officer fired from the State Department in early May. He is also close to Richard Perle, the Assistant Secretary of State for Technology Transfer, who has recently come under attack, and who is identified as a Mossad spy in *EIR's* recent *Special Report, Moscow's Secret Weapon: Ariel Sharon and the Israeli Mafia*.

The reasons for Koch's apparent purge are unclear. The *Washington Post* reports that Koch will "take his talents to the private sector. He and several others plan to form a security and counterterrorism consulting firm with offices in D.C. and other countries."

Dole: Reagan veto could be overridden

Senate Majority Leader Robert Dole (R-Kan.) stated on May 14 that President Reagan faces an uphill battle to reverse congressional rejection of U.S. arms sales to Saudi Arabia. "He wants us to sustain a veto [of a Resolution of Disapproval of the sale passed by both Houses] and we need 12 votes," Dole told reporters after a GOP leadership

meeting at the White House.

At that meeting, Reagan stated: "There is no region in the world so pivotal to the course of events as in the Middle East." Denial of the sale would "undermine the credibility of all our security commitments in this critical region of the world," he added.

The arms deal would involve air-to-air, surface-to-air, and anti-ship missiles to restock the Saudi arsenal. The United States last sold military hardware—AWACS planes—to the Saudis in 1981.

After the meeting, Sen. Richard Lugar (R-Ind.) had narrowed to 11, with Sen. Nancy Kas-sebaum (R-Kan.) arms deal.

LaRouche: 'I can solve problems in 48 hours'

Declared Democratic presidential contender Lyndon LaRouche, Jr. told interviewer David Hartman of CBS's "Good Morning America" show that only he could solve the nation's problems: "Within 48 to 72 hours of my being President, we would have fundamental changes" in a number of crucial areas.

LaRouche said that none of the potential presidential candidates has "any competence whatsoever to deal with any of the issues" plaguing America. Therefore, he said, "I think I have to be President."

According to a national UPI wire, "As for his qualifications, LaRouche said in an interview on the 'ABC Good Morning America' program, 'I'm an economist, probably the best one living today. In terms of the problems, I understand the issues. I've dealt with foreign governments, particularly the developing sector. I'm very close to many of them. I've consulted with all of them. I know what they want. I know what they're willing to do. Therefore when it comes to foreign agreements, I know how to get them.

"There are people in foreign government, if I were President, who would come to Washington and I guarantee you, within

a matter of 48 to 72 hours we'd have agreements that would change the world.'

"Asked to elaborate, LaRouche said he could quickly get pacts with the non-aligned nations, most nations in Africa, South America, and Southeast Asia, and with Japan and forces in Europe.

"Forty-eight to 72 hours of my being President, we would have fundamental changes in monetary policy, in strategic policy, in trade policy and these would be very beneficial to the United States,' he said, adding he would push for a 'new Marshall Plan in the Middle East.'

"LaRouche said only Reagan has been partially successful in finding solutions to the many problems.

"Reagan, I think, has been a better President than his predecessors but there were some very bad stages there and he too has ducked and failed to face the issues,' he said."

Pentagon: Space program faces shutdown

The U.S. space program faces a possible shutdown unless the government encourages private industry to enter the space launch business, Frank Gaffney, the deputy assistant defense secretary for nuclear forces and arms control policy, stated on May 13 at a breakfast meeting in Washington, D.C.

He said: "I think we're run NASA in a way that has made it commercially unattractive for people to get into this business to compete. . . . What we clearly need is an ability to reduce costs in getting our payloads into space," he said.

"The only way is competition. We have to get the government out of the business" of building rockets, ignoring the fact that the entire history of rocketry has depended on government support for development because of the tremendous capital investments involved.

He ended by suggesting that the United States should follow the Soviet example and build more rockets that are less technically sophisticated.

Briefly

● **A FEDERAL JURY** May 10 acquitted Louisiana Gov. Edwin Edwards, his brother, and three associates in their retrial on charges that they made \$10 million by selling state hospital construction permits. After the verdict, Edwards blasted U.S. Attorney for Louisiana John Volz for a politically motivated vendetta against him. "John Volz started this thing over a year ago with a political mission. It shows you how far he was willing to go with his unbridled use of his political power."

● **GEORGE SHULTZ** during May 14 remarks to the Overseas Writers Association in Washington, was asked by NBC's Daniel Schorr about reported prosecution of news media who publish "leaks" of U.S. communications intelligence. *EIR* correspondent Nicholas F. Benton then denounced NBC's refusal to identify the location of terrorist Abu Abbas, whom NBC interviewed. The secretary of state called the leaks "a disgusting gusher," but said jurisdiction lay with the Justice Department, not the State Department.

● **JACKIE PRESSER**, president of the Teamsters union, will be indicted by federal prosecutors on charges of hiring "ghost workers" for a Teamsters local in Cleveland, Ohio. The *New York Times* reports that prosecutors were also expected to indict at least one FBI agent who they said used Presser as an informant. Previously, the case against Presser had been dropped because of FBI opposition.

● **THE REAGAN** administration will ask Congress to change the Davis-Bacon Act in ways that building trade unions say that would come close to demolishing prevailing wage protections for federally funded construction. The administration will propose to exclude all military construction contracts of less than \$1 million and non-military construction of less than \$100,000 from Davis-Bacon Act coverage. It presently applies to all contracts over \$2,000.