

# National News

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## Kennan claims Russian Revolution over

George F. Kennan, a leading figure of the Eastern Establishment circles credited with formulating the last 50 years of U.S.-Soviet policy, testified to the Senate Foreign Relations Committee on April 4, that the policies of Mikhail Gorbachov have brought an end to the revolutionary epoch in the Soviet Union.

"What we are witnessing today in Russia is the breakup of much, if not all, of the system of power by which that country has been held together and governed since 1917," Kennan claimed. "A new Russia is going to emerge from all this confusion which will not resemble the one we have known for the past seven decades."

Kennan, who first proposed 50% cuts in strategic arsenals in 1981, said that there have been insufficient efforts to reach accords with the Soviet Union for major weapons cutbacks. He said that while the condition of the Eastern European satellites had become "perilous," there was no chance of a Soviet invasion of Eastern Europe as happened in 1956. "That country should now be regarded essentially as another great power like other great powers," Kennan concluded.

Committee members, mainly ultra-liberals, gave him a standing ovation at the end of his testimony.

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## Bush slashes spy satellite budget

The Bush administration does not plan to modernize those U.S. surveillance satellites crucial for monitoring Soviet compliance with the Intermediate Nuclear Forces treaty, according to comments by Sen. David Boren (D-Okla.), chairman of the the Senate Intelligence Committee, on April 6.

President Reagan had promised that the satellites, mainly KH-11 and LaCrosse types, would be modernized as a condition for Senate approval of the INF treaty.

Boren said that failure to uphold the commitment "would seriously jeopardize our own near-term national security interests and could slow down completion of a strategic arms reduction treaty."

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## Webster moots CIA-KGB collaboration

Director of Central Intelligence William Webster confirmed increasing speculation that the CIA and Soviet KGB may collaborate on anti-terrorist actions in an April 7 New York *Daily News* column by Lars-Erik Nelson, entitled, "CIA and KGB To Be Pals?"

Webster, after noting that KGB chief Vladimir Kryuchkov had held an unprecedented meeting in Moscow with U.S. Ambassador Jack Matlock, said, "There's some suggestion that we might do something together about terrorism," and added, "It isn't what I have in mind, because I'm not lobbying for it, but I think this is being increasingly suggested and hinted at, and we will at some point be asked to make a recommendation on it."

Webster suggested that cooperation might take place in cases such as the Pan Am 103 bombing, where there is no conceivable political argument that might arise around the idea "that one man's terrorist is another man's freedom fighter."

The *New York Times* reported on April 7 that the Soviet Union has agreed to meet to discuss cooperation on the issue of terrorism, narcotics trafficking, and protection of the environment, on the initiative made by Secretary of State James Baker during his meeting in Vienna in March with Soviet Foreign Minister Eduard Shevardnadze.

Under the Reagan administration, the late CIA chief William Casey had concluded that the Soviets had a hand in training terrorists, and there was a consensus that Moscow has provided support to most of the countries identified by the United States as state sponsors of terrorism.

Herbert Meyer, vice chairman of the CIA's National Intelligence Council from 1982 to 1985, told the *Times* that evidence of Soviet involvement in terrorism was

compelling. "There is no question that in the past, the Soviet Union has been a key player in state-sponsored terrorism. . . . They have provided support through training facilities and other means. If the Soviet Union still supports those states which engage in terrorism—Iran, Libya, Syria, Yemen, North Korea—then the idea of cooperation is insane."

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## NRC speeds nuclear plant licensing

The Nuclear Regulatory Commission adopted a major streamlining of the licensing of nuclear plant construction on April 7, which may halve the time required to build a nuclear plant.

Unless Congress changes current law, the NRC must still hold separate construction and startup licensing hearings, but it will now attempt to approve siting, design, and construction plans at one time.

"We should be able to build a plant in six years or less" with the streamlined procedures, NRC Chairman Lando Zech said.

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## SDI laser test successful

The Strategic Defense Initiative Organization conducted a highly successful ground test of a high-powered chemical laser on April 7. Known as the "Alpha," the laser's beam can produce 2.2 million watts of energy, making it the nation's most powerful military laser.

"We have achieved a major advance in the laser's development," said Neill Griff. Griff, who heads the SDIO's space-based laser department, added that it would greatly increase "our confidence in being able to build directed energy weapons."

Original SDI plans called for the Alpha laser to be launched into space in 1994 as part of the "Zenith Star" experiment, to test its effectiveness against moving targets in space.

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The success comes as Defense Secretary Cheney is calling the SDI "oversold."

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## NDPC appeals court 'death sentence'

Warren J. Hamerman, chairman of the National Democratic Policy Committee, announced on April 11 that the NDPC has filed an emergency motion for rehearing to challenge the multimillion-dollar contempt fines upheld by the U.S. First Circuit Court of Appeals in Massachusetts.

The NDPC motion points out that there was never a hearing to determine if the NDPC was in contempt. In the absence of such a hearing, it noted, the recent Appeals Court opinion upholding the fines misconstrued the factual record of the NDPC's full compliance with the grand jury subpoena. Prosecutors wrongly implied that there was a factual basis for the judgment against the NDPC, and invented the notion that the NDPC was the owner of index cards which were in dispute. The entire basis of the contempt fine against the NDPC is one vague and ambiguous affidavit on the Oct. 6, 1986 Leesburg search by FBI Agent Wilkes which does not even mention the NDPC by name.

The NDPC also noted that Judge Mazzone and the Appeals Court completely overlooked the fact that NDPC Chairman Warren Hamerman submitted two affidavits swearing that the NDPC was not in contempt, which entitled the NDPC to an evidentiary hearing before the fines were imposed.

The NDPC further argued that the enormous amount of the contempt fines should not have been imposed without a hearing to determine if the political organization had the basis to pay. The NDPC argued that the fines were excessive and would destroy the political committee as a political organization.

The NDPC also argued that the Appeals Court cannot ignore the First Amendment violations of delivering an economic death penalty to a PAC. Citing two similar precedents involving the NAACP and the United Mine Workers, the NDPC argued that "it would be unfortunate if NDPC—because of

its political association with Lyndon LaRouche—were judged by different rules. The best way to insure that the same rules are applied to all political organizations is to mention those rules, and we ask for reconsideration in light of them."

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## U.S. probe of Safra, Shakarchi still open

In a brief interview with *EIR* on April 13, U.S. Attorney Andrew Maloney of the Eastern District of New York corrected a false report circulated in an AP wire in Europe, that his office had shut down its criminal investigation into drug money laundering by the Zurich-based Shakarchi Trading Company, New York's Republic National Bank, and its director Edmund Safra.

The Shakarchi and Republic/Safra investigations are "active and continuing criminal probes," Maloney told *EIR*. He explained that a civil litigation by the U.S. Justice Department filed in early April, seizing \$183,000 in the Shakarchi account at Republic National Bank, had been dropped because further investigations had shown that the frozen funds were not derived from drug trafficking or money laundering.

In a precedent-setting civil action, the DoJ had sued nine major U.S. banks to recover \$433 million in drug profits that had been allegedly laundered for the Medellin Cartel. That action was part of a several-year-long Drug Enforcement Administration "Operation Polar Cap." A simultaneous DEA effort, dubbed "Operation Moonbeam," has turned up evidence of an ongoing "Bulgarian connection" to the laundering of profits from Middle East heroin and arms sales.

Maloney told *EIR* that the Shakarchi-Safra probe is a spinoff of the "Polar Cap" investigation, which ended early in April with over 120 indictments.

Edmund Safra, a continuing target of the criminal probe by the Brooklyn U.S. Attorney's office, is the chairman of a banking empire that stretches from Switzerland to Brazil. He is closely linked to Kissinger Associates and has been a director of the American Express Corp. since 1983.

# Briefly

● **RICHARD SILBERMAN**, a fundraiser for the California Democratic Party, was arrested for laundering drug money, which undercover FBI agents told him was coming from Colombian narcotics traffickers, according to press accounts April 9. Silberman held a number of positions under former Gov. Jerry Brown, including chief of staff.

● **RICHARD THORNBURGH**, the Attorney General, is accused of having his aides prepare a 10,000-name mailing list of political contributors and contacts on Department of Justice computers for which he is now the subject of an ethics probe, according to April 6 press accounts of the *Legal Times*. John Bolton, an outgoing Meese appointee, is alleged to have called Thornburgh to account on the matter.

● **DONALD RUMSFELD**, a former Defense Secretary, wrote FBI Director William Sessions that "unverified information" in FBI background checks was made available to members of the U.S. Senate in the Tower nomination, according to press reports April 5. Rumsfeld said that he had assisted on "literally dozens" of checks by the FBI over the past 25 years, but that he will cease all cooperation until there are significant changes in the handling of information. "While I respect the men and women in the FBI, I cannot in good conscience be a party to the process as it has evolved."

● **HENRY KISSINGER**, "He's back. Conservatives who call him the Mick Jagger of foreign affairs are sounding the alarm," reports Susan Bennett in the April 4 *Pittsburgh Press*, entitled "Nightmare on Pennsylvania Avenue—Kissinger Returns!" "Actually, Henry A. Kissinger and his controversial ideas about the politics of the world never exited the diplomatic stage. But it seems the Bush administration is restoring stature" to Kissinger.