

the Campaigner

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Journal of the National Caucus of Labor Committees

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BANNED IN WEST GERMANY

BRANDT



“Schacht and Hitler were the first ones to draw the correct monetary conclusions from the world economic crisis.”

West German Chancellor Helmut Schmidt
May 11, 1976



“The Brandt Poster”

“Schmidt naturally did not mean all of Hitler and Schacht’s policy but the general, necessary non-deflationary policy, maintaining employment and general welfare and social services....”

Social Democratic Party Chairman Willy Brandt
May 16, 1976

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Table of Contents

- 1 Editorial: The Road to Nuremberg
- 5 The Brandt Case
- 11 Willy Brandt: The Story of an Agent's Career
- 33 The State of the Trial
- Appendix
- 34 Nuremberg Principles
- 35 Why Ignorant Bankers Believe Schacht Succeeded
- 43 Why Schachtian Economics Must Lead to War

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The Road to Nuremberg

The publication of this pamphlet in West Germany during February of 1976 aroused the most shrill howls of objection that the scientific appellation "Nazi" could be publicly applied against a leading member of the post-war Social Democratic hierarchy. By May of 1976 the currently leading representative of the same international stratum, West German Chancellor Helmut Schmidt, announced before the Bundestag and on West German national television while speaking on what he characterized as the second great international economic crisis of this century that "it was first Schacht and Hitler who drew the correct consequences from the monetary standpoint" for the solution to such crises. Yet at the same time as our accusations against Willy Brandt and his cohorts are publicly vindicated, the West German Atlanticist agents have gone much further, unleashing a full-fledged Nazi drive for corporatist control of industry and labor, a national police (Gestapo), *Lebensraum* for German industry, remilitarization against the "threat from the East," and the 16th in a series of "slander" suits brought by Social Democratic Party chairman Willy Brandt against the leadership and membership of the European Labor Committees.

The fact that the Nazi revival is taking its most explicit and recognizable form in the Atlanticist-occupied state of West Germany must not be allowed to obscure the determining world reality. Leading extragovernmental financial circles, emanating primarily from Lower Manhattan, New York City, have undertaken to implement the policies of Hitler and Schacht *on a world scale* as the only means of maintaining the utterly bankrupt dollar debt-structure on which they stake their very existence. If they fulfill their vision—and they've already made considerable headway in such Third World arenas as South America—the world's population will be ground up in huge concentration camps devoted to labor-intensive agriculture, and the extraction of "marginal resources" such as shale oil and timber with hand tools. More likely, their political "success" over a broad, but timid alliance of Third World governments and capitalist industrialist factions around the concept of debt moratoria and a new world economic order would lead to the extinction of civilization through a quicker form of genocide — ravaging epidemics of plague and other deadly disease, or a

provoked thermonuclear war between the United States and the Soviet Union.

Fascism has never been a "national" phenomenon, and nothing but an international anti-genocide alliance can insure its destruction. This is not only true because the Schachtian plan in operation today is an international creation, with its prime impetus coming from the British-American cabal controlled by Rockefeller money. In each country we also find the cornerstone of fascist legislation to be nationalism; the rubric of "national security" is the key to imposing police-state rule.

The only law available to supersede the flagrant police-state measures being taken in the name of national security is the *international* law as it was executed against fascist economic and political policies at Nuremberg. Ironically, the only state in which the Nuremberg statutes have formally been adopted as part of national law is West Germany itself. The pursuit of Schachtian policies in West Germany is thus in direct violation of the West German constitution, as well as human rights.

The International Caucus of Labor Committees, as the political leadership of the world working class, has determined to act before the concentration camps and gas ovens begin to cover the entire world. We will make the servitude of famous Nobel peace-prize winner Willy Brandt to the Schachtian policies of his Atlanticist masters the centerpiece of the fight against fascism not only for the German working class, but for the American, Canadian, Italian, French and Latin American working classes as well.

The Emergence of Nazi Justice

By 1915-1917 British imperialist circles had decided that control of German military potential was essential for the extension of their looting area into Eastern Europe, especially Russia. The key to ensuring this project's success was first and foremost the decapitation of the revolutionary leadership of the German working class. British Intelligence agents, within the German Social Democracy and including top Round Table agent Admiral Wilhelm Canaris, hence played a leading role in the capture and assassination of Rosa Luxemburg and Karl Liebknecht during the abortive German rebellion of 1919. It then fell to the German court system, including military judges

Canaris and one Paul Jörns, to provide the legal justification for these crimes.

Acting on the orders of British Intelligence, Canaris and Jörns both convinced the assassins of Liebknecht and Luxemburg that they would not be brought to account, and aided in their escape after their unexpected conviction for murder. Their ability to carry out this treachery "legally" then became a key juridical test for the imposition of Nazi justice in Germany. The protagonist against such police-state law was the only leading communist of intellectual and moral stature left in Germany, Paul Levi.

a. The Case of Treason

Levi identified the critical inflection point in the creation of a legal basis for dictatorship in 1927, when the Penal Code was revised to a form which has remained virtually intact to this day. The flagrant "foot-in-the-door" lay in the provisions for treason, high treason and attacks on the republican governmental system. Levi described it this way in the journal *Das Tagebuch* during that year:

In addition, the draft revision turns the furnishing of political news into a crime of treason. This would not only be true for what is actually considered to be treason, such as treason and espionage whereby intelligence is secretly given to a foreign government; rather it would apply when the information was to be used in a manner which would endanger the welfare of the Reich... This regulation signifies the end of all oppositional news reporting, and the end of any struggle against prevailing injustices... If this regulation becomes law, the *reichsanzeiger* (equivalent of the Congressional Record -ed.) might as well be the only newspaper published in Germany, and all the others might as well close down, since according to this law every newspaper could on any occasion be convicted of treason.

In a later article he elaborates:

Thus, for example: The claim that the German government supports a fascist guard of mercenaries—this only a hypothetical case—would be considered treasonous, since such a statement would endanger national security because, on the basis of the Versailles Treaty, it could lead to measures against Germany. From there it is only a short step to following: a news item which might say that the government disobeyed the Reichstag Authorization Law and provided an industrial firm with some tens of millions worth of credits—such an item could make the Entente powers believe that Germany is indeed a reliable debtor, which would be an impetus to demands for repayment of debt, which would hence endanger national security, and hence—treason.

In fact, Levi carried out the defense for one Berthold Jacob the very next year, who was tried for treason because he had questioned in print the military build-up of the Reichswehr. Jacob was convicted.

Levi excoriated the press censorship for what it was: an intentional barrier to political organizing against the policies of the current government. "*The militarization of public opinion is underway,*" he

wrote. "Whoever doesn't toe the line won't get away, and will be thrown in jail."

The treason rulings take on further significance when their implications for international rule of law are examined. Levi argued explicitly in the Jacob trial that no act which conformed to international law, in this case the Versailles Treaty, could be called treason. The finding of the court was an unequivocal rejoinder that the *international rule of law does not exist*, the same judgment by which fascism is now being implemented and defended in court throughout the advanced sector today.

b. The Case of Slander

Anxious to carry out the "militarization of public opinion" to its full extent, the emerging National Socialist apparatus determined to silence Levi and his cohorts on the question of the SPD government's complicity in the murder of Luxemburg and Liebknecht. While this issue, which Levi had been researching exhaustively for years, was not a central political threat to the government, it provided a central "test case" for the right to organize against the government.

In March 1929 Imperial Solicitor Paul Jörns, and his higher-up, Superior Imperial Court Solicitor Werner, demanded that one Bornstein be punished for public injury and defamation of character against Jörns, based on Bornstein's written allegation that Jörns was unfit for his office. Jörns, like Brandt today, appeared as co-plaintiff with the government in the case. Bornstein's defense, argued by Paul Levi, rested on Bornstein's fully documented facts that Jörns had "aided and abetted" the murderers of Luxemburg and Liebknecht. The original court of jurisdiction ruled as follows:

The question here is whether the co-plaintiff endangered the results of the investigation (of the murders-ed.) by his activities... The result of the major proceedings of this court is that it considers it proven that he did this. However, if the co-plaintiff did aid and abet the perpetrators, then the defendants' conclusion is justified that the co-plaintiff is not fit for activities with the associations of the Imperial attorneys. The defendant can rightfully represent the opinion that here there is only place for the best jurists and most conscientious civil servants of the German Empire, whose career of service can stand up to all criticism.

On the subject of public injury and defamation of character of judgment says the following:

The provability of a fact which effects the degradation of another's public image is sufficient grounds for ruling out punishment ... The defendant is therefore acquitted.

A precedent that worries Herr Brandt and his fellow Atlanticist conspirators? Never fear—the British agent-run government insured that the damage was soon undone.

After the First State Court of Appeals upheld the first trial's judgment against Jörns, the matter came

up to the Imperial Court itself. In order to wipe out the damage done, the Imperial Court developed a new interpretation of Paragraph 186 of the Penal Code, the paragraph which allowed the publication of provable facts that hurt others' reputations. The Court now demanded that Bornstein prove that Jörns had evil *intentions* when he carried out the now court-certified acts. Since Bornstein could not give evidence of Jörns' subjective premeditations, and another court offered 228 pages of "proof" that Jörns had the very best of intentions, Bornstein was eventually fined 500 marks and the costs of the entire case!

Jörns went on to serve the Nazi justice system until April 1, 1937, when he was dismissed due to old age with the thanks of Hitler for having provided "out-standing services." He and the Nazi "enforcers" he made his reputation by protecting were now safe to carry out the political repression demanded by Schacht's economic policies with legal impunity.

With legal precedent now established to squash the publication or statement of any provable facts that hurt the "welfare of the nation" or the powers that be, Germany was simultaneously politically ready for a period of emergency decrees leading up to the dissolution of all pretense of parliamentary government with the "Law Removing Distress of People and Reich" and giving power beyond the Constitution to the Atlanticists' Frankenstein monster, Adolf Hitler himself.

The Same Tactic

It is virtually the same tactic as that outlined for Nazi Germany which the Rockefeller cabal is using today to legislate police states into existence. Through a steady accretion of Supreme Court decisions and administrative measures, a body of precedent is being built up to ensure that "national security" is preserved. Under such cover, the vast invisible government apparatus internationally—but particularly in the United States—has proceeded a long way toward near-complete censorship of the major press, and is now moving pell-mell toward its goal of isolating and eliminating communist organizing—New Solidarity and the U.S. Labor Party.

Police-state legislation in the form of Senate Bill One has been on the agenda in the United States since the late 1960s. If this legislation were to become law, any act by press, persons, or groups which hindered even an *undeclared* war policy on the part of the government, or which could be shown to be intended to bring about a revolution *at some indefinite time* in the future, could be punished as "seditious conspiracy."

Like the Anglo-American agents in Germany, the Rockefeller controllers have been forced to face the fact that Congress itself would not wilfully cut its own throat or that of the population through voting for such a bill. They have proceeded instead to take control of critical areas of law enforcement and Congressional

investigative activity to ensure that precisely the same restrictions as laid out in S-1 are surreptitiously put into effect.

Without pretending to raise or revise any major constitutional issue, for example, the Burger Supreme Court has moved steadily to protect national agencies and officials from having to answer to either the inquisitive public or the victims of their activities. Through such a process, the major civil rights decisions of the 1960s — decisions which defined government obligations to the citizenry — have now been nearly reversed in the name of restricting government responsibility and bureaucracy. The only challenge to the continuation of such activity lies in suits being carried out by the U.S. Labor Party against ongoing Cointelpro activities.

Equally revealing is the way in which the Church Committee "exposures" of illegal government activity are being orchestrated in order to put a National Security Council dictatorship into effect. Having bared to the world the tip of the iceberg of *past* CIA-FBI illegal operations, the Church Committee now proposes to enact new espionage "official secrets" legislation. While supposedly confined to a select and dangerous group of "agents of influence," the statutes would make it a crime to pass on scientific and technical information which is "openly procurable in the United States" to "hostile" foreign intelligence agencies. Such transfer of information could very well mean merely the publication of information on the state of development of nuclear fusion power in any mass circulation newspaper!

Like British Intelligence in Germany in the 1920s, the Rockefeller cabal sits on top of a vast network of professional killers, terrorists, brainwashers and other agents which is trying its damndest to suppress all political opposition and organizing against the Schachtian economic measures now in full force. Unlike Germany, however, they have been granted no ground on either the legal or political front to justify their desired witchhunt. The constituency of the Labor Party and Labor Organizer's Defense Fund, which has prevented the Rockefeller police-state drive from gaining any legitimacy in the United States, must now move to prevent any such consolidation in the center of Western Europe as well.

Occupation Law

When the Atlanticist powers were finally forced by the insanity of the monster they had created to join the Soviet Union in the eradication of Hitler Germany, the burst of international outrage at Nazi atrocities resulted in a major advance in international bourgeois law. The Nuremberg Code, devised by the four Allied powers, established a new order of crime called "crimes against humanity." These crimes, broadly contained under the categories of menticide and genocide, are the scientifically provable outcome of the

Nazi policies known as Schachtian economics, and its concomitant, the fascist police state.

The Nuremberg Tribunal's broad definition of Crimes Against Humanity is as follows:

Murder, extermination, enslavement, deportation, and other inhumane acts committed against any civilian population...or persecutions on political, racial or religious grounds in execution of, or in connection with, any crime within the jurisdiction of the Tribunal, whether or not in violation of domestic law in the country where perpetrated.

Equally significant was its judgment that anyone is guilty who knew or should have known that

...in matters of international concern he was guilty of participation in a nationally organized system of injustice and persecution shocking to the moral sense of mankind, and that...knew or should have known that he would be subject to punishment if caught.

Although the Allies, headed by the United States, found a way to salvage the fascist ringleaders such as Schacht and Speer under the ruse of their being mere "economic experts," the precedent established at Nuremberg — and at similar trials held in emancipated Italy — upheld a new international human standard. This standard the American and British occupation powers immediately began to violate through their total subjugation and "re-education" of the West German population. As a nice touch, the Nuremberg prescriptions against fascist conduct were memorialized in a new Atlanticist-given West German constitution.

Hence what Brandt appeals to today is virtually the same body of law, Nazi law, which served so well to "militarize public opinion" in the few years prior to Hitler's dictatorship. In fact, Brandt is forced to construe even that body of law in such a narrow way as to qualify as an appeal to *feudal traditions!*

The European Labor Committees argue, of course, that not only has the Federal Republic of Germany espoused a constitution contrary to feudalist interpretation of the cited statutes, but also that complainant Brandt is not a feudal potentate juridically exempt from public criticism by ordinary citizens. Moreover, even if such feudalist interpretation were to be followed, Brandt has disqualified himself to complain against the European Labor Committees, since he was

complicit in issuing and causing to be published a slanderous "incompatibility" resolution against the ELC. His malicious and knowingly false slanders against the ELC are a matter of public record.

More significantly, German law under American occupation has served the identical function as Nazi law by protecting a whole strata of American-created political figures and slaves from the rule of international law established at Nuremberg. Herr Brandt, like Herr Jörns, can defend himself on this count by arguing that he is in fact of no distinctly different caliber than a significant proportion of a whole generation of politicians and influential persons in Western Europe. Indeed, herein lies precisely the danger, a danger which outlines the importance of the ELC's publication of distasteful "facts" about Herr Brandt. The very acceptance of Herr Brandt's service of American-dictated Schachtian policies constitutes not only a clear and present danger to the West German Federal Republic—since they may lead not only to destruction of certain portions of the population—but also could potentially result in the obliteration of the entire BRD through Atlanticist-provoked thermo-nuclear war.

The implications of a full-scale Nazi revival in West Germany are only presaged today in the military occupation being carried out by BRD-NATO forces in Northern Italy and the economic-Schachtian dictatorship which the Schmidt government has wielded over Italy, Britain and other lesser Western European nations. Once again the Atlanticists have dubbed Germany the policeman and front-line against Europe and the Soviet Union.

American workers did not give their lives in World War II to see fascism imposed in Western Europe, their own country, or *anywhere else* without a fight. Last time, 35 million were sacrificed in the battle; this time, the whole world is at stake. To stop the likes of Willy Brandt in West Germany, to halt Sen. Frank Church and Attorney General Edward Levi in their tracks in the United States, one critical task lies before the international working class: the dismantling of the Rockefeller-controlled invisible government apparatus. Those who escaped Nuremberg the last time around must be shown in no uncertain terms that the working class is fully prepared to carry out justice in the very short time ahead.



The Brandt Case

Nov. 13, 1975 — West German Social Democratic Party Chairman Willy Brandt and his sidekick, I.G. Metall union chief Eugen Loderer, have admitted in effect that they are suing the European Labor Committees for telling the truth about their years of service as agents of Rockefeller and the CIA. In the case of Loderer, known as the Leonard Woodcock of West Germany, the specific charge against the ELC is literally "spreading facts damaging to Loderer's career." The case of Brandt, whose suit against *Neue Solidarität* and its editors is now scheduled to come to trial December 2, 1975, implicitly rests on the same logic — that under the laws of the Federal Republic of Germany created by Rockefeller's U.S. occupation forces after World War II, it must be considered a crime to tell the truth about a CIA agent if it will damage the agent's future usefulness to his master.

Having already destroyed a considerable part of Brandt's usefulness to Rockefeller without regret, the ELC will finish the job at the upcoming trial, by presenting and proving charges against him considerably more serious than those crimes against humanity for which his fascist forebears were condemned at Nuremberg.

These articles will serve to present in compact form the entire weight of evidence the ELC intends to use in the course of the Brandt trial, and will provide collateral and background evidence drawn from

Brandt's sordid 35-year history as a witting agent of British and American intelligence service and allied financial circles.

Brandt's personal lawyer and former Federal Justice Minister Gerhard Jahn initiated the civil suit against *Neue Solidarität* editors Jürgen Spahn and Anno Hellenbroich in March 1975. Brandt complained of "slanders" against him appearing in recent ELC newspapers and leaflets. As evidence, he cited the following well-known ELC accusations against him:

The Charges

1. Brandt is an agent of the U.S. Central Intelligence Agency (CIA), and had already sealed his connections with this agency during the period of Anglo-American occupation of what is now the Federal Republic of Germany.

2. Brandt is an agent of "Rockefeller," particularly of U.S. Vice President Nelson A. Rockefeller and his brothers, among whom David Rockefeller is most prominent. He has confirmed himself in this role as an agent of these persons by his participation in the implementation of the policy of this group and its immediate collaborators;

3. Brandt advocates a policy which can be described as fascist, in the same sense it is used in connection with the practices which the leading Nazi spokesmen

and the fascist government of Benito Mussolini themselves characterized as "fascist";

4. Brandt advocates a policy whose explicit consequences are actions punishable according to Article 4 of the Principles of the Nuremberg War Criminal Trials as "Crimes against Humanity" and to the corresponding sections of the West German Constitution referring to the "Nuremberg Statutes";

5. Brandt has knowingly participated in interferences into the domestic affairs of a sovereign state, Portugal; i.e., he has worked toward the "destabilization" of the government of this sovereign state, in alliance with such agencies as the Social Democracy and the Friederich Ebert Foundation. The character of these efforts indicates that they were intended to make very probable a civil war and possible foreign military intervention, along with further bloodshed in the Portuguese population;

6. Brandt was a knowing participant in activities standing in connection to the kidnapping of leading members of the Latin American Labor Committees (CLLA) in Mexico City.

The Evidence

In view of the extensive documentation from public sources of the Rockefeller family's principal role in setting up the Central Intelligence Agency and its predecessor the Office of Strategic Services (OSS), the descriptive terms "Rockefeller agent" and "CIA agent" can be regarded as parallel but not quite synonymous. In spite of Nelson Rockefeller's infamous role in the Latin American "CIAA" operation in the 1940s, the CIA was and remains merely an agency of the broader strategic policies carried out by the Rockefeller-dominated "Eastern establishment." The fundamental policy, the establishment and continuation of dollar hegemony over all other world sectors, is not only carried out through the Rockefellers' massive financial holdings or by the CIA's "dirty tricks," but are part of the broad "invisible government" structure which includes the NATO intelligence network and its creations like the Frankfurt School, as well as the infamous RAND "think-tank" establishment and its related "social" agencies.

Brandt's connections with this network go all the way back to the OSS days, but our major evidence will deal with his most recent activities.

On the most obvious level, independent sources have confirmed that Brandt has been liberally supplied with CIA funds. In the December 16, 1973 issue of the *New Republic* magazine, Stanley Karnow quotes sources close to the CIA who claim that Willy Brandt was one of a number of European leaders receiving CIA funds. More recently, Leslie Gelb in the September 24, 1975 issue of the *New York Times* wrote that according to

four official sources in Washington...United States money for the Portuguese Socialist Party and other parties is being funneled by the Central Intelligence Agency through West European Socialist parties and labor unions.

Later on Gelb claims that

until the spring, most of the Western aid to anti-Communist forces in Portugal was being given secretly by the West German Social Democratic Party and the Belgian Socialist Party without any American involvement.

The even more recent scandal around the "laundered" West German funds which were intercepted on their way to the Finnish Socialist Party provides evidence pointing in the same direction. The funds, intercepted by the Finnish customs authorities had been passed along by Swedish Prime Minister Olof Palme and were destined for the purpose of fighting communist hegemony within the Finnish metal-workers union. According to a spokesman of the West German Trade Union Confederation (DGB), the funds came from "friends in the SPD" as well as "other sources outside West Germany."

A Case of Treason

Far more incriminating is Brandt's witting role in the "reorientation of foreign policy" attempted by NATO during the spring of 1975. The events during and following Brandt's trip to Mexico, the U.S. and Venezuela at the end of March are sufficient grounds for an authentic case of treason against the national interests of West Germany.

Rockefeller's "reorientation" was made necessary by the resounding defeats dealt to U.S. Secretary of State Henry Kissinger, by the expanding spheres of Soviet and working-class hegemony including the Vietnam victory and failure to provoke a military confrontation in the Mideast. Rockefeller had only one contingency plan left: an immediate move towards a showdown confrontation with the Soviet Union, which the madmen at Rand estimated would end in a reversal of the Soviet Union's offensive political posture. In spite of repeated Soviet warnings that they would never alter their policy of Mutual and Assured Destruction (MAD) in the event of an intolerable enemy threat to national security, RAND and its NATO wing, the Nuclear Planning Group, readied a scenario for a step-by-step escalation towards full nuclear confrontation coupled with a tightening-up of NATO "command and control" structures for such a coordinated operation. Leading West German military circles described this plan as "MC 14-4" thereby indicating that it was slated to replace the then-operant strategy, "MC 14-3."

Following the defeat of Kissinger's Mideast provocations in March 1975, Kissinger and David

Rockefeller called an emergency secret meeting of the cream of the Rockefeller establishment on March 31. Participants included Averell Harriman, Moscow Ambassador during the Cold War and key overseer of the Marshall Plan looting of Europe; Dean Rusk, former president of the Rockefeller Foundation and Secretary of State during the Vietnam War; George Ball, Trilateral Commission member and former Director of the U.S. Strategic Bombing Survey, one of the OSS's key profiling operations designed for the postwar period; Cyrus Vance, Trilateral Commission member, director of IBM and Pan Am, and former advisor to the Secretary of Defense; Robert McNamara, genocidal head of the World Bank and former Defense Secretary; David Bruce, former head of OSS, former West German Ambassador, and key political troubleshooter for the CIA; McGeorge Bundy, head of the Ford Foundation and designer of the Bay of Pigs invasion; and Clark Clifford, former Secretary of Defense and member of the CIA Oversight Committee.

Well-informed circles near this group revealed that the theme of the meeting was the possibility of a quick nuclear confrontation with the Soviet Union. Various optional "flash points" were discussed, including the Mideast and West Berlin.

The meeting occurred in the midst of Brandt's trip to Mexico, the U.S., and Venezuela. Until Brandt's return West Germany possessed no definite foreign policy thrusts outside of isolated provocations against East bloc countries by Foreign Minister Genscher. In fact, one of the SPD's most distinguished foreign policy spokesmen, Kurt Mattick, revealed at the time that a "policy reevaluation" would only be undertaken once Willy Brandt returned.

Following his stay in Mexico, Brandt traveled to the U.S. where on March 25 he spoke before a gathering of his old mentors, the American Council on Germany, headed by former Allied High Commissioner of Germany John J. McCloy. That evening he dined privately with David Rockefeller at the Hotel Pierre, and the next day he met with Averell Harriman and two other leading Rockefeller-allied personages.

From Washington, Brandt proceeded to Venezuela, where he remained until March 31, the day of the NATO-CIA strategy session discussed above. Instead of returning directly to Bonn from Venezuela, however, Brandt stopped over in Washington for a very brief period on the evening of March 31 before boarding his plane to Bonn. Since the Washington, D.C. airport is not a normal international transfer point, Brandt's stopover is highly unusual, to say the least.

During the same period, a delegation of well-known Rockefeller family agents in the U.S. Senate, including Hubert Horatio Humphrey, Jacob Javits, and Hugh Scott, brought the "new line" of U.S. foreign policy to West Germany. Only a few days after this

delegations's meeting with Federal Defense Minister Georg Leber and his associates, Leber published an article in the *Frankfurter Allgemeine Zeitung* calling for a confrontation policy against the Soviet Union. Right on the heels of this statement came a chaotic "foreign policy debate" in the Federal Parliament.

All of these aspects make it clear that the contents and results of the West German government's subsequent foreign policy decisions were substantially influenced by Brandt and his employers. Needless to say, any successful implementation of "MC 14-4" would mean West Germany's nuclear obliteration — an occurrence hardly in the best interests of that country.

Most pathological criminals suffer seizures of uncontrollable infantile rage once their crime is revealed. By late April 1975, the Labor Committees had assembled and was planning to publish a mass of evidence exposing Rockefeller's confrontation policy to the public. Just before the publication date, on April 28, the ELC's central office in Wiesbaden was invaded and searched by police and plainclothesmen, telex communications lines were cut, and printing equipment taken into custody. The legal "cover" for this operation, carried out upon the request of Brandt's lawyer Gerhard Jahn, was the issuance of the ELC's now-famous poster depicting a hulking Brandt in Nazi garb, wearing his Nobel Peace Prize. The thoroughness of the search made it obvious that the actual goal was to uncover the ELC's sources of information within dissident NATO circles.

Brandt as Fascist

Even during his apparently pro-Soviet "Ostpolitik" period from 1969 to 1973, Brandt's economic and social policies have been explicitly fascist in the same sense as those of former Reichsbank President and Nazi Finance Minister Hjalmar Schacht. Brandt's policies of "The Swedish Way to Socialism," "investment control," and "corporatism" are aimed, in Brandt's own words, at "reducing the antagonism between capital and labor" (Speech before the American Council on Germany, March 25, 1975). In the present period of economic collapse, such a policy can only mean a drastic reduction in working-class living standards. Brandt's speech at Vanderbilt University in Nashville, Tennessee, on March 26 makes his real intentions quite clear:

The burning questions cannot be avoided by us: How can democracy survive while many of our countries appear to be tumbling from recession into depression? While world history still continues to waver between detente and disaster in a frightening insecurity? While we continue to live under the threat of the reality of so-called "small wars," which, for their victims, are no less a torment than atomic war.

Our world is in a lasting and growing crisis. No one can

claim with full certainty that we have the means and ability to order the disorder with which we are confronted, and to give the correct answers to the burning questions of our times. The challenge which lies before us is not to be dealt with through mere "crisis management" — a form of management which is necessary, nevertheless, and with which we can register some success.

(The super-powers are) partially unable to prevent the emergence of so-called "small wars...Nevertheless, the danger of an armed confrontation exists now as before between East and West, something which could emerge as a spillover of local conflicts...Otherwise, we have had to deal in the last years with a wave of terror which has become an instrument of foreign and domestic political blackmail. I fear that this wave will not decrease soon...No one knows with full certainty whether (detente) will be successful, but no one knows a reasonable alternative.

Sacrifices must also be made. And, I predict: our populations will be ready to bear burdens if those who are politically responsible find the courage to confront them with the real situation and the actual problems. It is one of the deathly sins of democratic leadership to underestimate the powers of judgement of human beings.

So much is stated openly in the March-April 1975 issue of *Challenge*, a Rockefeller think-tank product upon whose editorial board sits Leonard Woodcock, head of the United Auto Workers. The article, "The Coming Corporatism" by R.E. Pahl and J.T. Winkler, is referring to Europe's "socialist" parties when it says,

Let us not mince words. Corporatism is fascism with a human face. What all the major parties have done is to take over the core elements of the *economic* strategy which the Italian fascists, Salazar in Portugal, the Falange in Spain and the Nazis adopted to deal with the inter-war crisis...What the parties are putting forward now is...indeed a masked version of it, because so far the more repugnant *political and social* aspects of the German and Italian regimes are absent or only present in diluted form.

Brandt in Portugal

In March, 1974, a top-secret consultation of Western Europe's leading Rockefeller agents convened under the auspices of the "Bilderberg Circle." The meeting, chaired by then-New York Governor Nelson Rockefeller, outlined a single NATO-designed program for forcing Portugal, Spain and then Italy to run through a comprehensive scenario for the emergence of fascism based on the Anglo-American's recent successful bloodbath in Chile.

As emphasized by the Italian industrialist's journal *L'Europeo* in the fall of 1975, it is not accidental that then-West German Finance Minister Helmut Schmidt attended the Bilderberg Group gathering. Six weeks later, Willy Brandt resigned as Chancellor under the pressure of a CIA-engineered "spy scandal" — the Guillaume Affair — and Schmidt took his place. Brandt, his international image enhanced as a "fallen hero," was merely redeployed by the CIA for other tasks; his continuous intervention into Portuguese domestic affairs since the spring of 1974 is publicly and fully documented.

The so-called Southern Strategy, or "Chile model," called for a fascist regime to seize power after a working class, Communist Party, and Soviet-supported government had "proven" its incapacity to rule under provoked conditions of "chaos and confusion." In Italy, the "popular" transitional government was to be an "historical compromise" coalition of the Italian Communist Party with the Christian Democracy. In Portugal, the shaky popular regime was to be run by the Socialist Party (PSP) with Communist Party backing.

Thus, in April, the Caetano military dictatorship in Portugal collapsed and "soft" military dictator, Antonio Spínola took over the country as a stream of political exiles and long-standing CIA agents in Portuguese emigré circles flooded back into the country.



International Social Democrats gather for cocktails: (from left) I.G. Metall union chief Eugén Loderer, UAW President Leonard Woodcock, and Willy Brandt.

Among this last group was Mario Soares, chairman of the Portuguese Socialist Party — a party characterized by one highly placed source within the West German SPD as “Soares, and 15 men in a cafe.”

In October, 1975, coinciding with a trip by Brandt to Portugal, the right-wing West German newspaper *Die Welt* revealed that the PSP had actually held its 1972 founding conference in the West German headquarters of the Friedrich Ebert Foundation, the Social Democratic Party's international think-tank. Hinting at the broad CIA strategy which was undermining domestic Portuguese affairs, *Die Welt* noted that Brandt — no longer a member of the West German government — was “superintending relations” between Portugal, the European Common Market and West Germany.

Willy Brandt's own public announcement of his participation in the CIA's southern plot was made in the summer of 1974. While addressing a conference of Young Socialists in Wiesbaden, West Germany, Brandt announced that Franco's Spain was soon to undergo a “democratic transformation.”

Brandt's optimism about Spain was based on the CIA-NATO evaluation of developments in their “stepping zone,” Portugal. It was generally accepted by the CIA throughout the summer of 1974 that the Portuguese Communist Party (PCP) under pro-Soviet chairman Alvaro Cunhal had no intention of organizing a working-class revolution, largely because of pressures from conservative Moscow circles not to disturb the “winds of detente.” Soares' Socialist Party had entered into a formal organizational alliance with the PCP, called the Popular Democratic Movement, to maintain the Communists' strictly parliamentary orientation. For several months, Soares publicly praised Cunhal for his cooperation with the PSP in containing a mass strike wave.

To the horror of NATO, it became clear in September 1974 that Cunhal had unambiguously committed himself to building a communist cadre network which would competently provide leadership to the working class around a program for economic development. Despite this formal alliance with Soares, the PCP toppled the Spínola government that month by directing a mass strike wave shaped by working-class resistance to Spínola's push for a national economic austerity program.

In addition, NATO policy circles were made to face the reality that Cunhal's organizing corresponded to the outlook of an emerging faction in Moscow and other international communist circles.

Willy Brandt had two immediate, revealing responses to the shift in Portugal. In public statements made in October, Brandt suddenly reversed his views on the Spanish question, declaring that the prospects for “democratization” were not good for the foreseeable future. Then, on October 21, Brandt departed for Lisbon — accompanied by two officials from the

Friedrich Ebert Foundation — to inform Soares of the new estimation of the PCP. For the four days of Brandt's visit, U.S. Secretary of State Henry Kissinger had a four-man team stationed in Portugal, who, according to the October 21 *New York Times*, were there to re-evaluate the situation.

The Catholic Spanish daily *Ya* reported October 28 that Brandt had ordered Soares to break all formal organizational ties with Cunhal and to erase any pretense of a Socialist-Communist front. Unwittingly, Brandt revealed that the NATO countries were already in the process of initiating economic blockades against Portugal. Brandt openly “threatened” Soares with a cutoff of West German economic aid if the break with the PCP were not carried through.

Within days, Soares removed the PSP from the Popular Democratic Movement. The October 21 *London Times* described the Brandt trip to Lisbon as “a European mission aiming at stabilizing democracy in such countries as Portugal and Greece.”

In March, 1975, two major, heavily financed CIA-NATO operations were initiated in Portugal to halt the PCP. The first was aimed at aborting the formation of the Intersindical, a two-million member, unified trade union organization in which the PCP was hegemonic. During this period, Portuguese Justice Minister Zehna traveled to Bonn for consultations with Brandt and SPD Justice Minister Friedrich Vogel.

When this first operation proved unsuccessful, NATO concentrated its efforts on fixing the April national elections for the Portuguese National Assembly. The print-out results from the Gulbenkian Foundation computer office in Lisbon awarded a huge return to Soares — whose own non-agent party membership had begun to flock to the PCP. Brandt publicly acclaimed the April electoral hoax as a “decisive step towards democracy.”

In contrast to these paeans to democracy, however, an insane and deadly shift had been undertaken by Rockefeller internationally, largely provoked by the Portuguese developments. On March 15, Rockefeller's house organ, the *New York Times*, published a lead editorial which compared Portugal to Czechoslovakia in 1948, the year of Soviet takeover. The threat from NATO was unmistakable: the Communist offensive in Portugal, as well as the recent defeat of the puppet South Vietnamese regime to communist forces, had driven Rockefeller to a policy of “limited nuclear” war with the Soviet Bloc.

Brandt in Mexico

On March 11, 1975, West German news media announced that Willy Brandt had been invited to Mexico City by President Luis Echeverria. The visit had been planned out in the United States by a top-secret delegation of SPD foreign policy experts who, according to

their own subsequent remarks, were expecting Brandt to pick up orders in Washington for a complete reorientation of coordinated U.S.-West German foreign policy moves along the lines of Rockefeller's push for "limited" nuclear war.

The stopover in Mexico City from March 20 to 24 involved a secondary, but nonetheless crucial assignment for Brandt from the Rockefeller forces. With the overt collaboration of Moya Palencia, Mexico's fascist Interior Minister — who Brandt was to link with his Second International network — and the Cologne Chief of Police — who "coincidentally" was visiting the city — Brandt helped set off a national campaign of terror and anti-communist hysteria aimed at weakening the Echeverria faction of the governing Institutional Revolutionary Party (PRI).

On the night of March 24, three members of the Latin American Labor Committees (CLLA) were kidnapped. Labor Committee investigators immediately considered the likelihood that Brandt was involved since an earlier kidnapping of CLLA leader Carlos de Hoyos in February had occurred during a brief visit to Mexico City by West German Metalworkers' Union Federation President Eugen Loderer, a known Rockefeller agent who belongs to the Trilateral Commission. Further indication of the Brandt involvement at that time was the fact that on the evening of March 23, the Mexican bureau of the SPD's Friedrich Ebert Foundation had sponsored a private dinner for Brandt attended by PRI right-winger Moya Palencia.

Throughout their 14-day internment, the CLLA leaders were subjected to torture, brainwashing procedures, and constant threats of murder.

An intense investigation by the ICLC quickly revealed that the primary target of the attack on the CLLA was President Echeverria and 30 million Mexican workers and peasants!

Rockefeller was banking on the hope that an ICLC international campaign would target Echeverria as the culprit behind the kidnappings, thereby destroying the Mexican President's credibility both domestically and internationally. The advantages to Rockefeller of draining Labor Committee financial and organization resources by forcing this international mobilization at the onset of his push for nuclear war with the Soviet Union were an extremely beneficial by-product of this maneuver.

Rockefeller's forces had two interrelated reasons to push for Echeverria's demise. First, in November, 1974, William Paddock, a U.S. agricultural specialist in the employ of the Rockefeller interests, revealed in a phone discussion with investigative journalists that continuing loans to Mexico were contingent on the implementation of an agricultural "development" project which, according to Paddock, would destroy 30 million Mexican lives. The psychotic reasoning which

motivated Paddock's policy recommendation is exactly the reasoning which drove the Hitler regime to set up slave-labor concentration and death camps as the "final solution" to the problem of looting European workers.

Although initially little more than a CIA-cultivated left-wing counterpart to the Moya Palencia right-wing in the PRI, Echeverria's PRI faction had accrued an independent nationalist peasant and working-class base aggressively opposed to any new, crushing reduction in living standards.

Simultaneously, Echeverria's capacity to resist Rockefeller's dictates made him dangerous internationally. From early 1975, discussion was widespread in the PRI of linking Mexico closely with the Arab-dominated OPEC oil cartel. Consolidation of this Mexican-OPEC alliance around determined resistance to U.S. global Schachtian austerity initiatives was a risk Rockefeller wanted to avoid at all cost.

All of Willy Brandt's public statements and press conferences during his two-week tour of Latin America and the U.S. in March, 1974 confirm his involvement in the Mexican scheme. At his March 21 Mexico City press conference, Brandt delivered an account of how the pre-World War II German Communist Party was responsible for dividing and weakening the working class movement. The obvious implication was that it was the Communists who had disarmed the working class in the face of fascism.

The next morning, the entire Mexican press had mobilized around Brandt's anti-communist hysteria campaign. The leading national newspaper, *Excelsior*, splashed a banner headline across its front page: "Brandt Rejects Communism as Formula for Liberty." 80,000 government bureaucrats — and the still-duped President Echeverria — were dragged out into the streets to attend a rally addressed by Brandt on the same theme.

Postscript

The International Caucus of Labor Committees immediate public documentation of the destabilizing intent of Willy Brandt's trip to Mexico and the subsequent kidnapping of CLLA organizers made any continuation of that scenario difficult, if not extremely dangerous. That documentation reached the office of President Echeverria whose personal aides and political advisors developed corroborative evidence that the sudden outbreak of anti-communist hysteria in their country was, in fact, a CIA-coordinated effort to discredit their government.

Soon thereafter, the three kidnapped CLLA members were released by Moya Palencia's Interior Ministry police force into the hands of the Ministry of Justice. Two days later, they were set free.

Willy Brandt: The Story of an Agent's Career

I agree that Brandt was no creative politician, but he made good use of opportunities which others prepared for him.

Eleanor Dulles on Willy Brandt

When in the middle of the last century Karl Marx scientifically established the idea of universal labor power and the concept of the international working class, the bourgeoisie was jolted into action. They began to combat the idea by infiltrating the labor movement with agents of the British Fabian Society (1), bloody repression and corruption. Even the Pope decreed encyclicals against Karl Marx's Workingman's Association. In spite of this, the successful revolution of the Bolsheviks in Russia in October 1917 saw the first victory and practical realization of Marx's idea.

Since then, it has been the *stated* goal of the Anglo-American financiers, who were then already the world's leading group of international capitalists, to put an end to this revolution and with *all* means available to obliterate the Soviet Union.

The methods with which the Anglo-American capitalists sought to realize this aim were concentrated on essentially two options, applied singly or simultaneously according to their chances of success at the time: encirclement and blockade of the Soviet Union, or military intervention. A brief look at the history of the past 50 years, and especially at the present policies of the Rockefeller faction, is sufficient proof that their ultimate aim was and still is to either incorporate the Soviet Union militarily or else to destroy it. During those times when the military intervention "option" was not practicable, the Anglo-Americans concentrated on imprisoning the Soviet Union behind an "iron curtain" while at the same time preventing revolutionary developments in the rest of Western Europe and on the entire planet. (This policy has been described elsewhere in publications of the Labor Committees. (2))

Only a few examples need be mentioned here: The 1918-19 German "November Revolution" was quashed by General Gröner's military machine together with the Ebert-Noske-Scheidemann leadership of the German Social Democracy under the direct "consultation" and control of Anglo-American secret

service officers. The murder of Rosa Luxemburg and Karl Liebknecht was planned and carried out by the same coalition of political criminals. Numerous documents prove that Anglo-American leaders such as Winston Churchill, Lloyd George and others thought that the crucial danger was that the Bolshevik Revolution might "overflow" into Germany.

Up until 1922, these same circles tried to solve the "Russian problem" with the aid of direct military interventions.

The Rapallo Treaty—a friendship treaty to promote trade between the Soviet Union and Germany—which was signed in 1922 was ruined by German agents Hjalmar Schacht and Stresemann (the nationalist chairman of the right-wing People's Party) working under the guidance of Anglo-American financiers. The 1925 Locarno Treaty—a mutual security pact between the European Allies and Germany—marked the formal "recapturing" of the German Empire back into the fold of Anglo-American capital.

The NSDAP (Nazi) power machine was consciously built up and supported by the Anglo-American capitalists. The Cologne "banker" von Schröder had close and extensively documented contacts with American finance capital and with IG Farben, which collaborated with the Rockefeller oil interests; together with Hjalmar Schacht, he was the key figure during the phase in which Hitler was being brought to political power. The Anglo-Americans' aim was to allow the military machine built by the Nazis "to march against the Soviet Union." so that they themselves could then take over Europe which, as a result of such a military confrontation, would have been "hurled back" into a condition worse than that of 1948.

The future U.S. President Truman said in 1944:

If we see that Germany is winning the war, then we should support Russia, and if Russia is winning, we should help Germany; this way they can kill off as many of each other as possible. (2a)

After this strategy failed because of the victory of the Red Army, the Anglo-American capitalists after 1945 had to once again concentrate on a policy of encirclement and (this was the psychological "reason" for dropping the atom bomb on Japan) intimidation against the Soviet Union—as preparation for a later revival of the military campaign. Today, at the end of 1975, this has once again become the actual plan of the Kissinger-Rockefeller conspiracy. Any analysis of the history of the 20th century which does not acknowledge this policy to be the motivation underlying *all tactical initiatives* made by the Anglo-American capitalists is, from a scientific standpoint, either incompetent or else a consciously promulgated lie. This motivation has determined the historical geometry of the past 50 years.

Willy Brandt's "evolution" and his political role since the 1930s must be understood in the context of these general Anglo-American political intentions. To put it another way: Herbert Frahm would have never turned into "Willy Brandt" if this Anglo-American strategy had not existed. "Willy Brandt" has never achieved or even begun anything "on his own." His political development depended upon one sole causality: the momentary political interests of his Anglo-American masters. Eleanor Dulles—sister of former CIA head Allen Dulles and herself one of the most wretched agent figures of this century, with one of the longest records of bloody crimes—put it correctly when she said: "Brandt did what he was told!" Who else could have known that better than Mrs. Dulles, who guided him for years?

After some initial "training" in Norway, Herbert Frahm learned his agent trade "on the job," so to speak. In the beginning he served as a simple errand-boy, informing and gathering information; in short, just like any other low-ranking agent he had to perform the most degrading tasks in order to prove that he was "trustworthy." After he had successfully passed his "examinations," he was gradually assigned "bigger" tasks. By 1944 at the latest, he had gotten so far that he was singled out for "political leadership tasks" in Germany "after the war."

Naturally, his employers in the World War II Office of Strategic Services (OSS), the CIA and the Anglo-American leadership group knew that "Willy Brandt" did not possess any leadership qualities. But what he did possess perfectly suited their interests: Herbert Frahm was vain and wanted "to be somebody" — the only motivation he could call upon to produce something resembling "will." Even without a trace of human substance, however, he could be easily manipulated into a "person" by means of the same psychological attitude which was forced upon the West German working class through large-scale political and psychological maneuvers: consciousness of guilt — being satisfied with and thankful for everything which was not as bad as it was during and after the war — so that one could attain "catharsis." According to "Brandt," "Nobody's perfect."

"Willy Brandt" is a conspirator. Herbert Frahm *wanted* to become "Willy Brandt." He deserves no sympathy. He is not, as many maintain, a "tragic figure" who "wanted something else," but who went astray because of "circumstances beyond his control." To put it more simply: Brandt is satisfied when he can hear the chain of his Nobel Peace Prize jingling around his neck, so that he can have a clear conscience about a world in which he practices genocide!

Since Brandt is one of the major figures and actors of the Anglo-American conspiracy, it is politically *necessary* to account for his personal history. There is no such thing as a history which was not made by human beings, just as there is not a single human being who has not made "history," even if it was on the smallest scale. Brandt made history on the largest scale: he wilfully carried out what was thought up in the "rooms at the top" in New York, Washington and other cities to further the battle against the Soviet Union and against the working class in general.

Though it may seem very "personal," Brandt's "evolution" is exemplary of the careers of a great number of "leading" politicians in Western Europe's post-war history.

He reveals how "politics are made," and what the practical meaning of conspiracy is.

I. The "Third Way" in Norway

Leading up to 1933, during the period of Nazi rule, as well as immediately after the end of the Second World War, the methods employed by the Anglo-Americans against the working-class movement had not changed since 1914: subversion, infiltration, splitting. With the development of the KPD (German Communist Party) into a mass-based party during the Weimar Republic, the Rockefeller forces saw themselves faced with the acute danger that broad sections of the German working class would desert the Social Democracy for the KPD under the influence of the 1928-29 mass strike movement, which by then had assumed large proportions — just as had happened in 1920-23. At the same time, significant sections of the SPD and trade unions, which had been completely under the control of the British agents of the Fabian Society up to that point, threatened to join in a programmatic united front with the KPD — a danger which became very concrete in August, 1932.

Already in the 1920s, subversive "countergangs" were being built up in the working-class movement. The Frankfurt Institute for Social Research assumed the central leadership role in psychologically arming such groups. The role of British Fabian Society agent Karl Korsch is exemplary. (3)

Without going into more detail here on the actual work of this Anglo-American operation, a basic comprehension of these operations is important in order to understand the "early" Brandt. The purpose of all these "alternatives" to the existing worker organizations (particularly the pro-Soviet Communists and Socialists) was to aim at making a "Third Way" between capitalism and socialism seem attractive. Institutions, programs, and so forth were psychologically tailored for specific target groupings which were "dissatisfied" with the policies of their organizations, or to whom general social developments appeared to cry out for "change."

Such psychological mind-sets emerge especially in periods of severe economic crisis. At a later time, Brandt himself began to spread the concept of "crisis management" in favor of this Anglo-American policy. The building up of Maoist, anarchosyndicalist, Trotskyist or terrorist gangs is one of the many forms of "crisis management."

As Marx and others have unmistakably demonstrated, the subjective development process of a human being who wants to "change," to become a socialist revolutionary, is fundamentally a process of intellectual knowledge. Anti-intellectualism and anti-communism are, in reality, one and the same thing. Furthermore — and Marx also demonstrated this — intellectual labor is a thorny matter which demands enormous moral strength.

Whoever holds back in fear from this intellectual effort, but nevertheless holds firm to the desire for "change," is a potential agent. For, it is in this psychological vacuum that the demagogic "programs" of criminals like Korsch and others strike responsive chords: they offer an "easy way" to become a socialist. They fight against intellectual labor, disdaining the human spirit, and with the "Third Way" they market their bestial notion of "Praxis," "local control," "self-determination," and the "communal alternative." All of these have been intensely studied in such Anglo-American "psychological kitchens" as the British Tavistock Institute, and are not accidentally shaped for the mind of the isolated, existentialist petit-bourgeois, who in this entirely banal form seeks "an exit" from his present "self." In place of this "self," another emerges, one determined from the outside by its Anglo-American controllers.

The SAP (*Sozialistische Arbeiterpartei*) was one of these subversive groups constructed by the Anglo-American agencies. Its function was to offer an alternative to the Communist Party for those cadre and groups which were splitting off from the Social Democratic camp during the mass strikes prior to 1933. As a camouflage, the SAP claimed that its goal was the "united front," since strong forces in both the SPD and KPD were, at the same time, attempting to create a working-class united front. The SAP program stated:

The SAP recognizes a "Third Way": The gathering together of workers into a united front to establish working-class rule.

Also:

Obviously, all communists and socialists desired that. What was special about the SAP, however, in contrast to the empty formulas typical of all the controlled groups, was the goal it purportedly set for the "united front" — defined as the "Third Way."

It is not necessary to go into more detail here about the practical attempts undertaken by SPDers and KPDers at that time to create a programmatic united front against the fascists, nor into the apparent problems which arose in the realization of this united front. The basic problem at that point was not — as is often claimed — that the KPD justifiably labeled the SPD leadership "social fascist," but rather that the communists were unable to practically employ this correct perception in organizing within the SPD itself. The Anglo-Americans, of course, wanted to prevent the emergence of this united front at all costs. The

SAP was consciously deployed to do anything to prevent those SPDers who were pushing for a concrete united front from falling under the KPD's influence.

Willy Brandt, at that time named Herbert Frahm, was one of those who chose the "Third Way." The SAP "alternative" was already precisely trimmed to fit this young poseur of leftist coloration when he "entered politics" at the age of 16 or 17 years.

For, a small, out-of-the-way town like Lübeck — where the last historical event occurred with the debarking of the last Hanseatic ship — a town which bore with difficulty the world reputation which its monotonous son, Thomas Mann, had contributed to it, was deeply impressed if a 17-year-old smoked a pipe, paid attention to the women and, in addition, could deliver a left-radical speech.

Herbert Frahm did all of these things. He was accepted into the SPD at the end of the 1920s at the age of 17, contrary to SPD statutes. Yet, Frahm himself knew well that he could not even fulfill the expectations which the SPD elders had for him. Even at that time, he already "excelled" in his notorious disinclination to ever *think out* his political activity. Frahm was a typical anti-intellectual. His "gift" for making a big impression with radical speeches hid his anti-intellectualism from his colleagues, who, in the character of the SPD, did not exactly thirst for knowledge.

He left the party in 1931. He then joined the SAP, not so much out of political conviction as out of a drive for adventurism: they offered him the added attraction of "international connections." Frahm was at no time



Germany, 1932: the attraction of international connections quickly drove Herbert Frahm to the SAP after a short stint in the SPD.

seriously committed to his presumed political goals. The "struggle" against the Nazis was "a part of everything else," and was "amusing." It did not emerge from any internal drive. The KPD was from the beginning excluded by Frahm as an option; in that party, his façade would have been easily seen through, since they demanded serious political work around a political program. There was nothing in the KPD which could serve to enhance Frahm's vanity.

It is important to examine this political motivation in the "early" Brandt. The entire myth about Willy Brandt's emigration, which sprang up in postwar Germany when Willy Brandt was being profiled for "leadership" tasks, is thereby easily discredited. Herbert Frahm went into exile in Norway not because he was being oppressed, not because he wanted to fight German fascism "from abroad," but essentially for two reasons: 1. "political work" in Germany had become too difficult, since the polarization between communists and fascists prior to 1933 had swept away the actual basis for a "Third Way"; and 2. quite simply, he was attracted by the "international connections" of the SAP.

The SAP functioned for the Anglo-American agencies even before 1933 as a "recruitment office" for people who, after the Nazis destroyed the KPD with Anglo-American encouragement, were destined to engage in subversive activity inside the resulting "international milieu" of SPD emigrants as well as inside the Comintern. Outside of Germany as well as inside the country itself, the SAP took on the task of gathering precise data on the underground work of the KPD, remaining SPDers, trade unionists, and so forth, in order to construct a psychological profile of the "Reich" — a profile reaching beyond these groups themselves. In addition, through the SAP the Anglo-Americans had their own "voice" at the conference of socialist and communist groups being held in Western Europe on the strategic problems involved in the struggle against fascism.

At this point, it is worth noting that we have only strong indications, no final, indisputable facts, which demonstrate that the Gestapo also exercised some control over the SAP. Whether Brandt himself was an informer for the Gestapo will only be proven with certainty when his personal files resting in the CIA archives are made available to the public.

Already before 1933, the SAP was built up as an information and intelligence service network, which was further expanded "underground" after 1933, and which later was finally put under the international coordination of Willy Brandt. Similar functions later fell to the New Beginning group. These groups were essential information sources for the allied secret services on the situation in the "Reich" and particularly on the Western European working-class movement. Their importance will be discussed in a later chapter.

II. "New Beginnings" in Norway — Training as Fascist with a Human Face

Before going directly into Brandt's "political new beginning" in Norway, a few remarks are necessary on how this country served as a major laboratory for Anglo-American psychological operations.

Through the vicissitudes of colonial administration, British imperialism had gained much more than simple "experience" in psychological warfare and secret service work. The major problem they solved was how to govern large regions of hostile populations with a minimal military outlay. In England, a network of institutions were maintained which almost exclusively dealt with psychological warfare, led subversive activities, and infiltrated and transformed political groups. (4) The most prominent of these institutions was the Tavistock Institute, run by John Rawlings Rees. Among other things, Tavistock put together psychological, behavioral and reaction profiles of the most important regions of the world, population groups and individuals; it developed analyses for the Psychological Division of the British War Ministry. There are, in addition, numerous other such institutions, not detailed here, which participated in the formation and evaluation of the "German experiment," Hitlerian fascism.

In connection with our subject, the Tavistock Institute is important for another experiment: the "Swedish Way," another variation of the anti-communist corporatism related to that of Mussolini and Hitler. This "Swedish Way" was first cultivated in Norway. The vehicle used for this was the Norwegian Labor Party (NAP). The NAP never tried to hide its links to the Tavistock Institute and occasionally even gave out the Institute's London address as one of its official party offices. (5) The control group for this experiment was called *Mot Dag*, a small grouping of "left intellectual" anti-communists which, analogous to the German group New Beginning, functioned as a direct infiltration division for British and subsequently Anglo-American secret services. Among the members of the New Beginning were such infamous figures as the "advisor" of the post-war SPD, Richard Löwenthal (a right-wing red baiter in the ranks of the re-formed SPD, Löwenthal presently holds a teaching position at Columbia University with Atlanticist Kremlinologist Zbigniew Brzezinski). It became typical for these groups that their leading members started out posing as brazen oppositionists and critics, only to be compensated later with top-level positions in the bourgeois power structure.

The Agent Brandt in the 1930s

Willy Brandt had connections and good luck. The

SAP, which maintained very close ties with the Norwegian Labor Party — to be sure, because they were both the brain-children of the same spiritual fathers in the Tavistock Institute — decided to establish an office for its intelligence network in Oslo. Paul Frölich, higher in the bureaucratic ranks than Brandt, was initially chosen for this spot. However, he was arrested by the Nazis, and Willy Brandt had to take his place. Oscar Hansen in Denmark trained Brandt for his new job. Finn Moe in Norway slipped him into his new position, and provided material necessities. For his work in the NAP secretariat, Willy Brandt received double the support subsidy usually given to emigrants, and was quickly made president of the refugee association. Beyond that, he had ample opportunity to write articles for all the various NAP and trade union newspapers, an activity which soon earned him a comfortable salary.

Jacob Walcher, who in the summer of 1933 inspected the SAP office in Oslo, introduced Brandt into the *Mot Dag* group. Brandt was able to establish useful contacts with people there who would later become leading figures in the implementation of the "Swedish Way." Among them was his protégé Halvard Lange. Brandt essentially received a certain amount of training in the group; he was unable to play any greater role because of his deficient intellectual abilities.

Following this initial period in Oslo, Brandt was suited to assume the role of an international agent in the European working-class movement. He began, with his typical vanity, to build up a new "socialist international." His operational goal was two-fold: 1. to preclude any possible united front between the Comintern and the exiled social democrats; and 2. to infiltrate Comintern and socialist exile organizations.

Brandt started out by cementing relations and contacts. The so-called socialist "Second International" had collapsed into an informal network of contact-men. The British Fabian Socialists harbored the fear that the left, in face of the events in Germany, would reconsider their vague positions and introduce more decisive actions. A portion of the SAP around Seydewitz, for example, joined up with the Comintern at that point in order to more effectively fight fascism. The others, whom Brandt now began to organize, had different interests. True to the line of groups like *Mot Dag*, New Beginning, etc., their primary goal was first to isolate the communists. In order to justify their "Third Way" and the new "International," they employed slanders about the "Stalinist dictatorship of the Soviet Union." "The best elements" were to be

broken out of the Comintern and into this "new International."

Were one to ask about the program of this "International," one would come smack up against the usual corporatist platitudes, which can mean any number of things to different people. Fundamentally, this network was organizing with the fear of the petit-bourgeois in the face of taking personal responsibility, and with these layers' emotional resentment against bureaucracy and similar social forms.

This organizing method opened up ideal possibilities for constructing an international contact network of pliant, unprincipled persons. Through the network, the various organizations began to "exchange" information, while Willy Brandt exercised growing influence over individual members. To this end, Brandt traveled through nearly every European country between 1936-39.

While genuine resistance fighters usually never survived Nazi arrest, the "true" socialists around Brandt somehow always managed to get their people released from Nazi imprisonment. (6) Brandt himself got into one such situation. The Mayor of the Dutch city of Laaren ordered the police to prevent an international socialist youth conference from convening there. Four German participants were arrested and handed over to the Nazis. Willy Brandt, who at that time did not yet possess a Norwegian passport, only a refugee pass issued in Oslo, was never picked up, for reasons which have never been clarified.

Brandt's task in connection with the construction of the international network concentrated on the expansion of a new youth international. Brandt controlled the foreign department in Oslo of the Socialist Youth Federation of Germany (SJVD) until the fascist Quisling regime was imposed on Norway in 1940. In this capacity he became a collaborator with the "International Bureau of Revolutionary Youth Organizations," which was opened up in Oslo under NAP guidance, and which was financed from the Ernst Eckstein Fund. The Bureau published an *International Youth Bulletin*. At the same time in Paris, cooperation was going on between representatives of the socialist and communist youth federations. In 1935, a joint organization, Free German Youth (FDJ) was founded. Richard Löwenthal, who had succeeded in driving out the old leadership of the New Beginning group and transforming it entirely into an infiltration group of the Anglo-American secret service, directed Brandt to get a handle on this development. (7) Brandt traveled to Paris and created considerable confusion with his usual "leftist" tricks, alternative ideas and pseudo-theories. In this fashion, the first initiatives toward unification of the working class were successfully driven back. The debates were misdirected primarily into organizational questions.

The conception of a "Third Way" also asserted that



Norway, 1934: with connections and good luck, Herbert Frahm, now named Willy Brandt, was chosen to head up the SAP Oslo office.

the first step was to gather together a diverse cluster of all possible forces and organizations. Within such a "broad alliance" no one was politically committed: with trivial "theoretical" considerations one could easily avoid or sabotage any proposed definite action. The communists, by contrast, were attempting to organize around concrete tasks, and insisted that these alone should be the conclusive measure of the various organizations' real intentions. Brandt, however, had developed quite successfully into an expert agent for blocking any united front work. Under the pretext of demanding "truly democratic" collaboration, he helped to break up practical cooperation between socialists and communists. Whenever the KPD — for example, Herbert Wehner — denounced such hypocritical maneuvers out of hand and connected them to Gestapo operations without precisely identifying the actual forces behind them, such denunciations were then used as the pretext for the agents to declare with righteous indignation that the communists were not seriously interested in cooperation. This was how the most famous effort to consolidate a united front, the meeting organized by the author Heinrich Mann on February 2, 1936 at the Hotel Lutetia in Paris, was disoriented. Following this meeting, Brandt returned to Oslo glowing with satisfaction and reported there on his activities.

For a few months, Brandt was deployed to Berlin "under assignment from the SAP," as part of a maneuver to lend more credibility to internationally operative agents, and to give them the appearance of being involved in actual practical work. At the same time, he was able to re-establish the allies' rather flimsy intelligence network within the Reich itself, and ensure that the correct sorts of information were being gathered. Furnished with professionally forged papers, he entered Berlin as a Norwegian student. Alongside his "organizational assignments," Brandt was also directed to pull together a more precise picture of the Communists' underground work.

That Brandt's "Berlin assignment" was nothing more than anti-communist, subversive "resistance work" was subsequently revealed in an article he wrote for the Marxist Tribune on his "experiences" in the Reich. The precise number of communists and socialists who fell into the hands of the Gestapo's torture experts because of Brandt's informing can probably never be determined.

In the article, Brandt warns against Stalinism and communist centrism, and demands, as an alternative, "solidarity" and "pure Marxism." What he meant beyond practical anti-communism remained his own secret. The article exposes another aspect of Brandt's ideology: he polemicized against all programs and principles, and called for "solidarity with the *day-to-day interests of the workers* in Germany!"

That someone should cook up such empty reformist truisms amidst the brutal rule of fascism demonstrates that he is doing nothing but attempting to reaffirm his self-degraded image of the individual as nothing more than the end-product of a bunch of isolated needs.

In a memorandum to the SAP executive entitled "A Few Questions About Our Practical Work, Internally and Abroad," Brandt summed up the specific practical lessons of his Berlin experience. The memorandum emphasizes the need to improve the information-gathering work in the Reich, and presents a number of proposals in that direction!

His tasks in Berlin completed, Brandt now received an unusual assignment. Posing as a reporter for an unnamed Norwegian newspaper, he spent four months during 1936 in Spain, where the civil war had just broken out. Moreover, he now sent his reports to the *New York Times* and to London. Along with Peter Blachstein, Brandt became director of the German division of the British Secret Service-controlled POUM (Party of Marxist Unity).

The Spanish Civil War was not only the testing ground for weapons designed for the Second World War, but more importantly it was a laboratory for the latest methods of psychological warfare developed by the Tavistock Institute.

Spain

A Republican victory in Spain would have resulted in the first socialist revolution in Western Europe since the October Revolution of 1917, thereby breaking through the Soviet Union's isolation; even more important would have been its effect on the working class in all of Europe. Success in Spain would have strengthened the courage of the European working class, and would have once again provided them with a practical and visible perspective. Following a revolutionary victory, Leon Blum could never have maintained the Popular Front in France within the self-chosen boundaries of dependency on Britain.

It is therefore fully understandable that the entire array of available weaponry was employed to destroy the Spanish left. This was not merely the case with arms shipments from the Third Reich, which were sent to be tested for use in the envisaged world war: it was even more true for the new weapons of psychological warfare — of "leftist" subversive activity — which was developed by the Tavistock Institute, and which was now being conducted by an expanded network throughout all of Europe. Within the framework of this network, the International Bureau for Revolutionary Socialist Unity was established in London in close connection with the Tavistock Institute. Brandt also sent his reports to this address.

The centerpiece of this network in Spain was the POUM, a hodge-podge of every conceivable shade of left anarchism, "council socialism," and Trotskyism. The POUM received support and members from an onrush of countless leftists, some of them quite celebrated. Among these were the observers and controllers of the Tavistock Institute, as well as the intriguers of the Fabian Society. One of the best known was George Orwell, the director of the Bloomsbury Circle, the authors' task force controlled by Tavistock. Orwell entitled his book *1984* because this would be the 100th anniversary of the founding of the Fabian Society; in it, he depicts Tavistock's vision of a planned social order. Willy Brandt collaborated with Orwell.

From these facts, the working method of the POUM becomes quite easy to understand. Under the code words "self-determination," "anti-bureaucratism," "democratization," "anti-leadership struggle," and obligatory regulations, every viable Republican administrative body was boycotted, and even the most minimal degree of military discipline was destroyed. By this means, a situation was maintained which prevented the Republicans from undertaking any strategic advances; Franco was able to individually wipe out any region which attempted "self-defense" and "self-government." Defeats caused by chaos and anarchy, connected with the deaths of important

socialist cadre, ensured the continuation of the necessary internal strife. Thus, in 1937, the POUM finally succeeded in provoking an uprising of the "left" in Barcelona. The communists, who knew what was behind this battle, desperately attempted to intervene into the chaotic battle and organize against Franco, hoping to gain some kind of strategic edge. The POUM adventurists finally declared that the communists were the "main enemy," and a German POUM member issued the characteristic slogan: "Stalin is a worse enemy of the revolution than Hitler and Mussolini." (8)

Brandt, who was supposed to cement contacts with the communists, was withdrawn after four months, and left for England via a British warship. There, he delivered the following eyewitness report:

The Comintern is determined to eradicate all forces which do not want to keep in step with them. This is the issue, and therefore the entire international working-class movement must act to ward off this Comintern attack.

In private conversations, Brandt voiced his contempt and disgust for the chaotic troops of the POUM. However, whenever he spoke officially, he represented the opposite standpoint. For example, while addressing the party congress of the Independent Labour Party — which spawned British fascist Moseley, who was quite publicly advocating a corporatist program in the style of Mussolini (9) — Brandt gave the impression that "the communist leadership (in Spain) was a gang of cursed scoundrels" (reported by Walter Padley, a participant).

In the Soviet Union, this was a period of purges affecting practically the entire military leadership, as

well as thousands of communist cadre who were executed. The experiences in Spain were only one motive for the paranoid, demoralized action on the part of Stalin. The actual basis for the purges was forged, incriminating secret service materials which had been slipped into the country with the collaboration of German military intelligence and British undercover operations within the Soviet Union. (10)

The western countries' toying with Hitler, which later led to the Munich Agreement to hand Czechoslovakia over to the Nazis, and the evidence which emerged from the experience in Spain added up to a life-or-death situation for the Soviet Union. This confluence was the cause of the — consciously provoked — reaction from Stalin. The purges formed the psychological foundation for years of wrecking and confusion operations within the left — until this day! — and were seized upon in the West with howls of rage. In numerous publications, Brandt joined this chorus. He wrote about the "reign of terror" by the Soviet secret service, and attempted to prove that Stalin's "totalitarianism" was exactly the same as Hitler's.

Together with Sterberg and Frölich, Brandt issued a new set of political guidelines for the left. In a letter circulated December 27, 1936, he initiated an attempt to organize cooperation of all socialist parties in Europe. In it, he especially warns about a foolhardy "leftward trend" which could only play into the hands of the Communists. This shift away from a left cover — which would only be fully worked through in the full-scale preparations for the postwar period — have to be seen in connection with the Munich Agreement. With Munich, the encirclement policy against the Soviet Union was switched into high gear.

III. 'Preparation for his Postwar Role'

As a result of the successful isolation of the communists, Brandt's travels ebbed somewhat. Aside from occasional trips to London, Brandt now remained in Scandinavia and concentrated on the business of reporting. Later in Sweden he even succeeded in establishing his own news service. He took pains to make it appear to be a normal news service, but the secret papers of the U.S. Department of State that were released in 1974 contained a report by Herschel V. Johnson, dated April 11, 1944, in which he says about Brandt's office:

This bureau is ostensibly an independent Swedish one, but is actually completely controlled by the Norwegian Legation.

Johnson and the OSS also exercised an even better form of control over the office, according to a report by Johnson dated May 22, 1944:

Brandt is a young but apparently thoughtful and serious observer of the German scene, and one of the representatives of the Office of Strategic Services who is widely acquainted with German refugee circles in Sweden considers that Brandt is one of the ablest in the entire lot and is the one most likely to play some role after the war, in spite of his Norwegian nationality.

In another passage, Johnson specifically emphasized two of Brandt's services for the USA. Brandt informed him about the fact that a communist by the name of Furubottom was the active resistance fighter in Norway who had built up a liberation army of 30,000 men, and who had begun to cause the Anglo-Americans some concern. Brandt was also able to tell the Americans what they did not know up until then — the name of the contact man between the military and civilian resistance circles in Germany: Count York von Wartenburg, who was later executed by the Nazis.

During this time, Brandt's relations with the Americans were overshadowed by those he cultivated with the Americans' instructors, the British secret service. The person involved in this was above all Ture Nerman, with whom Brandt had formed close contact, and whom he called his "friend"; in return for this, Nerman made certain that the books Brandt was writing at the time would be published. Nerman had formerly been a "communist." After his successful activities as an agent, the British secret service made him division director of their Scandinavian operations, and gave him a pro forma position in the British Legation.

By then, mere information gathering had become less important than the task of guiding the ideological influences along the lines which the Tavistock In-

stitute had worked out for Scandinavia. Towards this end, Nerman had begun publishing the propaganda periodical *Die Front*. This paper, however, merely served as a clumsy cover under which many more subtle things could be devised. Nerman knew that Brandt could be most easily bought through "recognition."

On his side also, Brandt's books followed the desired line down to the last detail. One of these was his *Study on the Baltic States under Soviet Occupation*, which recounted horror stories about the Soviets. Brandt also circulated the story that the KPD under Central Committee member Ulbricht had purposely not freed Thälmann, the last chairman of the KPD, from Nazi imprisonment, so that they themselves had been guilty of his death in Buchenwald. His most interesting work is his book on guerilla warfare (1942). In it, he developed the idea that the Hague Convention on the conduct of war no longer had any meaning, and that the difference between civilians and soldiers in the coming war was no longer significant. This book contains Brandt's justification for bombing of helpless civilians:

What is more inhuman: when bombs are dropped on defenseless civilians, or when legions of battle-ready man under the guidance of clever leaders often assume the offensive against hostile troops?...In reality, totalitarian systems only recognize international law when it agrees with their own power interests. One cannot then reasonably expect that nations which are fighting for the right to live and breathe should first ask if their methods...are in agreement with international law.

This was also the first time that Brandt's writings utilized the concept which would later become the kernel of the "Third Way" ideology, and with which the "American Century" slated to begin after World War II would be secured psychologically: "Democracy." The Anglo-Americans' battle against the Nazis (whom they themselves had brought to power) was transformed into a democratic crusade. Harry Truman, a senator at the time and later to become President, expressed in 1944 the allied strategy which lay behind their military engagement in the war on the continent:

If we see that Germany is winning the war, then we should help Russia, and if Russia is winning, we should help Germany: this way they can kill off as many of each other as possible.

Brandt operated in the context of this barbaric policy! The course of the war fully and completely confirmed Truman's strategic concept.

* This was the reason for the head-over-heels



The firebombing of Dresden, 1945: "One cannot then reasonably expect that nations which are fighting for the right to live and breathe should first ask if their methods ... are in agreement with international law." — Brandt, 1942.

"flight" of the British, who left the Nazis all their military supplies intact;

* the reason why the French army was not led against the Nazis, but rather was dissolved by its own leadership with almost no resistance;

* the reason why the British did not occupy Norway before the Germans did, even though the British had been sufficiently forewarned about the invasion. No one was interested in cutting off the German arms industry from its vital iron ore. It was for this reason also that the British intelligence service prevented emigrants, grouped around Behrisch, from blowing up the port facilities around Orkelung after the naive Behrisch, hoping for support, informed the British of these plans. Albert Speer was amazed that the allied bombers exclusively destroyed residential districts, while they allowed the arms industry to go largely unmolested; and

* the reason why the Second Front was delayed for such a long time, only being opened up when the Red Army had overrun the German troops in 1944, threatening to take Europe with a single concerted onslaught.

The Anglo-Americans' goal was very clear and can be confirmed "empirically" by merely comparing the number killed on each side. U.S. strategy miscarried

only because their own troops would not go along with the switch from support for the initially underestimated Soviet troops, over to support for the fascists. They had seen too much of real fascism for them to suddenly begin fighting alongside them against the Soviet Union. This was confirmed at an early stage by Anglo-American psychological experts, and an alternative strategy was applied in due course. This was the strategy which Brandt developed a justification for in his book on guerilla warfare.

The strategy included the systematic bombardment of the residential districts of the German working class, in order to bomb out every inclination towards a socialist experiment and, on the European level, to create the psychological preconditions for the final elimination of the October Revolution and the Soviet Union. "Scientists" in the U.S. believed they had discovered that the human psyche could be deliberately destroyed and then rebuilt according to their own specifications. To do this, the human psyche had to be subjected to such chaos and confusion that the resulting fundamental insecurity would cause it to lose all sense of identity. Following this experience, any victim would be thankful for any reference point which would allow them to orient themselves once again. Initially, this concept was deliberately tested

out on single individuals and on children. Now it was to be tried out on whole population groups and nations. (11)

The bombardment of German cities was in no way crucial to the war effort, neither in a military sense nor according to the conventional criteria of psychological warfare. It would have been sufficient — as Albert Speer himself had to admit — to have destroyed a couple of arms factories which were decisive for the war effort; the destruction of only one critical ball bearing factory in Berlin would have rendered the *Wehrmacht* incapable of continuing the war. Instead of this, the U.S. Strategic Bombing Survey (USSBS, the predecessor of the Rand Corporation) decided to reduce damage to arms factories to a minimum. Bombing of cities was a “scientific experiment” of a totally different nature. This is verified in the USSBS’ own publications. (12)

The goal of the bombing was to “re-educate” the population for the period “after the war” — anti-communist conditioning. As a control for the experiment, reports were needed from Germany on the reaction of the populace to the bombings. Brandt helped supply the necessary material. For example, on the basis of such reports the assumption was confirmed that terror was not the greatest for those directly hit by the bombs, but for those in neighboring regions which were once again spared. As a result of the bombing, the immediate victims were only forced into a more desperate level of resistance, while on the other hand those who had witnessed the attack were ground down by fear of a next possible attack.

One application of the insights they gained from field reports was the “firestorm” of Dresden. Following exact scientific calculations about the effects of combining explosives and fire bombs, the greatest degree of terror possible with conventional bombs was produced in this city, which was overflowing with refugees at the time. Almost 200,000 people lost their lives in this firestorm, which literally tore the last bit of oxygen from the lungs of its victims, who had dragged themselves into cellars and bunkers. What was the sense in murdering these helpless refugees? This is only understandable according to the theories of the USSBS: this was not carried out with the victims in mind, but rather in order to make an impression on the advancing Red Army, before whose eyes this “spectacle” was played out. Dresden was the forerunner of the political and strategic policy of dropping atomic bombs on cities in a country which had already declared itself ready to capitulate. U.S. diplomacy openly admits today that the target for the atomic bombings was not Japan, but rather the psychological “impression” it made on the Soviet Union.

The effect of the atomic bombs was the first step in a policy aimed at putting the communists into a situation which would stymie them politically and

morally. After the Nazi troops’ hideous rampage through the Soviet Union and the murder of 13 million civilians, the almost helpless Soviet Union was now confronted with the threat of the atomic bomb. At the same time, an immense number of agents and saboteurs still operated within its territory, to which were added public and relentless slanders against the Soviet Union and denunciations of what was going on there authored by agents like Willy Brandt. This was designed to create an atmosphere of suspicion, dissension, control and spying which would morally shatter the communists. This was the form in which Brandt’s anti-communism was to become “practical.”

The “Little International”

Every re-education requires, besides chaos and confusion in the victim, a so-called positive identity. To prepare this, the allies created workshops and study groups composed of emigrants who were accommodated to the allies. The most effective one was the “Little International,” in which Willy Brandt held the post of secretary. Brandt describes the group in the following way:

It gave me great joy during my war years in neutral Sweden that I — encouraged by my Norwegian friends — could bring together an international workshop in which Social Democrats from over a dozen countries could regularly discuss things with one another. We were also concerned with practical questions; discussion did not remain an end in itself, but rather facilitated orientation in a confused period. Many ideas found their realization in later political decisions. Also, through friendly members of the allied embassies, which at that time were still mostly called legations, we kept up on current events.

The goals which this group suggested for the post-war period were very general. They adopted the “rights” of the Atlantic Charter drafted by U.S. President Roosevelt and British Prime Minister Churchill in August, 1941. The “Little International” demanded the subordination of the smaller states to the new world power and called this internationalism. Naturally, this was formulated along with stipulations:

All nations must voluntarily surrender a portion of their sovereignty in favor of mutual security (U.S.).

This should make possible “free world trade,” which should secure the economic dominance of the U.S., whose strength had grown immensely during the war. They called for an “international credit and securities arrangement” which would subordinate all other currencies to the dollar. In addition to this, the Socialist International should be rebuilt:

The initiative for its reconstruction must come from

the English working-class movement (i.e., through the Tavistock Institute!).

There were already indications of the confrontation between the Soviet Union and the West:

The interest of the German Democrats and Socialists will merge into a single unity, even in a situation which threatens democratic development and determination.

What the group was actually up to is shown by Tarnow's circular letter from 1944:

It is certain that one of the main demands of the workers will be unity, and they will try to establish strong, unpolitical confederations of industrial trade unions or else will simply demand trade unions which encompass all workers. We must hinder this at all costs, since the communists would thereby be placed in a commanding position within the trade union organizations. We must therefore make the necessary preparations with the British and American authorities, so that we can return to Germany as early as possible in order to aid the development of the anti-communist trade unions (!)

"It is a pity," Brandt wrote in his book *Draussen (Outside)*, "that Fritz Tarnow (a trade union organizer in U.S. occupied West Germany — Ed.)

could not have a more serious influence on German postwar developments."

The outcome of this "group discussion" — the goals which had to be realized in Europe's postwar course — was the predominant theme in Brandt's publications of this period. He is praised by his biographers because he had so accurately assessed the future course of history. And indeed, if one examines these texts more closely, one can confirm — down to the similarities in style — a very close correspondence with the British government's documents on postwar policy, which were still secret at the time. Even more "amazing" is the similarity with a paper Riedl had already worked out in 1943 for the Board of Directors of I.G. Farben on prospects after the defeat. These papers contain interspersions which could have come from Brandt personally, such as a well-meaning proposal to the future German government "not to sign every document presented to them by foreign powers." But such proposals also belong to the recipes for "democracy" worked out in England. In fact, the postwar SPD only spoke out forcefully against the "colonial policies" of the allies in the Western Zone in order to intervene in the mass strike process to destroy the KPD.

IV. After the War

Even after the Nazi armies were defeated, the war against the European working class continued full force. In spite of the terror of bombing, the collapse of the Nazis initially aroused great hope for a new start, a reconstruction in "freedom." This optimism had to be, and was, brutally broken. Various means were used to do this, and Brandt had already assumed the "leading role" in their application.

The first complex of measures was the most obvious, and appears to be the most unproblematical, provided no attention is paid to its underlying meaning. This was the execution of the major war criminals. This measure was not at all aimed at punishing the main guilty parties; its main thrust was its symbolic and psychological effect. The German population had to be made to understand that they deserved the same death which was being symbolically administered to their leaders. Plans created for propaganda purposes, such as the Morgenthau plan, were designed to amplify this effect. The allies systematically produced what psychologist C.G. Jung later called collective guilt neurosis. The fact that no one wanted the real planners and string-pullers to be punished is shown by the fate of the real masterminds of fascism, Hjalmar Schacht and other "economic leaders." They were first taken into protective custody so that they would not be lynched by their enraged "racial comrades." As soon as the allies had the situation fully under control, they were not only set free, but were immediately given leading positions in the allied control commissions. It was not long at all before they sat in their old seats of power — more unchallenged than before, and with the full blessing of "Western freedom."

Brandt himself was an ardent defender of such Keynesians as Albert Speer, who directed war production in Nazi Germany. But many workers were all too familiar with the labor education methods he was responsible for.

People were not as indulgent with the little Nazis, especially when they showed too much contempt for personal initiative and did not sign up with the SPD, CDU or the church in order to wangle their "whitewash" papers from the Allies.

In his book *Criminals and Other Germans*, which was prudently not published in German, Brandt spoke of "political delousing." This choice of words bears witness to a "humanitarianism" which his employer would first openly acknowledge in connection with the genocide in Vietnam.

Another measure was found to be even more effective than the Nuremberg trials (which, incidentally, Brandt reported on for the allied press).

The Tavistock Institute had discovered that hunger produces the highest degree of psychological terror. The European working class was intimidated with starvation, which was made the worst in the Ruhr district, the heartland of European industry. Ostensibly, hunger was arranged to be a consequence of the mismanagement of the economy by the National Socialists. However, the research papers which were prepared before the war for UNRRA (United Nations Rescue and Relief Administration) show very clearly that this was a scientifically organized campaign. British counterinsurgent expert Frank Kitson presented a similar concept in his proposals for overcoming the crisis of the 1970s. (13) Brandt observed very closely the psychological changes effected by hunger and wrote up these observations in his reports to his home office. The *Manchester Guardian* of November 11, 1946 described the situation like this:

During the war, many people in England occasionally did not have enough to eat. These times will remain in our memories, not really so much because of the hunger itself but because of the feeling of uncertainty it brought along with it. What is now threatening the Germans in the Ruhr district, however, is something completely different: it is death by starvation....One no longer hears carefree chatter on the queues in the streets of Düsseldorf, Essen and Wuppertal. Fear for the future has silenced and paralyzed the crowds standing in front of the empty bakery windows....These Germans are already dying of starvation. This condition is far worse than poverty, filth and defeat. It almost always means that the human being fades away, without any will and strength of his own....Hunger means demoralization....In general, these people hide all their moral strength inside a single room in an underground bunker, since this is where a family makes its home, a filthy but honorable refuge from a disintegrating world.

This was the first phase, after which came the actual re-education. The victims were to be deprived of all human identity and learn to keep thinking only about their own hides: the swindles, the rackets, procuring ration tickets on the black market, the deceit used to get a "whitewash," the intrigues for the sake of a CARE package, the self-degradation required to get a morsel of food from a private charity. An entire nation was trained to restrict themselves to their individual capacities to make it on their own, to degrade themselves all the way to prostitution. Whoever tries to block out this historical reality will never be able to understand the Social Democrats' "realpolitiking" and their "bit-by-bit," "step-by-step" policies.

People who have been silenced by feelings of guilt

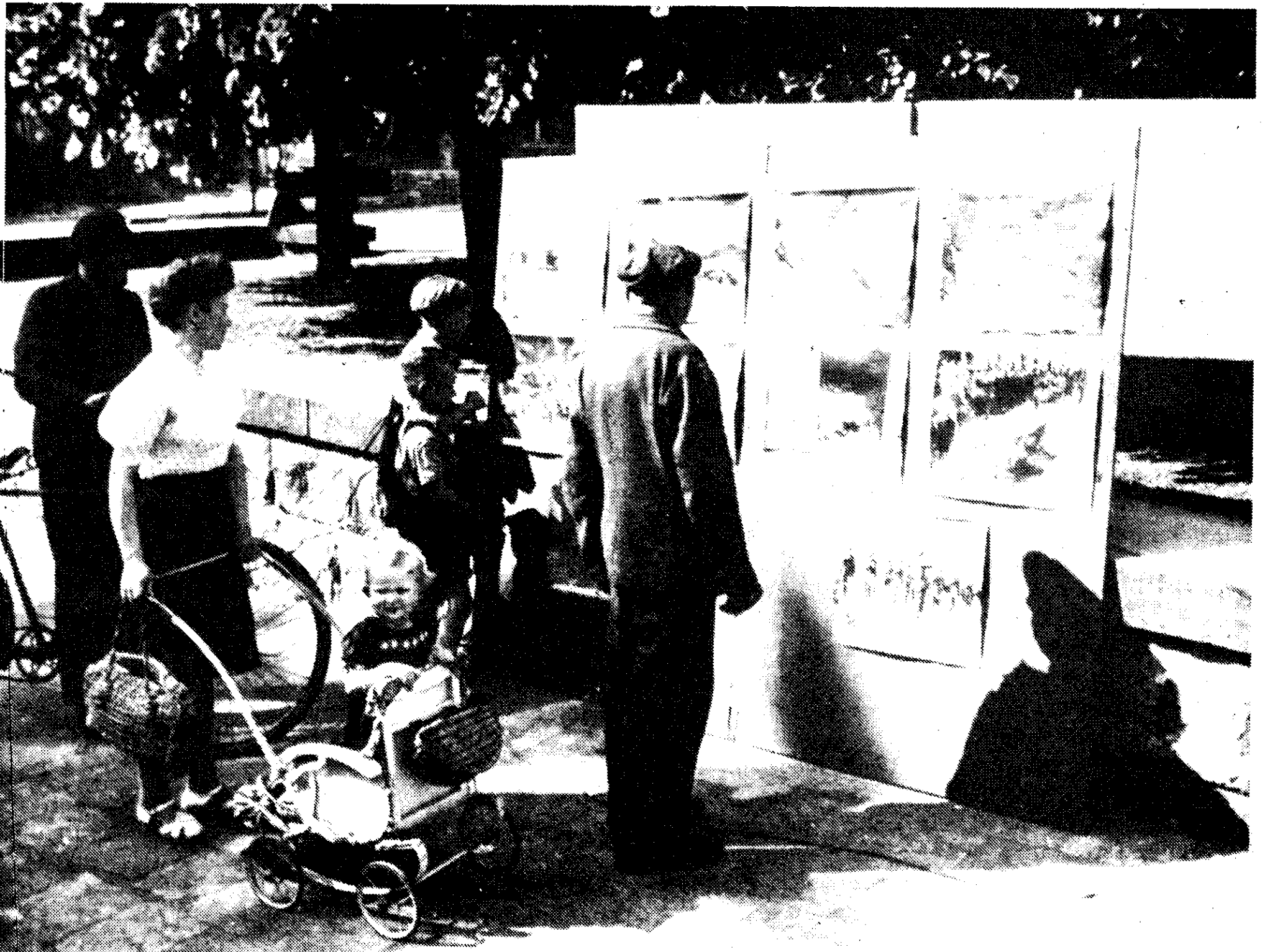
and self-loathing can be forced very easily into any desired direction. Their repressed rage needs to be released, however, and if no Jews are available, then the communists will serve just as well. Furthermore, the Tavistock theoreticians had realized that when a certain level of hunger is reached, demoralization is so strong that all hatred against those who have caused the hunger is repressed. If in this situation the victims are thrown a couple of crumbs, the victims' psyches become filled with feelings of idolatrous adoration for the savior. Put in the simplest terms, this is brainwashing. A staff member of the U.S. Department of State could proudly report at the time that

UNRRA is one of the most effective weapons in our arsenal for steering political results in Europe in the right direction, and for slowing down the expansion of the Soviet Union's sphere of influence in Eastern Europe and in the Balkans.

Willy Brandt not only supported this policy of clinical brainwashing, but was also an active participant. Under the pretense of humanitarianism, he

organized private contributions in Sweden for the "suffering Germans"! With the proceeds from these contributions he was later able to build up for himself a thankful following in Berlin.

In a later variation adjusted to altered conditions, Brandt tried out the same measure against the "Eastern Zone" immediately after the war. The Social Democratic Party's "Eastern Bureau" and various other organizations "for the salvation of humanity" carried out every conceivable form of sabotage against the economy and the distribution system of the "Soviet Occupied Zone." From false railroad tickets to deliberate destruction, not one opportunity was neglected. The evidence presented to the SPD by former East Bureau agents, who were seeking compensation for the prison punishment they suffered in the German Democratic Republic because of such activities, serves to destroy all doubts regarding these monstrosities against the "brothers and sisters." This evidence is public and can be examined by anyone wishing further proof. Only the most small-scale and harmless actions are admitted to in these documents, to be sure.



"Citizens of Beckum, Germany look — not at all horrified — at an Allied display of Nazi atrocity pictures,

part of an American visual reeducation program." — clinical brainwashing wholly supported by Brandt.

The "Send Your Package Over There" action was set into motion by the same people — Brandt in an article in *Die Berliner*, later used by first Federal President Heus — in order to turn the whole nation into unsuspecting accomplices in their hypocrisy. One is inclined not to regard such monstrous brutality as the result of a rational plan. One would much rather see it as a mistake, an unfortunate circumstance, but by no means intentional. Today, Willy Brandt still espouses this kind of politics. Namely, he continues to publicly support the "triage" policy which George Ball presented to the U.S. Congress in the spring of 1975. The application of this policy will cause one billion "useless eaters" to die of starvation, so that the survivors will all the more compliantly allow themselves to be slaved to death in the work camps with "labor intensive" technology. This is the reality behind Brandt's unctuous babble about "humanitarian relief."

One of the most frequently repeated lies about the postwar period is that the allies were totally unprepared when they set about the occupation of Germany and the rest of Western Europe. This is a blatant falsification. Beginning in 1943, the allies entrusted a number of institutions with the task of observing and investigating developments in Germany, and with planning out the postwar period. They were able to choose their personnel from among the thousands of emigrants and resettled scientists, while the necessary reports, information and dossiers could be supplied by the "resistance network" which these same institutions had co-planned and built. The structural and regional planning foreseen by the allies was already a major consideration in the bombardment of German cities. The invading troops brought along with them historical units which immediately sought out trustworthy people and placed them in administrative positions. These people had been pre-selected on the basis of detailed psychological profiles. Not a single step was uncalculated in this giant business, even though everything was given the appearance of spontaneity.

It is difficult for thoughtful people to discern a preconceived strategy of "re-education" — i.e. brainwashing — in the horrible misery, the chaos, and the confusion of the postwar period. A reading of the published works of so-called psychologist Kurt Lewin or of the Tavistock institute, however, is sufficient to confirm all of this. Additionally, one must disregard their ambiguities, their "on the one hand — on the other hand" drone, and their assurances about their "good intentions" if one is to recognize the practical effects of proposals they were merely hinting at. One of these groups' strategies was to publicly advocate brutality, while at the same time tacking on an interpretation which would stimulate the victims'

hopeful fantasies to such an extent that they would not want to "notice" the brutality.

The leadership of the SPD was assembled according to the allies' personnel policy decisions. Wherever workers created independent political labor councils after the war, such as in the Ruhr, Hamburg, Hanover and Hesse, the allies intervened against them brutally and relentlessly. The establishment of parties remained forbidden until, first, the key emigrants had returned, and second, the old SPD leadership — who before 1933 had shown dubious political qualities, if not downright impotence, but whom the allies would now tolerate — began to reassemble themselves and noticed that it was in their interests to get back on good terms with the SPD. Only after all the leading positions had been occupied was the party officially recognized. This sort of development continued after legalization in 1946, as can be shown best from Brandt's own career.

The SPD, which was built during the postwar period under the direct control of British agents in Germany, got as its program a retailed version of the SAP's old garment: "Clarity and Truth," the motto of Schumacher's first speeches in the POW camps; "Democracy;" and, above all else, "Fight Against Totalitarian Communism." Its first commission, dictated by the Allies, was to prevent the working class in the three western zones from directing their rage over the horrible consequences of the war against the capitalist system itself. The SPD's role was that of a counterbalance against the KPD, while, in the meantime, strike leaders and other militant working-class leaders were threatened with the death penalty as the allied military commanders' *ultima ratio* during the months of the powerful working-class mass strike actions especially in the Ruhr district, but also in Hesse and other states. The SPD represented this same death penalty in a somewhat "longer-lasting" form. The role assigned to the party, and which Brandt and others took up with such eagerness, had as its consequence the total degradation, confusion and slow physical depletion of the working class; in this, it did not differ one iota from the threatened death penalty.

Their first task was to finish what the SPD-splitters began before 1933. In the name of "true" socialism, every initiative to realize an alternative had to be beaten back. The SPD put "socialism" on the agenda and "from the left" it fought against the communists' programmatic anti-fascist proposals. At the same time, it beat down each and every programmatic proposal which might have endangered the restoration of pre-war capitalism. Behind all of this, it was wising-up the workers to the fact that "there was nothing there" for them in these programs, nothing could be done, working-class politics was impossible,

and anyway "half a loaf is better than none at all." (14)

This continuation of the politics of the 1928 vote for armored cruisers (15) was successful in that it deliberately destroyed all hope that after 1945 there would finally be an alternative. By 1948, workers already knew that the SPD had precluded socialism, and they could only silently shove their balled fists into their pockets. The population began to hold their

tongues, and words were only wasted over banalities. Previously political workers collapsed and turned towards alcohol so that they would not have to look into the gloomy future which, step by step, the SPD was driving towards. Gradually, people got used to it. A relative economic upswing in the postwar period made it easier to live with the silence. The end of this upswing, however, posed the old questions anew, and awakened uncomfortable memories.

V. After 1945: "New Beginnings" — 30 Years of Occupation

The greatest and most damaging illusion under which the West German working class has lived since the "new beginning" of 1945 down to the present is the lie that there has ever been—even for a single hour—a "German" government. The Nazis' dominion was simply transferred to the Anglo-American Occupation forces without a hitch. No one could credibly assert that the first Chancellor of West Germany, Konrad Adenauer, or anyone else held a German passport—they were all issued by the Allied Occupation Forces. The Anglo-Americans used their docile "Germans" for the same purposes as the Persian kings used their satraps in the Greek cities they had conquered on the west coast of present-day Turkey, prudently appointing native Greeks as "administrators," who were nothing more than tax-collectors in practice. Willy Brandt was one of these administrators. Compared with Brandt, Adolf Hitler was a paragon of virtue!

Front Line City Berlin

Willy Brandt, now capable of carrying out "leadership tasks," in the expert opinion of America's World War II liaison to Sweden Herschel Johnson, took up his first post in Berlin. Berlin, "surrounded" by the Communist German Democratic Republic (GDR), was the most appropriate site for the allies to program an eminently controllable population for anti-communism and espionage against communism. This was not just for the sake of the Berliners, but rather to turn the city into an "example" for the whole population in the three western zones. The "front-line city" Berlin became the most brutally manipulated mass brainwashing operation since the strategic bombing attacks on the civilian population during the war.

Berlin became the allies' psychological lever for the *Anschluss* (annexation) of the West German population to the "democratic free West"—Rockefeller's dollar empire.

Berlin was also to be the prototype for a second operation: Since it was an ideally controlled environment, the city could be turned into an experimental laboratory for modeling the socialist and labor party—which most members still assumed the Social Democratic Party to be—into a party capable of performing the same function the National Socialists carried out for Schacht. Accordingly, in the beginning of 1952, Willy Brandt proposed in a letter to Kurt Schumacher, the first chairman of the reformed SPD, that old social democrats be "replaced with the best of

the Hitler youth generation." Kurt Lewin had entertained similar ideas as early as 1943 with respect to the young SS officer corps. (16) And in fact, out of 300 SPD state delegates, 266 were replaced by new people between the years 1950-1958—mostly from petit-bourgeois strata.

Brandt made continuous interventions to make sure that the Berlin hot spot never cooled down, and he very deliberately pushed for the transformation of the SPD into a party of a new type. He finally gave up the name Herbert Frahm for good, and, after a short stint in the Norwegian Legation, Willy Brandt became the German head of the SPD's Berlin Bureau and an assistant to Ernst Reuter, the OSS-CIA agent just ordered back from Turkey. His credo, as he shouted out on January 14, 1948, was that "One cannot be a democrat today without also being an anti-communist. However," he revealingly continued, "being anti-communist is not the only criterion for being a democrat." In his writings of February 15, 1951 he made clear what he meant by that. He argued against the attempt to neutralize Germany, since this would open Germany up to "communist exploitation."

The best evidence of this is his violent opposition to Franz Neumann. Out of political stupidity Neumann had helped the allies sabotage the Labor Unity Party (*Arbeitsgemeinschaft*) so that in turn he could preserve his old SPD as a workers' party. With an air of innocence, Brandt played all of the social democratic "solidarity" tricks against him, which had the desired effect of turning him into a laughing-stock. Meanwhile, Brandt delivered his report on the internal situation of Berlin and its population to the allied officials. John J. McCloy, Allied High Commissioner of post-war Germany, was extraordinarily thankful to Brandt, and Eleanor Dulles—the agent slut—petted him like one of her "own boys."

From the beginning of the 1950s, the allies pursued the strategy of harassing the East, already economically weakened by the horrible ravages of war, and of confusing the population to the point of provoking an uprising in the East. This was supposed to lead to "liberation" of the "oppressed totalitarian East." Anti-Stalinist hysteria was supposed to make the Allied troops believe that the "liberation" was merely a continuation of the war against Hitler's fascism; Berlin was to serve as its lever and symbol. The Soviet Union's successful nuclear bomb test in 1953 suddenly made these schemes look extremely risky. Later on, Willy Brandt openly admitted that he had pushed the Western powers to make the *coup de grace*, because from his own information sewers he



Governing Mayor of West Berlin Brandt (center) and then New York Governor Nelson Rockefeller (right).

knew that "At that time there was a real crisis in the Soviet leadership." The only successful effort the allies could ever chalk up was the "East German rebellion" on July 17, 1953. The Soviets' successful nuclear test had a powerful dampening influence on U.S. policy and forced even Willy Brandt to do a little re-thinking. He kept up his hysterical anti-communism during this phase, of course, but he also began to think up new and different schemes. In the journal *International Affairs* he wrote in 1958:

Germany will remain a source of danger as long as it is still divided by a line from Lübeck through Helmstedt to Hof....hence the only political course remaining open to us is an unshakeable, resolute struggle for a peaceful solution through political action.

He even went on tour to explain his new line. One conference followed another, and Brandt was often in the U.S. during this period. Eleanor Dulles claimed that it was she who sent him and opened the doors. "As a woman," she knew how to turn men into compliant schlimihls with her subtle passes.

The End of "Forward Defense"

When the idea of immediately attacking the Soviet Union had to be given up because of the Soviet atomic bomb, Berlin gradually lost its strategic importance as a lever for producing anti-communist resentments and Brandt took up a new field of activity. But first he

needed a more respectable position in Berlin as a jumping-off point. How that happened is revealed by the minutes of the September 4, 1957 editorial board meeting of the *Berliner Morgenpost*. The chief reporter at the time had just returned from reporting to the U.S. Ambassador in Melem and announced: "I know who the next mayor will be ... the name of the future Mayor of Berlin is Willy Brandt." When certain colleagues protested "But nobody knows him," they received the answer: "That is why we're sitting here, we are going to make him known." At a May, 1975 press conference with Brandt in New York City, McCloy said that he already knew at that time that Willy Brandt would become Chancellor. The audience thought that this was merely an innocent "exaggeration" — but why should they have? Berlin's newspapers proceeded to *create* a new mayor. One year later Brandt was elected to the party executive committee.

In the Federal Republic, the "new type" of party was created through collaboration between Brandt, Wehner, Brauer, Carlo Schmid and Deist. (17) The SPD ceased to be a workers' party and considered itself a social-liberal "*Volkspartei*" (people's party), i.e., an electoral machine for promising "personalities." The 1959 Godesberg Program of the SPD, with its lyrical flourishes and mumbo-jumbo, was perfectly suited for this purpose. The left, which still had and wanted to preserve their dreams of a workers' party, were terrified time and again with Christian Social Union bogeyman Franz-Josef

Strauss. Whenever the SPD did election campaigning, Strauss would come out with more or less openly reactionary power-mongering. These speeches, like the later December, 1974 Sonthofen speech, did not express Strauss' actual policies. They are only to be understood as electoral aid for the SPD. That way the SPD could present itself to terrified "progressive" liberals as the lesser evil, and could move them to the ballot box "just this one more time." Brandt and Strauss have always been in fundamental agreement, and on that basis Brandt could already call for the all-party Grand Coalition as early as 1960. Sebastian Haffner, who at that time still had the job of writing for *Die Welt* as a "rightwinger," therefore extolled Brandt as the "crown prince of the Opposition" (*Die Welt*, June 17, 1960). The SPD followed this line and made Brandt party chairman on August 24, 1960. Brandt made no secret of where he thought his duties lay. He frankly told his disconcerted comrades that

It probably won't make me popular when I say here and now that I cannot merely carry out the party's decisions, but rather I must make every decision by myself according to my own careful reflection and on my own responsibility.

With this authority, Brandt could "more freely" determine the party's political line. Principally, this was a repetition of the policy of 1953, its last upsurge before the collapse.

"Peaceful coexistence in the Soviet vocabulary means the militant pursuit of Soviet aims," Brandt

admitted at Harvard University, while to President John Kennedy he affirmed that "the German people will never accept the partition of their country." Brandt also indicated the way in which the partition was to be done away with. "The Russians could very well change their interest in the German question on the basis of a changed world political landscape." Changing Russian interests was supposed to be achieved through nuclear blackmail with long-range missiles, since "preventing nuclear war is the chief aim of the Soviet Union."

The RAND Corporation had computed a new military opportunity. The Soviet Union tactically frustrated this dangerous nuclear blackmail strategy with the Berlin Wall and the Cuban Crisis chess-moves. The West Germans only saw the wall, and they were duly terrified. They forgot and overlooked the fact that the Soviet Union had already been mapped for the Americans' nuclear missiles by the U-2. They did not listen to Brandt's speeches but they did believe the notorious radio reports: the East threatened that "As of this morning we will shoot back." The Sputnik shock helped put an end to this nuclear poker game. The allies' indignation over the Russians' long-range missiles was all the greater since they had been deceived by their own propaganda into believing that the communists were incapable of developing the same electronics and surveillance technology. With this, the Cold War came to a close, and a reconceptualization of policy became unavoidable.

VI. "The New Ostpolitik"

In 1969, Willy Brandt's "social-liberal" governing coalition in Bonn adopted "Ostpolitik" as the core of their foreign policy. In the more recent period, it has been variously reported in the international press that the famous "Ostpolitik" was developed and guided by the U.S. State Department and the Rockefeller family's Council of Foreign Relations in New York. The reasons behind this "tactical" shift in Anglo-American policy towards detente with the socialist states becomes clear when one examines the entire reevaluation of NATO strategy following the 1964 Cuban missile crisis.

The Cuban crisis demonstrated irrefutably that the Soviet Union was committed to a policy of Mutual Assured Destruction (MAD); any "local" attack on any country whose interests were tied to the basic strategic defense of the Soviet Union would be interpreted by Soviet military leaders as demanding an immediate global nuclear counterattack in response.

Soviet commitment to such a preemptive nuclear attack in defense of its own strategic position annulled the Clausewitzian concept of war as "the continuation of politics by other means." If the consequence of a military provocation is the total destruction not only of the enemy, but of the aggressor too, then war is no longer a political measure. Only the threat of war remains political.

From the Anglo-American standpoint, the ability to fight and win a war with the Soviet bloc had to become operational again. The drive behind their determination to lure the Soviets into combat was determined by the short lease-on-life which the post-war economic recovery had provided. In 1959, the U.S. plunged once again into recession, soon to be followed, in 1966-67, by a severe recession of European credit and industry. The Rockefeller banking establishment needed to open up a militarily disarmed Soviet economic sector and its labor force to western looting policies by integrating the Soviets into the International Monetary Fund and its Schachtian credit and trade mechanisms.

Thus, the generation of the shift in Anglo-American global strategy occurred simultaneously on three levels: politically (detente), militarily (the Schlesinger doctrine of "limited nuclear war") and economically (the provision of credit to the Soviet sector to tie it as a debtor to the capitalist monetary system).

The policy of "change through rapprochement" had an immediate strategic goal: subversion and the "softening up" of the socialist bloc and the international communist movement. In tandem with its implementation, NATO forces were organized according to the provisions of the NATO Military Committee organizational manual "MC14-3" which was

based on James R. Schlesinger's "flexible response" doctrine.

Zbigniew Brzezinski, the CIA "Kremlinologist" and the director of David Rockefeller's Trilateral Commission, who, in addition, had a teaching position at Prague University during the so-called "Prague Spring" from which he operationally prepared and supported the Dubcek conspiracy's subversive actions, wrote in the book *Alternatives to Partition* in 1966:

The new United States policy on Eastern Europe is based on the assumption that pure verbal hostility can not bring down the Communist regimes. . . instead of waiting until Communist rule collapses, it would be better for the U.S. to promote evolutionary changes in the future of the individual Communist countries, and the Soviet bloc as a whole.

Willy Brandt's own role in the Berlin Crisis of the early 1960s has been largely rewritten to conform with Brandt's 1969 turn to Ostpolitik and evolutionary changes in the East bloc and the Communist parties. Nearly 15 years after the crisis, Brandt's *Memoirs*, summarized by the West German magazine *Der Spiegel* in a series of articles during May 1976, are a revelation in militant cold war posturing.

In the first crisis meeting in the early afternoon of August 13, 1961, (Governing Mayor of Berlin) Brandt came upon three commanders who "were no less irritated and disoriented than the Germans." The Lord Mayor advised: "At least send patrols immediately to the sector border in order to counteract the feeling of insecurity and to show the West Berliners that they are not endangered!"

With bitterness, the author was reminded of the temporizing allies: "Twenty hours passed until the requested military units were visible at the inner city border. Forty hours were wasted until a legal statement was brought to the Soviet commanders. Seventy-two hours lasted until — in terminology which barely extended beyond routine — a protest was delivered to Moscow."

The Soviet government threatened to sign a separate peace treaty with East Berlin, formalizing that city's status within the East bloc.

Brandt pressured the allies in vain to undertake energetic political steps. He demanded a demonstrative march of Western occupying troops to the sector border, in order to compel the Soviets to simultaneously undertake a march of troops, and thereby to document for all witnesses their actual control over the eastern sector DDR leadership of the city. Following that, Communist Party chief Khrushchev would be invited to negotiations of the status of the city.

By August, 1964, Berlin Mayor Brandt had altered his approach; in a memorandum to U.S. Secretary of State Dean Rusk, Brandt wrote:

It is in the interests of the West to support the independence of the Eastern European nations and to not make it difficult for them to use their negotiating room. . . it is in precisely this way that the evolutionary forces can be encouraged and promoted.

Earlier, in September, 1963, Brandt stated in a speech at Scarborough:

The Soviet Union (must) be *convinced* by a western alliance that is firmly self-united that an actual change (lies) in their own self-interest. . . Khrushchev's people may perhaps still want to call themselves Communists, but they will no longer actually be that.

The psychological warfare techniques employed in getting Brandt elected in 1969 were part and parcel of the Anglo-Americans' strategy. Not only was Brandt to emerge as the first Social Democratic Chancellor in post-war Germany — implying to the Soviets that West Germany was beginning to shift away from its cold war, strictly anti-communist foreign policy, previously represented by the Christian Democracy — but the election itself was based on whipping up the SPD's working-class base into an "anti-fascist" uproar.

The Anglo-American agent leadership of the Christian Democracy based its entire election campaign on two attacks on Brandt: that he had been the child of an unwed mother and that during World War II he had joined the Norwegian army and fought against the German nation! The working class, disgusted by the mid-60's recession and moving towards the first explicit strike upsurge against austerity in the post-war period around the 1969 metal industry wildcats for post-contract negotiation wage hikes, was organized by the SPD to vote for Brandt in defense of this image as an anti-Hitler resistance fighter! The election of Brandt served to momentarily pacify the working class by conceding them a Chancellor from "their own" party. In addition, it strengthened the impression given to the Soviets that West Germany's commitment to detente was not based on orders from Washington and New York, but on an unprecedented, independent mandate from a majority of the West German population.

The "softening" effect of Brandt's election on the Soviets was also fostered by an "inside" secret diplo-

macy operation. Through the agent offices of the Italian Communist Party in Rome — whose function as a CIA operation under the direct control of the New York Council of Foreign Relations and the Rockefeller family has been rigorously documented by the Labor Committees — Brandt's personal advisor, Egon Bahr, established direct contact with the Soviet leadership. Through the CIA's own PCI front operation, various features of the new "Ostpolitik" were thrashed out. One of the "concessions" granted to the Soviet leadership for engaging in these talks was Brandt's agreement to allow the Communist Party of Germany (KPD) to re-emerge from constitutional illegality — imposed in 1956 — under a new name, the German Communist Party (DKP). The DKP is now little more than an extension of PCI operations in Western Europe.

In May, 1974, a phony, NATO-intelligence-organized "revelation" of East German infiltration into Brandt's personal staff toppled Brandt from the Chancellorship. It served as a glaring announcement to both the Soviet bloc and the West German working class that the "era of detente" was now over. Rockefeller and the New York Council on Foreign Relations dumped Brandt in the aftermath of the infamous 1974 "Oil Hoax," which had taken the European economy — and working class — through a wringer. The rapid transition to fascist police state rule in the advanced sector was the Rockefeller program's determined next step.

But Willy Brandt, his Nobel Peace Prize medallion around his neck, his public image still untarnished by the years of coverup of his real history and now colorfully enhanced by the façade of a "fallen hero," was still of use to the Rockefeller cabal; his retirement was to be short-lived. After a few months of "disgraced" isolation from any political activity, Brandt returned to the public scene in the summer of 1974 with a vengeance against his duped admirers in the West German working class and the international political community. Gradually peeling away the remaining shreds of his image, Brandt emerged in March, 1975 — at the initiation of the Rockefeller drive for immediate nuclear confrontation with the Soviet Union — as an open advocate of the policies of genocide and police state rule, all in the name of his American masters.

Footnotes

1. Bob Cohen, "The Fabian Spiders and Their Cob-Webbs," *New Solidarity*, Vol. VI, No. 56, Oct. 6, 1975; No. 57, Oct. 13, 1975; and No. 61, Oct. 23, 1975.
2. Lyndon H. LaRouche, Jr., "The Science of Political Intelligence," *New Solidarity*, Vol. VI, No. 54, Sept. 29, 1975; and No. 55, Oct. 2, 1975. See also "The Tavistock Grin," *The Campaigner*, Vol. 7, Nos. 6-7, April-May, 1974; and "Rockefeller's Fascism With a Democratic Face," *The Campaigner*, Vol. 8, Nos. 1-2, Nov.-Dec., 1974.
- 2a. D.F. Fleming, *The Cold War and its Origins, 1917-1960*, Vol. 1, London, 1961.
3. Karl Korsch was, from 1912-1914 in England, under a stipend from the Fabian Society. He maintained, throughout his life, close contacts with the Fabian Circle. This is documented in the book, *On Karl Korsch (Über Karl Korsch)*, *Jahrbuch der Arbeiterbewegung*, Bd. 1, Frankfurt, 1973.
4. Peter Cuskie, "The Shaping of Anglo-American SS by War," *The Campaigner*, Vol. 7, No. 7, May 1974.
5. This was officially the case during the occupation of Norway by German troops. See in relation to this the publications of the NAP from that period.
6. A very crass example of this was the case of future Brandt collaborator Szende, who was let free by the Nazis and permitted to "flee" to Sweden. For general references see "Admiral Canaris, The Teutonic Knight of the Anglo-American Round Tables," *New Solidarity*, Vol. VI, No. 68, Nov. 17, 1975; No. 71, Nov. 27, 1975.
7. Parallel to the development in the New Beginning group, the unquestioned leader of *Mot Dag*, Ehrling Falk, was driven out of the group. This prepared the way for a fusion of the group with the NAP, then in the government. The agents from *Mot Dag* later received high level government posts.
8. Cf., "Zur Krise in der SAP, April 1937" ("On the Crisis in the SAP, April 1937"), *Internationales Institute für Soziale Geschichte*, Amsterdam, Akte Deutschland Nr. 80.
9. Cf., the article series by Cohen cited in Footnote 1.
10. Lyndon LaRouche, "The Question of Stalinism Today," *The Campaigner*, Vol. 8, No. 9, Nov. 1975.
11. Cf., Kurt Lewin, *Probleme der Julturellen Umstellung (1943) (Problems of Cultural Reorientation)*, *Die Lösung Sozialer Konflikte*, Bad Nauheim, 1953.
12. *United States Strategic Bombing Survey: Effects of Strategic Bombing on German Morale*, Vol. 1, Washington, 1947.
13. Frank Kitson, *At the Front Lines of War*, Seewald, 1974. This NATO theoretician develops in this book the concept of a "guided civil war" controlled from the top which is supposed to produce an "enlightened" dictatorship. See also Michael Minnicino, "Low Intensity Operations: The Reesian Theory of War," *The Campaigner*, Vol. 7, No. 6, April, 1974.
14. In his book, *The SPD After Hitler, Munich, 1965*, Theo Pirker emphasizes this aspect of SPD policy convincingly. Because of his demoralization, however, Pirker does not succeed in locating the conscious logic and intention behind this policy. He believes to have only located incompetence. This incompetence, however, is part of a coherent system.
15. In 1928, Germany's industrial and finance capitalists demanded that production begin on armored cruisers to "create jobs." In response and under pressure from its worker base, the SPD opened its "Butter, instead of Cannons" campaign to stop the imposition of a militarized economy on the German working class. Then, in 1928, newly elected SPD Chancellor Müller — the last SPD Chancellor before the Hitler regime — sought to "appease" the bourgeois capitalist opponents by pushing through a program for the mass production of battleships; the lasting psychological impact of such gutless capitulation by the SPD leadership upon that party's working class machine base cannot be underestimated.
16. Kurt Lewin recommends explicitly that young SS officers be re-educated, since they were particularly effected by the collapse and were demoralized. In contrast to the old "laissez-faire" left wing, these young SS officers would be more appropriate for the new U.S. democracy. See Footnote 11.
17. Max Bauer, post-war Lord Mayor of Hamburg; Carlo Schmid, Nazi professor reinstated at Tübingen University after the war, played a key role in writing the "Basic Law" foundation of the West German Constitution: "West Germany is a provisional state because Germany is still divided"; Diest, chief economist for the SPD in the 1950s, a position utilized as a CIA control point; Herbert Wehner, SPD "survivor" and opportunist, currently SPD Parliamentary fraction leader.

The State of the Trial

Willy Brandt now has law suits pending against 15 individual European Labor Committee members. In all of the trials which have been held so far, including the major slander suit against *Neue Solidarität* editors Jürgen Spahn and Anno Hellenbroich, the presiding judges have refused to accept or evaluate any of the evidence presented against Brandt. Instead, they have asserted that the legal issue involved in each case was Brandt's civil right to exercise his freedom as a prominent national and international politician.

The First Round: The Brandt Poster

On April 28, 1975, West German police officials raided the European Labor Committees international headquarters in Wiesbaden, BRD — at the height of a Labor Committees international mobilization to stop NATO's MC14-4 strategy for a thermonuclear confrontation with the Soviet Union. The month long distribution of a leaflet warning West German workers "Attention: This (Brandt) Is A Nuremberg Criminal," and the release of the Brandt poster portraying Brandt in an SS uniform warning of the threat of a Third World War were the official pretexts for a search-and-seal operation against the ELC leading to the confiscation of the material in question and the first round of charges against ELC organizers.

Willy Brandt brought official charges against *Neue Solidarität* editors Spahn and Hellenbroich in the summer of 1975. The two were charged with slandering Brandt and "damaging his celebrity and political career." Each was sentenced to six months suspended imprisonment and fines of 2,000 deutschmarks. Appeal proceedings are set for some time in June, 1976.

Charges were brought during the summer of 1975 against 12 ELC organizers in several regions of West Germany who were stopped by police — all prior to the April police raid in Wiesbaden — for either leafletting or postering the incriminating Brandt material. All were charged with slandering Brandt and "damaging his political career and celebrity."

* In the Ruhr city of Bochum-Wattenscheid, three organizers were sentenced to a total fine of 3,000 deutschmarks for leafletting an SPD electoral rally featuring West German Labor Minister Walther Arendt in April, 1975. The judge and the state attorney charged that the organizers had no grounds for action in the West German Constitution: the organizers had allegedly ignored the "right of each individual to be free and to keep his own personal freedom safe." The judge added that Brandt's past was irrelevant in court since the leaflet was written in 1975; the only relevant question was Brandt's present-day activities. With this flimsy argument, the judge rejected the ELC's entire legal brief.

* In Munich, two ELC organizers were fined 5,400

deutschmarks for postering the famous political cartoon of Brandt in Nazi uniform and distributing an article from *Neue Solidarität* documenting Brandt's eligibility for sentencing under the Nuremberg statutes for having committed "high crimes against humanity." The judge ruled that since Brandt was an "anti-fascist resistance fighter" during the Second World War, he could not be called a fascist today nor presented in a Nazi uniform.

* In Hannover, one ELC organizer was fined 300 deutschmarks for writing the Brandt leaflet slogans on a placard.

* In Frankfurt, an organizer was fined 200 deutschmarks for hanging up the Brandt poster.

All of the above cases are now in appeal and are scheduled for a second round of trials between June and August, 1976. Three additional cases in Hamburg, Frankfurt and Wiesbaden are scheduled to be heard for the first time during the same period.

The Second Round: The Brandt International Bulletin

On February 27, 1976, West German police raided nearly every regional office of the European Labor Committees, as well as the Wiesbaden headquarters, to confiscate the just-published *International Bulletin* documenting Brandt's agent political career. The *Bulletin* was printed in Italy early in February and shipped to West Germany where it was blocked for three days by Frankfurt customs officials on the pretext of "criminal contents." Five copies of the *Bulletin* were confiscated at that time.

The February 27 police raid was initiated by the state attorney in Wiesbaden. Nearly 900 copies of the *Bulletin* were confiscated effectively labeling the *Bulletin* "Banned in West Germany."

With the International Caucus of Labor Committees' announcement of the publication of the Brandt story internationally, Brandt, through Hessen State Attorney Wiesemann, issued, May 4, a new complaint against ELC European Executive Committee member Gabrielle Dannenberg. As the editor of the "Brandt" *International Bulletin*, Dannenberg was charged with slandering Willy Brandt and "damaging his political career and his celebrity." In documents filed in court to clarify and substantiate the charges, the Labor Committees are described as an international organization which has not only injured the career of Brandt, but issued slanders against two other "internationally prominent" political figures: U.S. Vice President Nelson Rockefeller, and Italian Communist Party General Secretary and long-time intelligence agent Enrico Berlinguer — a clear escalation of Brandt's (and his controller's) strategy to bring Nazi legal proceedings against any organization "spreading facts" about these Nuremberg criminals.

The Nuremberg Principles, 1946

Principles of International Law Recognized in the
Charter of the Nuremberg Tribunal and in the
Judgement of the Tribunal

As formulated by the International Law Commission, June-July 1950.

Principle I

Any person who commits an act which constitutes a crime under international law is responsible therefor and liable to punishment.

Principle II

The fact that international law does not impose a penalty for an act which constitutes a crime under international law does not relieve the person who committed the act from responsibility under international law.

Principle III

The fact that a person who committed an act which constitutes a crime under international law acted as Head of State or responsible government official does not relieve him from responsibility under international law.

Principle IV

The fact that a person acted pursuant to order of his Government or of a superior does not relieve him from responsibility under international law, provided a moral choice was in fact possible to him.

Principle V

Any person charged with a crime under international law has the right to a fair trial on the facts and law.

Principle VI

The crimes hereinafter set out are punishable as crimes under international law:

a. Crimes against peace:

(i) Planning, preparation, initiation or waging of a war of aggression or a war in violation of international treaties, agreements or assurances:

(ii) Participation in a common plan or conspiracy for the accomplishment of any of the acts mentioned under (i).

b. War crimes:

Violations of the laws or customs of war which include, but are not limited to, murder, ill-treatment or deportation to slave-labour or for any other purpose of civilian population of or in occupied territory, murder or ill-treatment of prisoners of war or persons on the seas, killing of hostages, plunder of public or private property, wanton destruction of cities, towns, or villages, or devastation not justified by military necessity.

c. Crimes against humanity:

Murder, extermination, enslavement, deportation and other inhuman acts done against any civilian population, or persecutions on political, racial or religious grounds, when such acts are done or such persecutions are carried on in execution of or in connexion with any crime against peace or any war crime.

Principle VII

Complicity in the commission of a crime against peace, a war crime, or a crime against humanity as set forth in Principle VI is a crime under international law.

Why Ignorant Bankers Believe Schacht Succeeded

by Lyndon H. LaRouche, Jr.

May 15, 1976 — Every morally sane and informed person in the world today agrees that the Rockefeller family's favorite Nazi, Dr. Hjalmar Horace Greeley Schacht, was an enormously evil man. Every competent political analyst knows also that it was Schacht's monetary policies which directly and inevitably caused the emergence of Nazi criminal practices in the occupied territories and the slave-labor death camp system. In effect, anyone who condones the monetary policies of Hitler and Schacht today is directly endorsing the Nazi holocaust against six million European Jews in particular.

Unfortunately, too few people know that Schacht was not only a terribly wicked man, but also a total charlatan in his profession of monetary-economic expertise. In monetary policy and in economics, Schacht was not only absolutely no "wizard," but was downright incompetent. Schacht's skills were not those of the economist, but entirely those of the wholly immoral swindler. Every competent economist knows that Schacht's policies did not work, and could not possibly have succeeded — any effort to say the contrary is either outright fraud or the ignorant chattering of credulous fools.

Even so, quite apart from outrightly evil Atlanticist financiers and their friends, Kissinger, Schlesinger, George Ball, et al., there are numerous, otherwise intelligent and competent bankers, who ignorantly believe that Schacht might have saved the German economy if he had been continued in power after 1937. This criminal ignorance among such bankers and others is not accidental, as we shall see in the course of this analytical report on that problem.

The Real Hjalmar Schacht

To sum up the case of Schacht in a single sentence, *he is best described as the Ugo LaMalfa of the Weimar Republic*. Among the most influential German figures of his time, Schacht most closely duplicates the position of Admiral Canaris, the Anglo-American agent who headed German Intelligence under Hitler. Like OSS chieftan Allen Dulles' tame Ugo LaMalfa, both Canaris and Schacht were thorough Atlanticists, and leading proteges of both the Anglo-American financiers and of such agents of the "Occupying Powers" of the Allied Armistice Commission as the National Civic Federation's Hamilton Fish Armstrong (the Brookings Institution and the continuing Russell Sage Foundation organization are among the

most directly relevant organizations of today for Armstrong's role during the interwar period in Europe.)

Like the modern LaMalfa — whose career is directly modelled on that of Schacht's Weimar role — Schacht headed up a tiny party of his own sponsorship, the German Liberal Party. Although never a significant party in its own right, Schacht's Liberal Party — a tiny splinter — played a significant, keystone role in repeatedly (to use plain Americanese) "screwing up" the honest efforts of the legitimate major parties. Schacht, for example, played a major role with the aid of his Liberal Party pawns in initiating the downfall of the Weimar Republic from 1928-1929 onwards, and was the direct sponsor of the post-1933 career of Adolf Hitler — just as Ugo LaMalfa plays a similar role for his Atlanticist masters in Italy today.

To fully understand Schacht's Weimar and later roles, one must know a few ABC's concerning Anglo-American financier's control of broad strata of agents within Germany from the pre-war Kaiser's regime onwards.

During the pre-1914 period, the principal penetration of Germany was British-controlled, although the Rockefeller family had its own direct connections through I.G. Farben (vis-a-vis Chile, etc) and I.G. Farben's own key man in German Intelligence, Colonel Nikolaev. Thus, for short-hand purposes, it is sufficient for most cases to identify the direct British connections and let it be understood that the U.S. Atlanticists were junior partners on the way to becoming dominant partners in this Atlanticist arrangement. However, in using such an approximation it is essential to emphasize that both Schacht and Canaris had major direct links to U.S. patrons, most notably the Rockefeller family.

Broadly speaking, there were two principal lines of British intelligence services' penetration into the Kaiser's Germany. One of these, mainly focused upon certain leaders of the Social-Democracy and trade-union organizations, was coordinated through the British Foreign Office's major project, the Fabian Society. A recently-published West German book, producing letters exposing August Bebel as a British agent, is exemplary. The cases of Eduard Bernstein, of the Bavarian SPD leadership, and other the German General Trade-Union Commission are also

exemplary. The fabulous Alexander (Parvus) Halphand's career as first a British agent, and then an Anglo-German double-agent (1839-1919) was a direct by-product of this side of British operations.

The second principal channel of British intelligence penetration was through direct British financial and other links to opposite numbers among aristocratic and financial interests in the Kaiser's realm — a comprehensible complication of the way in which Bismarck forced through the consolidation of Germany under Prussia.

The case of Admiral Canaris is noteworthy in documenting the kind of arrangements under which the similar Schacht functioned, a connection of the second type.

Canaris comes to light of historical accounts after his 1915 internment in Chile, following the bottling up of a German cruiser to which he had been assigned, in a Chilean port. Through the joint Rockefeller-Farben network established by Colonel Nikolaev in Chile, Canaris was aided in escaping from his Chilean interment camp to Buenos Aires, where, with the aid of the Von Buelow family and the British embassy, he was given a new forged passport and passage on a Dutch ship back to the continent, with blockade-inspection hold-over in Plymouth, England. Back in Germany, Canaris was assigned to German intelligence (thus coming into association with Karl Korsch, Friedrich Ebert, Schiedemann, and the German military intelligence's Parvus operations.

Canaris rose rapidly and was at the end of the war associated with the staff of General Von Hoffmann, and had direct supervisory roles for the Freikorps operations around Berlin. In the midst of this post-war development, a most instructive further event shaped the later career of Canaris.

During and immediately following World War II, U.S. Intelligence was placed under the direction of a social-work organization, the Russell Sage Foundation, a foundation which was adjunct to the principal U.S. Atlanticist organization, the National Civic Federation. Hamilton Fish Armstrong was the best known responsible figure coordinating the European post-war activities of this private control of U.S. Intelligence operations. Curiously, in the course of the armistice arrangements, the Russell Sage Foundation contributed the draft of an adopted proposal under which the German Naval Intelligence's famous "Marine Transport Unit" became the only unit of the German military not to be substantially reduced under direction of the Allied Occupying Powers.

This same "Marine Transport Unit" had been key in the German Intelligence operations around Parvus' Eastern European project to engineer a bourgeois-democratic revolution in Russia, place reduced great Russia under British suzerainty and place an "independent Ukraine" under shared German and British control. Canaris, coordinator of the Freikorps

operations for German Intelligence, and later direct coordinator of the frame-up against Soviet Marshal Tukachevsky, was placed in command of that unit. orted "mysteries" of the 1930s and 1940s of the Nazi period — including the holding back of German Gen. Guderian's tanks from wiping out the Allied Forces at Dunkirk in 1940 — are linked to the career of Canaris.

From the end of the First World War, Brooklyn-born Hjalmar Schacht's political operations were complementary to and often interfaced operations in which Canaris was key. (There is strong evidence to the effect that both Schacht and Canaris were linked to the 1940s British Intelligence-coordinated German Resistance, to the von Stauffenberg plot against Hitler, and that this British network interfaced and secretly controlled much of the "Rote Kapelle" operations.)

Just as the British Intelligence end of the Atlanticists was chiefly responsible (with U.S. support and French, later—Vichyite, complicity) in putting Mussolini into power in Italy (both Winston Churchill and the U.S. Deweyites — from which Sidney Hook springs — were enthusiasts for Mussolini during the 1920s), the appointment of Hitler to the German Chancellorship was a Schacht proposal which was cleared with certain British Atlanticists and the Rockefellers and others in New York City before pushing the project through with German industrialists. Incidentally, it was a Rockefeller-allied bank, the Schroeder Bank, which processed the funds collected for Hitler's backing in this project.

It was not accidental that Hjalmar Schacht escaped the noose at Nuremburg. Nor was it accidental that Schacht and his son-in-law, SS Colonel Otto Skorzeny, emerged into the post-war period as proteges of the Rockefeller family's Dulles brothers, with both Schacht and Skorzeny involved in Dulles-directed operations in Egypt, and Skorzeny, later a neighbor and acquaintance of F. Reid Buckley of the Latin American CIA operations Buckley family, should have heavily interfaced the Nazi Latin American network which the modern CIA took over from the Rockefeller-directed wartime CIAA (Coordinator of Inter-American Affairs.)

It was not accidental that the West German-based end of Atlanticist political intelligence networks should be directly linked to the leadership of the Communist Party of Italy (PCI) — despite a recent opposition to the PCI in government from German echoers of U.S. Atlanticist policies on that issue. The fathers of Enrico Berlinguer and Giorgio Amendola were British agents associated with such famous figures as Luigi Einaudi, Sr., and were collectively directly linked to the British effort to push Mussolini into power. The father of Sergio Segre, according to a recent statement by Ugo LaMalfa, was also in this circle. (Thus, the links through LaMalfa, to the fascist family of the Fiat's Agnellis is not so peculiar, after

all). Berlinguer and Amendola, who entered the Communist Party of Italy as British planted agents, were later transferred to the OSS control of Switzerland-based Allen Dulles, along with Riccardo Lombardi (now of the Socialist Party of Italy), Ugo LaMalfa and others. Since that time, LaMalfa, Amendola, Berlinguer, Segre, Lombardi, and others have been U.S. agents directly linked to the Rockefeller branch of the CIA and related operations. These Italian operations of the CIA were directly linked to the Germany-based network at many points, including the cooperation between Leo Bauer (of the SPD) and Sergio Segre in creating the legalized present German Communist Party — as a preemptive effort of the CIA and NATO Intelligence to prevent the reconstitution of an actually communist-controlled communist party.

In short, to use modern images, Hjalmar Schacht was for his time essentially a high-placed "CIA operative" of the Allied Occupying Powers of Germany, whose influence was principally the result of that backing, and whose competence was by no means that of a banker or economist, but the special skills of a gifted swindler. Schacht's economic theories represent no more, in fact, than an elaboration of the "basic economic theory" of an extraordinarily crooked used-car salesman.

This judgement of Schacht's alleged professional competence is absolutely no exaggeration as we shall shortly see.

World War II: Myth and Reality

The creation of Nazi Germany by the initial backing of the Rockefeller family and others is a fact which begs the question: How was it, then, that Adolf Hitler, an Atlanticist puppet, became the principal enemy of the U.S. and Great Britain during World War II? An understanding of Hjalmar Schacht's and Adolf Hitler's monetary policies is absolutely key to that problem.

Atlanticist backing for Schacht's protege, Adolf Hitler, had two principal objectives. More immediately, the entire structure of pre-World War II imperialist debt rested upon the foundation of the reparations debt imposed upon Weimar Germany by the victorious World War I Allied Powers. From 1923 through 1928, through combined debt-payments rescheduling and U.S. credits, Weimar enjoyed a modest recovery. As a result of the 1928-1929 speculative crises and inevitable crash, the capacity of the U.S. economy to issue further credit for support of world trade was curtailed, and the world economy began a chain reaction collapse leading directly and inevitably into the consequences of 1931 and of the 1932-1934 period.

All of Schacht's alleged "wizardry" of the 1923-1928 period, including the notorious Rentenmark caper, were nothing but a pawn's moves at the behest of the controlling chess-player, the Atlanticist financiers.

The Rentenmark, for example, is a direct model for the "Resources Bank" swindle which Rockefeller protege Henry Kissinger has lately proposed to the developing sector. The essence of the Rentenmark was a ruse for hypothecating German real assets as security for (principally) U.S. bankers' loans to Germany: without that U.S. credit, the Rentenmark would have been nothing but the most ignorant schoolboy's attempt to introduce the principles of masturbation into monetary practices.

During 1928-1929, since the Weimar Germany economy remained above the breakeven point only through a massive proportion of industrial exports, the collapse of U.S. credit-expansion for support of world trade meant a sudden collapse of the German economy below that breakeven point. Since Germany, after 1928-1929, was not producing a national absolute profit, Germany had absolutely no margin of national income which would be allocable to maintain its foreign debt obligations — without drastic slashes in real incomes and social services at the expense of the German population.

Schacht's 1928 "wizardry" amounted to no more than a proposal to drastically cut wages and social services as a trick for maintaining payments to foreign debtors, the same sort of ignorant landlord's "Big MAC"-type proposal. Thus, Chancellor Schmidt immediately emphasized:

"We must concede with the greatest pain that, albeit with the most terrifying goals and with the worst instruments, in the final analysis, it was first Schacht and Hitler who drew the correct consequences from the monetary standpoint."

In fact, the modified version of Schacht's 1928 austerity which was implemented under Adolf Hitler was just that, a slightly modified version of the crude ("Big MAC") swindle proposed in 1928.

The specific problem of Schacht's 1928 proposal was solely that it resulted in massive unemployment. It was not this unemployment which concerned Schacht's Atlanticist backers (although it did concern various strata in Germany for varying reasons): it was the fact that collapsing employment meant that the thus-dwindling amount of total looting of both industrial capacity and of the population was insufficient to meet foreign debt-payments! Therefore, by restoring to forced-draft employment, including the slave-labor Nazi *primitive bauarbeit* projects, the rate of per capita looting of German bodies and industrial capacities was increased. Again, not an economic solution to the insufficient production of wealth, but a simple mercantilist's swindle.

However, over relatively short periods, such a modified version of "Big MAC" fascist swindles fails even more miserably than the Bruening and Von Papen versions, as even the most low-browed Nazi Labor Front officials began to discover and to point

out to Hitler from 1936 onwards, *bringing about the dismissal of the incompetent Schacht.*

The problem was this: the apparent short-lived success of Schacht's 1933-1936 "solution" was based on the mere fact that the rate of economic looting of stored-up wealth of German bodies and industrial capacity was increased per capita by forced-drafting *uneconomical* usage of German labor and industry. The result, a kind of cannibalistic turning-inward of inflation against the body of the affected economy, was that combined speed-up, fixed wage rates, decreasing quality of products per deutschemark of purchasing power, failure to replenish worn-out physical productive capacity, and pyramiding of long-term illiquidity brought the Nazi German economy to the point of internal crisis in 1936 such that two divisions of French troops walking easily over the French border into the Rhineland (in response to Hitler's desperate violation of the armistice agreements), would have brought about the immediate total collapse of the Hitler regime.

Without German military conquests, Schacht's policy would have brought about immediate collapse of the German economy sometime shortly after 1936.

Thus, the first, immediate objective of Hitler's New York City and London backers was to stabilize Germany's external debt-payments, using the vicious Nazi machine of Adolf Hitler as the only existing instrument capable of delivering that result.

The second objective, openly mooted in leading U.S. circles from the 1936 Roosevelt election campaign, was the Atlanticist military objectives for their puppet, Adolf Hitler. (I, then a fourteen-year-old youth, vividly recall lead articles from my subscription copies of the *Pathfinder* of that year to this point.)

The key to Atlanticist military policies for their Hitler puppet is the Anglo-German Parvus project of 1915-1917. Certain forces among British Atlanticists had reached the conclusion that only the colonization of Eastern Europe, especially Russia, could provide a viable material basis for reviving the already-waning British Empire. Lacking the direct military means to accomplish this, the relevant British circles — with increasing concurrence from certain New York-based circles — adopted the policy of utilizing German military potential to accomplish British objectives. Thus, Parvus was successfully insinuated into the confidences of German intelligence beginning in mid-1915 — after unsuccessful earlier efforts to the same end.

It was for this reason that the French Army did not go into the Rhineland in 1936. It was for this reason that the Munich agreement — inexplicable from a military-strategic correlation of forces at hand at that time — was enacted; that Admiral Canaris was ordered not to proceed with his army project for overthrowing Hitler, and that the initial phase of the

Western Front War of 1939-1940 was described as a "phony war." It was because of Stalin's real, if foggy perceptions of this pattern that the Hitler-Stalin pact was adopted: Stalin, rightly fearing a joint Allied-Nazi War against the Soviet Union, attempted to place in Nazi hands the means for Hitler's turning first against France and Britain. This is not to imply that Stalin was anything resembling a genius in this matter: he was enormously credulous as the Tukachevsky affair illustrates. The fact is that the outlines of the plot were *that obvious.* Stalin's efforts to divide his opponents were also obviously a delayed reaction to the British and French allies rejecting the Tukachevsky plan and rushing into the clear signals of policy in the Munich agreement.

Weimar Germany and its fascist movements, originally created by Atlanticist intelligence agencies working through the Occupying Powers in Berlin, did not come to such a posture accidentally. From the beginning of 1919, at the latest, as today, Atlanticist policy for Germany was to use that nation as a gambit-pawn of "forward defense" for containment and invasion of the Soviet Republic. This project proved unfeasible during the immediate post-war period, and thus was deferred without being abandoned. The basic British policy as embodied in the essential points of the Parvus plan, have never been abandoned since by the hard-core of Atlanticists.

This is not to imply that the immediate current objective of Rockefeller and his allies is an actual invasion of the Soviet Union. As the Schlesinger Doctrine appropriately emphasizes, Rockefeller's immediate military objectives re a crushing of all political opposition to his fascist economic schemes within both the advanced-capitalist sector and the developing sector. The danger of general thermonuclear war during either the immediate weeks ahead or no later than the summer of 1977 arises, first, because Rockefeller envisage a 1962-style capitulation of the Soviet leadership to a thermonuclear showdown as the most efficient means for terrorizing Western Europe and the developing sector into total submission; and, second, because Rockefeller and other circles foresee that 1977 is the last possible opportunity for a successful thermonuclear showdown with the Warsaw Pact. Because those Rockefeller forces are maddened by their current financial desperation, they are acting as blinded lunatics to the fact that any such confrontation as they propose inevitably means immediate general thermonuclear war.

Thus, from 1936 onwards Atlanticist Nazi policy shifted to a posture of using Hitler as a "Breakaway" or "outlaw" ally — just as the Rand Corporation has proposed to employ Israel's Dayan-Peres and South Africa's Vorster of today. Hitler, militarily contained in the West, was to solve his internal economic problems by looting in the Balkans and to the East,

and, after the attrition of fighting a war against the Red Army, both the Nazis and the conquered Soviet Union were to be subjected by the waiting Atlanticist military forces and their credulous French allies. (The Maginot Line was not merely a piece of military-strategic stupidity among relevant French military and related circles: it was the replacement of policy of preventing German military revanchism — the policy of Clemenceau, et al. — by a policy of permitting Hitler to re-arm within a Western-fixed containment.)

As we have emphasized in other treatments of this general problem of Nazi World War II policies, the Atlanticist creation of the Nazi Frankenstein as a military power in Germany produced a monster which could no longer be controlled as a mere puppet of the sponsoring New York City-based and London-based Atlanticist forces. Hitler, from mid-1940 onwards, became visibly a greater danger to Atlanticist power than the conquest of Russia represented an urgent material necessity for those same Atlanticists. Hence, the abrupt mid-1940 change in Atlanticist policies leading into the later developments of that war.

Once Schacht and his Atlanticist backers had created the Hitler-pest on the basis of Schachtian monetary policies, the sequelae, including the slave-labor death-camp systems, followed as inevitable, rigorously-determined consequences of Schacht's monetary policy. To support Schacht's monetary policy, which requires then as now a certain type of political regime, is to commit oneself to the same and worse crimes which the Nazis accomplished during the period following Schacht's formal degradation — for reasons of incompetence — from power.

Why Bankers Become Fools

In such exemplary cases as Nelson A. Rockefeller, we are encountering men who are flagrant liars, and whose stupidity is matched only by their lack of human moral criteria and impulses. Nelson Rockefeller and his sort are moral lunatics, to whom no monstrous crime against humanity is forbidden by conscience. Among many West German bankers, industrialists and other relevant present sympathizers of the Hitler-Schacht policy revival, we encounter a somewhat different sort of moral-intellectual problem. These frightened men and women, caught between their cultivated horror of Soviet tanks and their greater fear of New York City, are hysterically evading their consciences' voices because: (a) they believe that a Hitler-Schacht monetary policy is the only choice available to them; and (b) they desperately and probably devoutly wish that somehow there might not be a rigorously necessary connection between such monetary policies and the "terrifying goals and worst instruments." They, like some other former liberals in New York banking circles, and certain Jewish circles around the American Jewish Congress, are acting today like so many Germans of 1933-1945 because — in part — they

cannot understand the actual nature of and available solutions for the current global capitalist monetary collapse.

Like most capitalists and pro-capitalists, these unfortunate people are supporting fascist global policies and adventures because they do not understand the *ABC's* of capitalist economics. Thus, they fall into the wake of fascist Milton Friedman and Atlanticist ex-liberal Abba Lerner as admirers of the swindler Schacht.

I must temper my judgement of today's leading West Germans in light of what I know to be the foreign pressures acting upon them, including certain manipulations of the neurotic hysteria on the "Russian question" radiating into that population from among both about 20 millions post-war immigrants from the East and from the families of those who believe that their fathers probably committed some mysterious horrors on the Eastern Front during the last war. It is typical, for example, to hear a German of today closing out the facts of Dresden, Hamburg, Bremen and so forth with the hysterical observation: "But, that time, we were on the wrong side." The Atlanticists' approved doctrine for West Germans is a focus on the terror of the enraged Red Army troops who moved into Hitler Germany at the end of the war — after having passed through the Eastern European areas recently occupied by the Nazi machine. The West Germans — according to approved Atlanticist Doctrines — are supposed to forget that it was Schacht and Hitler who brought these horrors upon them, and that it was the Occupying Powers who created such postwar horrors as the "Turnip Winter" of starvation. I, for one, will not fall into the obscenity of national chauvinism on this issue. The source of this horror is not Helmut Schmidt, and so forth, but Nelson Rockefeller, David Rockefeller, John D. Rockefeller III, George Ball, John Connally, Ray Cline, Jacob Javits, Marcus Raskin, Ronald Reagan, Henry Kissinger, James Schlesinger, and so on.

If we of the United States eliminate the power of the Atlanticist fascist monsters at home, and free West Germany from that pressure, then I am confident of positive developments from within West Germany — the same developments which were predominant prior to the Rambouillet conference of last November.

If the Paper Evaporated ..?

Any intelligent working man or woman can quickly understand the basic proof of the widespread stupidity now prevailing among bankers and most politicians. The following illustrations make the essential points.

First, let us imagine — *only imagine* — that all paper representing financial debt were to be repudiated across the board, leaving only equity titles to factories and so forth with legal authority. With the real economy remaining in legal force, would there be



“... and now, in all its classic simplicity, the style I introduced in the 1930s...”

a comprehensive solution to the current depression? Absolutely, no real problem would be in the way of not only total recovery, but of the greatest economic boom in world history!

Economics is fundamentally based on the matching of productive capacities (farms, mines, factories) and channels of distribution with productive labor. To put an existing economy into continued motion it is merely necessary to match total personal income payments with personal consumption commodities production, and to expand total production beyond that amount for the purpose of producing capital-investment commodities. Given existing capacities and also the immediately realizable means for modernizing and expanding capacities in agriculture, mining, other extraction and industrial production, even with the obsolescence and related ricketyness of much of our productive capacity, we have the physical capacities necessary to launch the greatest production expansion in world history.

If, then, all existing debt paper were invalidated, it would be no principled difficulty to establish a new

monetary system on the basis of credit issued for discounting and rediscounting the relevant production orders involved in getting production under way again.

That solution to the current world depression is entirely practicable, and, moreover, is the only type of solution for the present crisis. Why, then, is it not under way? Why must production continue to collapse in the face of growing material want? Why are so many sections of basic industries collapsing under obsolescence and lack of proper basic maintenance? Why are real incomes collapsing? Why are basic medical and hygienic services being cut, even at a time which a global biological catastrophe has begun to emerge? Given the fact that a direct and practicable solution to all these problems immediately exists, is not the current policy of the U.S. and other culpable governments not essentially insane and even criminal in implications?

In part, the source of the difficulty is the willful wickedness of the leading Atlanticists. In part, it is

also a fruit of the mere ignorance of the ABC's of economics among most leading circles.

To state the same point in other words: The delusion prevails among professed economists and others that the system of paper values directly corresponds to some essential reality of capitalist economy. This delusion persists, even to the point of hysterical obsessiveness, and even in the face of the sort of illustration we have given above. What these foolish, miseducated officials and academics refuse to understand is that, defining a capitalist economy as capitalist ownership of the institutionalized means of production and distribution, it is quite feasible to wipe out entire masses of debt-holdings and other secondary and tertiary papers, and to create quickly entire new credit and monetary super-structures — monetary systems — essentially by a willful act of governments.

Keynes and Schacht

It is relevant to this point to note that numerous governmental and other officials lately emphasize the fact that the principal source of increase in the number of professed devotees of the fascist Schacht is from the ranks of formerly liberal admirers of the British monetarist John Maynard Keynes. The profascist Milton Friedman of Chicago, the advocate of current Brazilian and Chilean fascist economic policies, could scarcely be termed a former liberal, and was rightly held in contempt for his lack of mental powers by such leading Keynesians as Mrs. Joan Robinson. However, Rockefeller protege Abba Lerner, despite his close association with the wretched Sidney Hook, does have credentials as an official Keynesian and former liberal, preceding his present admiration of the fascist Schacht and his notorious admiration for the Brazilian model. Recently, the number of Keynesians who have gone over to open support of Schachtian fascist monetarist doctrines has significantly expanded.

This susceptibility to fascist monetarist doctrines among Keynesians is not accidental. Despite secondary differences in derived aspects of their doctrines, Schacht and Keynes proceed from the same axiomatic assumptions, and reflect the same utter ignorance of the existence of a real economy underneath the chain-letter nonsense of a monetary system without a controlling gold-reserve-ratio. Whenever the point is reached at which a Keynesian monetary system becomes bankrupt in fact, Keynesians tend to become Schachtians and to reject their former liberalism for fanatically fascist views.

It was not irrelevant to the popularity of Keynesian views among former academic circles that these delusions were most readily accepted among paper-shuffling bureaucrats and among overaged college students who have never performed a productive day's labor in their life.

The industrial worker, the farmer, knows that his labor transforms certain raw materials and so forth

into a finished material product, a part of the total spectrum of produced tangible wealth on which the material existence of the economy and its population depends. The service worker, the truck driver, the railway worker, the airconditioning installer, and so forth, also has a sense of getting things done and making things work. Consequently, even though such strata of the population may become infected with popularized monetarist nonsense through school and ignorant press reports or through the speeches of political windbags and bankers, underneath these induced illusions, people who perform productive labor and useful services as a way of life have a basis in personal experience for understanding a real economy.

In contrast, consider the case of the college student who goes directly to college from a pampered suburbanite household, and who then becomes a professor or some sort of paper-shuffling bureaucrat. These, not astonishingly, are the layer who talk most freely of the "lazy workers" in today's steel and auto factories, like the drunken, overpaid tourists, who after rolling in the fleshpots of Italy's "La Dolce Vita" circuit, return to the U.S. and various European cocktail circuits to confide that the "problem with Italy is..." What do such people, sipping their cocktails and nibbling hors d'oeuvres at business luncheons, suburbanite cocktail parties, faculty meetings, and Rockefeller-sponsored foundation or commission meetings know of real economy? To such people, reality, what seems to measure success or failure in their petty lives, is the shuffling of paper, the ritual repetition of approved verbal formulae, the shaping of ignorant prejudices. Like the wretched Rand Corporation "linguist," Noam Chomsky, the "science" symbology of paper, is the only reality which exists for them.

The first principle of real economy is the increased production of tangible forms of useful wealth. If the total of this wealth produced permits an improvement in the existing prevailing standards of personal consumption and leisure opportunities for the entire population, and suffices to maintain and improve agricultural and industrial productive capacities, then society is on a stable basis. Any increase in usable forms of tangible output above such requirements represents an absolute profit to the society, the margin of increased profit which makes the capitalist system function when it is properly functioning. If the rate of output of wealth falls below such requirements, then society is not producing any profit, and is headed for disaster.

This increase, as any skilled worker or farmer knows, is based on advances in technology, which, in turn, are subsumed by advances in scientific knowledge. Furthermore, the object of sane economy is to increase the margin of absolute profit of the whole society while at the same time advancing the standard of average personal consumption and leisure.

This is done by introducing relatively advanced forms of productive technology in such a way as to increase the average productivity of production as a whole. This same approach enables society to supersede its dependence upon depleted natural and other resources by shifting to new kinds of resources.

Any economic or monetary policy which furthers such objectives is more or less sound; any monetary policy which does not satisfy such criteria is incompetent, and ultimately downright insane. If the existing monetary system does not permit the indicated sort of policies, then that monetary system must be scrapped and a new appropriate monetary system established to replace it.

However, to the Keynesian or the degenerated Keynesian, the Schachtian, the existing monetary system, as represented by the existing mass of financial debt-obligations is what is primary. To the Schachtian, the economy is merely a means to serve the monetary system. Whereas to the point of view of industrial capitalism, the sane view shared by workers and farmers, the monetary system exists merely to serve the economy.

The Rockefeller faction among Atlanticists has two distinguishing features which make it particularly insane by disposition, and particularly, intrinsically fascist in its outlook. The distinction of the Rockefellers is that their orientation to production emphasizes raw materials, e.g. the simple looting of nature, while otherwise their approach and self-interests are purely monetarist in form: the transformation of paper assets into more paper assets. It is a historical fact that any aspect of

capitalist power oriented to the notion that raw materials represent the basis of wealth has a characteristic tendency to be ignorant of the realities of production and monetary policy generally. (This problem infects OPEC nations, to whom the magical transformation of a few dimes worth of petroleum at the well-head into ten dollars or more of commodity, through actually insane monopolistic practices, has made those OPEC nations in part so susceptible to manipulations by the Rockefellers and related interests.) Added to this distinguishing incompetence of the Rockefeller group generally, there is the past decade's emphasis on the purely monetarist swindle as the conception of wealth-production.

This ignorant, actually anti-human conception of wealth finds a ready audience among the flatulent, chair-bound paper-shufflers and windbags of the bureaucracy and academic faculties.

Thus, in order to attempt to save a bankrupt monetary system, the Rockefellers and their wretched camp-followers and other stooges are prepared to slash world production levels, unleash international waves of blind terrorism, use weather control and manufactured earthquakes as tools of political warfare against friendly nations, launch regional nuclear wars as a mere matter of political deployments, and to wipe out a major segment of the present world's population through diseases and wars, merely so that Rockefeller et al. will not have to suffer a loss of their bookkeeping wealth. Now, they demand Hitler and Schacht.

Why Schachtian Economics Must Lead To War

by Costas Axios

Introduction

March 12, 1976 — The Schachtian economic policies being enforced throughout the world by the Rockefeller-Harriman factions will lead to war by 1977 — if unchecked. The economics practiced by these Wall Street bankers is copied directly from the policies of the 1936-39 Nazi regime, the period in which the Nazis made an irrevocable commitment to go to war at the earliest possible date.

The core of Schachtian economics is what Karl Marx termed “primitive accumulation,” or the accumulation of “relative profits” at the expense of net absolute profit. Society’s net social surplus for further development is driven down to zero level. Each successive production cycle is characterized by contraction and dilapidation of the fixed, circulating, and variable capital of society up to the point that the labor process enters an irreversible phase of collapse. The death knell for the human race is sounded at the point that the stripping-down of all historically created wealth for the purpose of financing overbloated “debt” leads to the creation of “surplus population” which is ultimately disposed of through the “Auschwitz process” or through “natural” extermination via plagues and ecological holocaust.

Before that point is reached, today’s Schachtian financiers would be compelled to go to war with the Soviet Union, even with the foreknowledge that such a war would lead to their own physical destruction. Like the Nazis before them, when the internal limits of looting have been exhausted and the entire edifice of finance capital faces a breakdown, they would have to launch a desperate nuclear war against the USSR.

The Wizard

The attractiveness of Schachtian economics to finance capital is based on the myth that Hjalmar Schacht — the Brooklyn-born Finance Minister of the Third Reich — “solved the depression in Germany.” Hjalmar Schacht’s short-run stabilization of paper holdings through the issuance of “MEFO credit bills” is taken as a brilliant feat of economic wizardry that shows the way out of a depression.

In reality Schacht’s “new economics” presented a sharp break in the history of capitalist accumulation. Whereas primitive accumulation has always been an essential “marginal” feature of industrial-

capital out of working-class incomes (without which the industrial revolution and the great technological developments would not have taken place), it was nothing more than marginal in relation to the expansion of social surplus through the revolutionizing of the mode of production, and the creation of a universal working class whose rising quality of material life allowed it to conceptualize and assimilate new technologies. Schacht’s accomplishment was to make this margin the crux of the Nazi economy by concentrated and centralized looting of both the working class and industry. This policy of *negative investment*, far from solving anything, can only intensify the crisis, since any accumulation of capitalist paper is based on a breakdown of consumption and production. To the extent that war production is looked upon as an axis for accumulation, society is thrown into further collapse, since this production has no reproductive value and cannot be realized by society for further production.

The Police State

The modern day Nobel Prize winners in “economics,” flunkies of Wall Street, have been lecturing that one must not throw out the baby with the bathwater. Even the Nuremberg Tribunal which condemned relatively minor mass murderers to execution, vindicated Hjalmar Schacht and found no connection between his economic policies and the 100 million deaths that were caused by those policies. But as Schacht himself knew extremely well, there can be no Schachtian economics without a terror apparatus — without a Nazi Party — to enforce such a program on workers and capitalists alike.

To separate Schacht’s economics from the Nazi Party is like advocating a “pure idea” of parking meters while polemicizing against the intolerable system of police, meter maids, parking tickets, tow trucks, courts and ultimately jails — which not accidentally ensure that the pure idea gets realized into several million dollars each day! Schacht was a die-hard Nazi and did nothing else from 1931 to 1933 but organize internationally among financiers to bring the Nazis to power as the *sine qua non* of his program. Anyone who today advocates Schachtian economics is a criminal under the Nuremberg statutes — he is advocating a policy of fascism and genocide.

War in '77

The dominant Harriman and Rockefeller Schachtian factions are now *irrevocably* committed to going to war by the middle of 1977 or at the latest by very early 1978. From the spring of 1974 to January 1976, the world was brought several times to the brink of thermonuclear war as the then-predominant Rockefeller faction — faced with the imminent collapse of Chase Manhattan and its subsidiaries — opted for a policy of immediate confrontation with the USSR. The purging of Schlesinger and Colby, followed by the cooling down of the Middle East nuclear war trigger, took off the immediate war pressure. The consensus among Wall Street patricians at that point was that Rockefeller, proceeding from a narrow perspective, was about to endanger the entire imperialist system by engaging in a premature nuclear war. Central to this estimation was the well-known fact that the Rockefeller-Schlesinger war strategy to use Europe as a nuclear theatre was gambling on the presumption that the Warsaw Pact would be so stupid as to engage in a tactical nuclear war in Western Europe.

While some might delude themselves into believing that the Harriman faction represents a sane policy of debt collection short of nuclear war, the reality is that Harriman, et al. are now churning out policies that make no sense whatsoever except from the standpoint of war in 1977 under conditions which they believe would give them a winning capability.

Big MAC — A Turning Point

The turning point came last year with the creation of Big MAC in New York City, and more significantly the unanimous decision of all finance capital factions to secure Federal guarantees for Big MAC paper. The decision to prop up the unsalvageable and fictitious New York debt through a Big MAC solution goes to the very heart of Schachtian economics.

This was followed up early in 1976 by the "Guns, No Butter" budget of the Ford Administration and the full-scale mobilization in Western Europe to implement the conventional arms build-up program of the "Tindemans' Plan." The Big MAC program for worldwide debt collection and the arms program, taken together are precisely the Krupp-Farben-Hitler policy of 1937.

Big MAC was organized by the Rockefeller banks at the point that New York City was about to default. A dummy corporation was created, headed up by Felix Rohatyn of Lazard-Freres investment house, which received paper credit from the banks to "buy up" worthless New York City securities; this issuance of credit was in turn "guaranteed" by the printing presses of the Federal government. On top of the old debt service that the city could not pay, new debt service was added while at the same time, genocidal cutbacks in services, layoffs, increases in taxation and wage cuts, were enforced. As a result cancerous

debt service payment on fictitious paper has accelerated exponentially at the expense of real production and human life.

Taken on a world scale, the global Big MAC solution is a plan to collect on \$800 billion of outstanding dollar denominated debt in precisely the same manner. There is a point, however, where the collapse in production can no longer service debt — without recourse to outright fascist police state reorganization. Even after such reorganization the more intensified looting exacerbates the problem to the point of a total breakdown.

The Harriman strategy is to bring such fascist regimes into being both in Western Europe and the USA as temporary "breathing space" which would give them time to launch a massive arms production program to prepare for a final confrontation with the USSR. The leading exponent of this strategy is Paul Nitze, the former Undersecretary of Defense, who is advocating a "war winning capability" for 1977. Rather than relying on Soviet gullibility, Nitze and his co-thinkers advocate strategic war combining conventional and nuclear weapons with special emphasis on a "draw" or winning "second strike" capability. Under present conditions of stiff European resistance to the Tindemans Plan, the Harriman faction understands that the only way to get Europe to fall into line for such a stupendous arms buildup and war posture would be through the imposition of fascist states between now and the summer.

An analysis of the 1933-36 and 1936-37 policies of the Nazi Reich shows precisely how this process works.

The Schachtian War Reich

First, it is essential to point out that the economic policies of the Third Reich had absolutely nothing to do with the Nazi Party itself. Up to 1937, the Nazis were not allowed into the Economic Ministries whose doors were carefully guarded by Hjalmar Schacht. The Nazis were brought to power and financed by the Morgan, Rockefeller and City of London financial interests, and it was these interests who selected Hjalmar Schacht as the uncontested "economic dictator of the Reich" in 1934.

Schachtian economics was already being introduced under the Bruening and von Papen regimes of 1932-33 both of which reduced wages by approximately 40 per cent, tore up labor contracts and practiced looting through edicts and decrees. Both of these governments, however, were transitional regimes, restricted in implementing a long-range Schachtian program by organized working class resistance. From 1931 onward, Hjalmar Schacht resigned from his post at the Reichsbank, and devoted himself to bringing an organized army of brigands and thugs into the government. The desperate Nazi Party, which was composed of bankrupt petty-bourgeois and lumpens, was held together by financial contributions from New York

and London conduited through Schacht.

Once the Nazis were brought to power, the lumpen brownshirt battalions of the SA were let loose against the working class organizations. Within a four-month period, these organizations were thoroughly destroyed. After this task was accomplished, the entire workforce was cycled and recycled in slave labor employment, in the same fashion as is now being done in Brazil. Within an 18-month period, the *maximum* working class standard of living had been fixed at 10 per cent below the *deep depression levels* of 1933, while essential social services and consumption items available in 1913 were no longer obtainable.

Schacht's Program

Once the Nazi Party stabilized the situation and through the 1934 Night of the Long Knives purged itself of "radical elements," Hjalmar Schacht was appointed as the real dictator of the Reich. Schacht made sure that the only Ministries that the Nazis were allowed into were those directly related to police enforcement such as the Gestapo and the Nazi labor Front.

Schacht's program for strategic "recovery" had four distinctive features:

(1) Maintain working class consumption below 1932-1933 deep depression levels (levels which were far below those of 1913) while increasing speedup and lowering all impediments to "productivity" such as health and safety at the workplace. Included in this were "public works" projects which used labor intensive methods and paid almost no wages at all.

(2) Looting of trading partners by maintaining the mark at an overvalued parity while the raw material exporters of the Balkans and the Third World had devalued by about 80 per cent. This tactic was made possible only because the London and Wall Street financiers allowed Schacht to "nest" in their domain.

(3) Issuance of new "Mefo Bill" credit by the Central Bank for useless arms production. Like Big MAC a dummy corporation was created by the Central Bank and the four leading arms producers (Metal-Forschung GmbH) which paid for war production through these pieces of government-backed paper. The government in turn pledged to secure the loot to cover this new credit through its newly obtained police powers.

(4) Centralization of all credit in Germany to maintain profitability of the "Mefo" process. Municipalities for instance were not allowed to invest in maintaining services, recreational facilities, and health-education standards. Credit for new investment in productive plant and equipment was forbidden. All available liquidity — i.e., unemployment funds, health and pension funds, municipal treasuries — were looted to shore up Mefo Bills. (This is the model that Representative Henry Reuss (D-Wisc.), chairman of the House Banking Committee, has used in drafting his corporate and banking reorganization "F.I.N.E. Bill" for the "centralization of credit.")

The issuance of new profitable paper was based on successive increases in the "margin" of loot secured from the domestic working class and, to a lesser extent, from Schacht's swindled trading partners, while simultaneously consciously restricting and in fact looting production.

The End of the "Upswing"

The great printing press recovery, the famous Schachtian "upswing" came to an end by 1936 when once again the entire German economy was on the verge of collapse. Inside Germany, new credit based on contraction of real production led to explosive and lawful hyperinflation. Throughout that year, panic spread among the industrialists who became terrified that their neatly engraved Mefo bills (like the current Big MAC Bonds) would go down in another financial collapse. Schacht demanded that there be contraction in credit, and proposed that more loot be obtained through more intensive squeezing of working class incomes.

The Nazi industrialists — Krupp, IG Farben — proposed that more credit be issued for war production! The policy for Germany became the slogan "Guns, No Butter!" To Schacht's query, "where would the real booty come from to shore up this paper expansion?" the industrialists replied, "through WAR!" Krupp and Farben decided to extend Schachtian economics to workers and capitalists of other countries.

The policy adopted in 1936-37 was based on a perspective of going to war at the point where the internal limits to further looting had been exhausted. This policy was worked out with London and Wall Street who promised to adopt a non-interference posture since their own strategic plan for recovery was to loot the Soviet Union. In this respect, they encouraged the Nazis to launch the first strike against the USSR.

It must be emphasized that the policy adopted committed Germany *irreversibly* to war in the same way that the global Big MAC of today guarantees war within a year's time.

The Insatiable Monster

By 1937 this policy brought the German economy to a breaking point. The hyperinflation became the butt of popular jokes. Banana republics in Latin America were refusing to export commodities unless Schacht paid them in hard foreign currency. The entire credit edifice was about to collapse. At that point, the Nazis invaded Austria, or to be more precise invaded the central Bank of Austria and seized all of its foreign reserve assets — while industrialists scoured the Austrian countryside seizing machinery and entire plants for export to Germany. This process was repeated in Czechoslovakia and later after World War II began in the Low Countries and France.

By then, the Nazi industrialists no longer required Schacht's services. He was removed as economic czar, and resigned as head of the Reichsbank. The

Germany's War Production and the Nitze Blitzkrieg

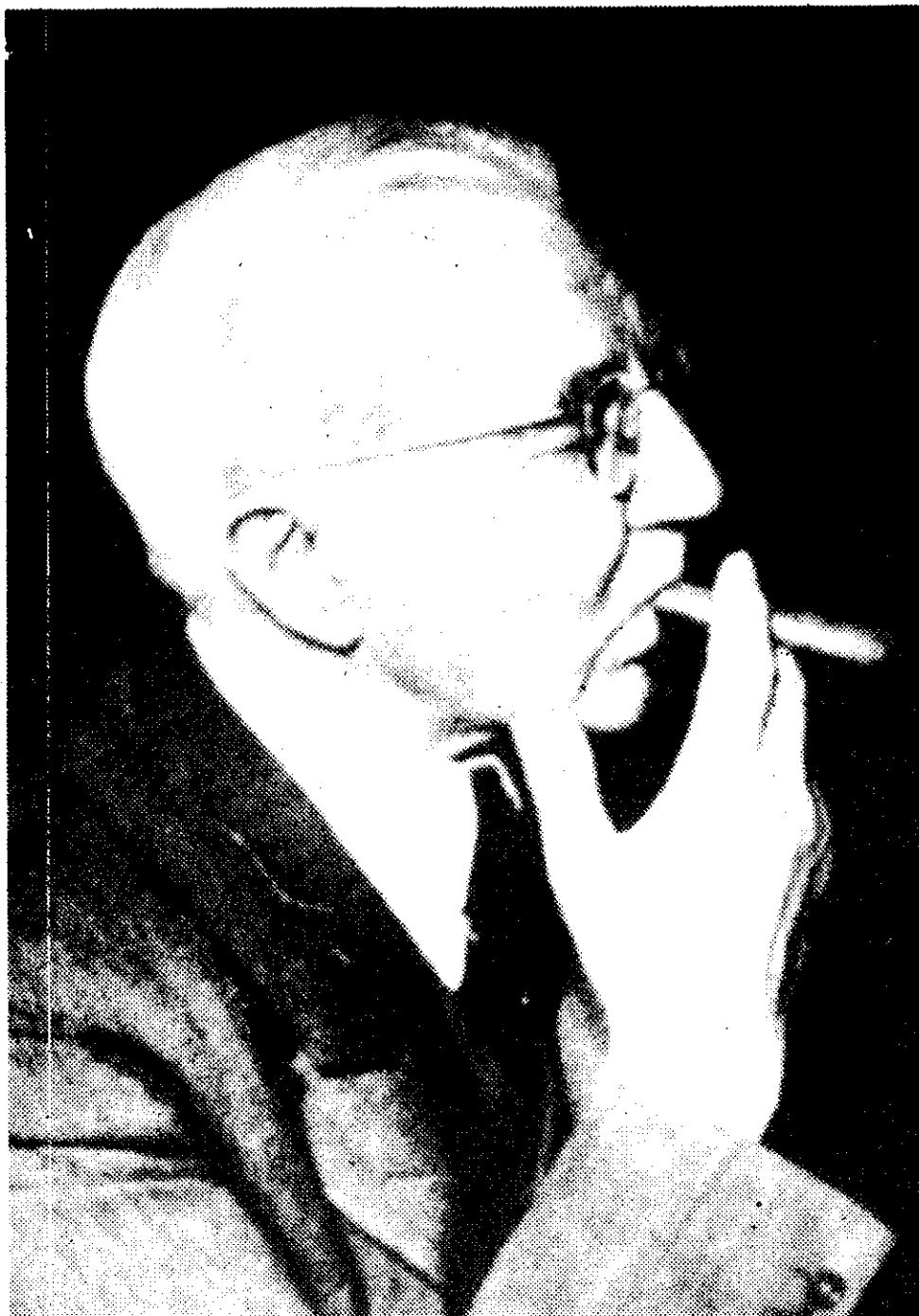
Competent military strategists may dismiss "war in 1977" on the grounds that such a war could not be won. Dr. Malcolm Currie, Director of Research and Engineering at the Defense Department, said at a press conference recently and repeated in an interview that the Soviet Union has prepared its defenses with the aim of winning such a war if it were provoked; furthermore Dr. Currie stated, the Soviet Union, through the development of fusion power research, probably now possesses the technological edge to win such a war if it were to be unleashed in 1977.

The point is that when dealing with the Rockefellers, Harrimans, et al., we are not dealing with a sane species but a crazed specimen, like the Nazi industrialists of 1936 through 1944 who had to go to war to maintain the Mefo-Big MAC Golem.

A full analysis of the present military budget of the U.S. government which will be made in a following issue of this paper shows that the present military budget makes absolutely no sense except from a 1977 war perspective. Any perspective beyond 1977 would have to entail massive expenditures for civilian research and development of fusion technology — beginning now. The present budget is characterized (as Dr. Currie admitted in an interview) by drastic cuts in further fundamental research, in favor of more quantity production of existing gadgetry. These gadgets produced in quantity are the "Wunderwaffen" ("the wonderweapon") of the Harriman-Nitze strategy, which again is a copy of Nazi strategy throughout World War II. In other words, the Harriman-Nitze group is planning for one-shot "Blitzkrieg war" in 1977.

Nitze's testimony before Congress two days ago where he once again advocated the building up of an "assured second strike capability" (including his hysterical proposal that underground tunnels be built in the U.S. deserts for "movable missile sites") and a U.S. buildup of the "cruise missile" and the B-1 bomber, make it absolutely clear that this arsenal is meant for the coming year.

The popular myth of the great Nazi war machine is precisely that — a myth. The Nazis in their arms-buildup after 1936-37 developed what has been appropriately called "arms production in width." This plan was based on a strategy of lightning *tactical* wars of short duration. Germany never attained and could never reach the levels of the serialized mass weapons production of the U.S. and the USSR for the simple reason that successive waves of looting had thoroughly depleted German plant and equipment and its workforce. Technologically Germany was far behind every other power in the war, the most indicative example being the British early warning radar system which German "scientists" were never able to come up with.



Nazi Finance Minister Hjalmar Schacht.

Wehrmacht and the SS could be relied upon to implement the industrialists' looting policies.

Wall Street and the British suddenly became terrified of the Golem that they themselves had brought into being. Suddenly it dawned upon British Prime Minister Winston Churchill that a Nazi economic monster had been created with an appetite for loot that could never be satiated. The more the Nazis looted Europe, the more they undermined society's productive infrastructure, the more they were forced to target new areas for looting. Suddenly and abruptly the London and New York bankers were forced to reverse their strategy and ally against the monster process they had unleashed on Europe.

The crazed Nazi industrialists ended up lawfully with an Auschwitz-Dachau concentration camp system which was the lawful expression of their broader policy of thoroughgoing primitive accumulation. The concentration camps were the new model factories of the Reich where "surplus population" was brought to work in the arms industry at minimal cost, and then after the body collapsed, recycled as "raw material" — gold teeth, hair, skin, etc. — for the killing industry.

This is the real "upswing" being proposed by Rockefeller and Harriman with their Big MAC solution.

On a very narrow technological base, the Nazis would shift labor and resources depending on what type of war was to be fought. The attack on France, for instance, proceeded with a shifting of manpower and resources to tank production; while the attack against Britain witnessed a shutdown of tank production for aircraft manufacturing and sea-landing craft.

Germany in the Second World War, despite its looting of all of Europe, and despite millions of slave laborers — was never able to reach or even come near its production quotas of the First World War. German steel production never reached the level of 1913! The German workforce after Schachtian looting was far, far inferior in quality to its World War I counterpart.

After 1941, the Nazi economy again reached a breaking point. It could not supply its troops on the Soviet Front without reorganizing the entire economy along the top-down model proposed by the man who managed Nazi war production, Albert Speer. The economy was run on looting and slavery and “flying squads” of technicians who would reallocate dwindling raw materials, spare parts and scarce skilled labor to choke-Breakdown points.

As even this process broke down, the crazy Nazi industrialists began to place more and more hope on gadgetry or the mystical Wunderwaffen. The tanks now being proposed for West Germany by Porsche, the “super tank,” are the same one that Porsche’s father produced for the Eastern front after Stalin-grad. All of this belief in gadgetry was a hysterical device to block out the fact that Germany’s depleted economy could not invest in machine tools, serialized production, and new technological research.

The Harriman faction is now proceeding along the same path with its Mefo process and its commitment to a “quickie” blitzkrieg against the Soviets in 1977. They have unleashed the same Golem which they created in Nazi Germany — with its irrevocable consequences.

The only difference between now and then is that they have not yet put fascist machines in power and therefore the working class still has time to reverse the process through the implementation of debt moratoria and development policies. Short of this, there will be fascism by summer, and thermonuclear war by winter.

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