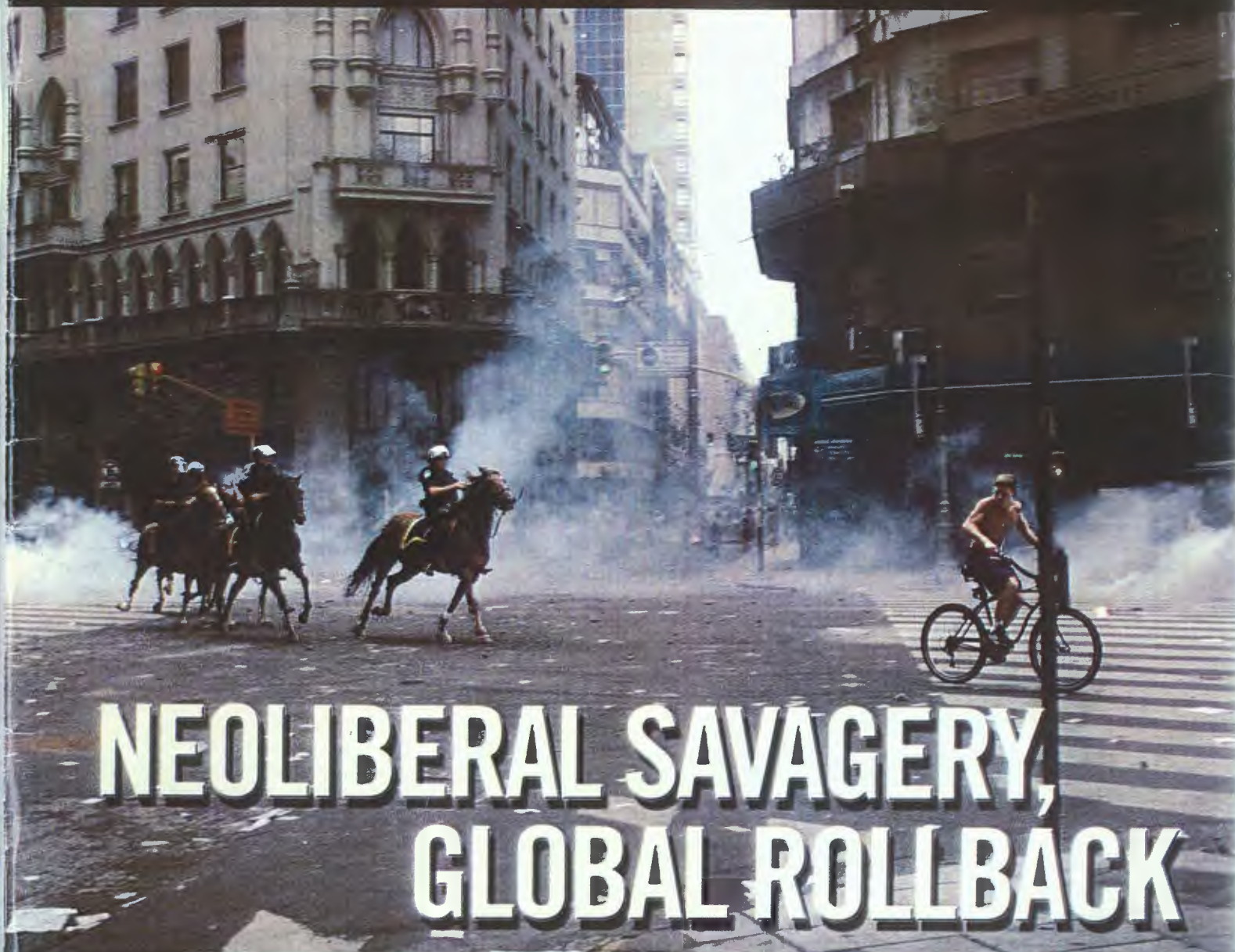


Number 72 • Spring 2002

CovertAction

QUARTERLY



NEOLIBERAL SAVAGERY, GLOBAL ROLLBACK

Palestine Iraq Argentina Venezuela
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Editor's Note: as we were going to press, President Hugo Chavez was overthrown and reinstated. We were doubly fortunate: Chavez remains, and we have obtained the following firsthand account.

Caracas, April 14.

We are students of contemporary Venezuelan politics, living in Caracas in order to observe directly what is happening here. We predicted an attempt by the Venezuelan oligarchy to overthrow the elected government of Hugo Chavez (see p. 12), yet we were caught by surprise when, on April 11th, a cunningly orchestrated coup d'etat unfolded before our eyes. As suddenly as the coup, came a reversal of the situation: the people of Caracas rose up and the forces behind the coup suddenly collapsed. The progressive sector of the Venezuelan military decided not to back the self-proclaimed "provisional government." Within 48 hours, Chavez was released and he and his ministers were back in power.

As we write we hear people outside cheering and yelling "Chavez has returned!" Although we're relieved, we're also acutely aware that the danger has not passed, for the

(Continued on pg. 5.)

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Cover: Buenos Aires, December 20, 2001. A scene illustrating the attempt by mounted police to empty the historic Plaza de Mayo, where the Government House, commonly known as the Casa Rosada (Pink House) stands. Angry demonstrators had been repudiating the state of siege decreed the previous night by then-president, Fernando De La Rúa. Photo credit: Axel Laveglia.

Back Cover: Caracas, March 3, 2002. President Hugo Chavez addresses a crowd at the shantytown of Petare. Photo credit: MiraPress.

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Police Violence in Seattle

THE LEGAL COUNTERATTACK

George Hickey

November 30, 1999, at the "Battle in Seattle," tens of thousands of nonviolent demonstrators were in the streets of downtown Seattle to "shut down the WTO." Thousands of these demonstrators were tear-gassed by the police; hundreds were pepper-sprayed; hundreds were shot with rubber bullets; and hundreds were unlawfully arrested. On the following two days, December first and second, the City declared a "no protest zone" in downtown Seattle resulting in the arrest of hundreds more nonviolent demonstrators. The number of demonstrators whose constitutional rights were violated by the city of Seattle and the Seattle Police Department (SPD) must be in the thousands. All of these demonstrators had the right, and good cause, to seek justice by filing lawsuits against the city of Seattle and its police department. Unfortunately, very few of these victims bothered to file such suits.

Following, beginning with my own story, are brief descriptions of what happened to a few of the participants during the demonstrations, and the results of the lawsuits that we filed.

I'm a freelance photographer. At 10:00 a.m. on the morning of November 30, 1999, I walked to the intersection of Sixth and Union in downtown Seattle. As at the other downtown intersections I had visited and photographed over the previous three hours, there were hundreds of nonviolent demonstrators in the street. Dozens of demonstrators were seated in the street facing a line of SPD officers wearing riot gear and gas masks. I showed my SPD-issued media credentials to one of the officers and requested that I be allowed behind the police line to take photographs. He denied my request. Seconds later, without warning, the police began hosing down the seated demonstrators with pepper-spray from large containers that resembled fire extinguishers. I immediately began shooting photographs. Alerted by my camera flash, one police officer turned and sprayed directly into my camera, soaking me in pepper spray. I captured the assault on film. After being sprayed I immediately turned away and fled into the crowd. The



Shooting this photo cost photographer George Hickey several minutes of blindness, an hour of severe pain and months of patient, careful litigation. It cost the taxpayers of Seattle \$25,000.

officer pursued me for several yards pepper-spraying me in the back of my head. In pain and temporarily blinded, I stumbled around in the crowd until a demonstrator took me by the arm and escorted me to a "medic" who flushed my eyes out. After about an hour I was able to return to taking photographs.

In January 2000, I filed a lawsuit against the City and SPD in federal court for violating my First and Fourth Amendment rights, and for assault and battery. In the summer of 2001, Seattle paid me compensatory damages in a cash settlement of \$25,000. At that time it was believed to be the second highest settlement ever paid in a pepper spray case. The most compelling evidence was my photographs, and a videotape I had obtained from San Francisco video activist Mark Liiv of Whispered Media, showing the officer pepper-spraying me in the back of my head.

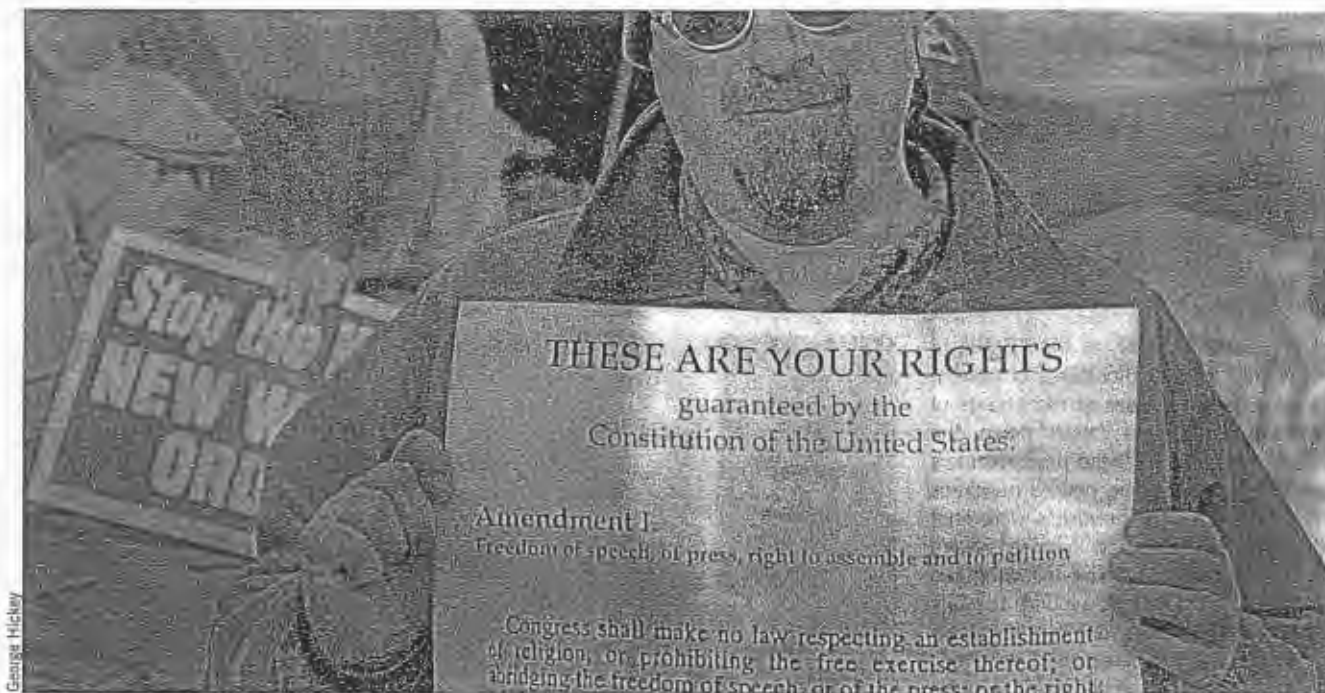
On the same day that I was pepper-sprayed, SPD officers, supported by other local police departments, forced a large group of demonstrators into the Capitol Hill neighborhood east of downtown using

tear gas, pepper spray, rubber bullets, and flash-bang grenades. Photographer Brad Howell was photographing the street confrontation from public property, the campus of Seattle Central Community College. To stop him, SPD arrested him for trespassing. Mr. Howell subsequently filed a federal lawsuit similar to mine. In the summer of 2001, the City paid Mr. Howell compensatory damages in a cash settlement of \$32,500. He also received a letter of apology from the Mayor of Seattle, and his arrest record was expunged.

Also on Capitol Hill that evening were two art students, Melissa Ann Benton and Shauna Lin Balaski. Seated in a car in a grocery store parking lot, they were videotaping the demonstrators and police when a King County Sheriff's Deputy approached

ABOUT THE AUTHOR

George Hickey of Presque Isle, Maine, has lived in Seattle since 1989. His photography focuses on social issues and appears in the Seattle alternative press, including Real Change, Washington Free Press and Eat the State. His \$25k photo appeared on the cover of CAQ no. 70.



Seattle, December 1, 1999, following Seattle Mayor Paul Schell's declaration of a "No Protest Zone."

their car and ordered them to roll down the car window. After they complied with his order, he doused them with pepper spray. The two women captured the assault on videotape that was later shown widely on local television. The two women filed suit against King County. In 2001, King County paid them compensatory damages in a cash settlement of \$100,000, believed to be the highest settlement ever in a pepper spray case. Their videotape of the assault was the crucial evidence.

On December 1, 1999, the City declared a "no-protest zone" in a twenty-five block area of downtown Seattle, barring demonstrators, but allowing shoppers and office workers into the area. At Westlake Center, in the heart of downtown Seattle, photographer Dana Schuerholz was photographing the mass arrest of seated nonviolent demonstrators when the police ignored her WTO media credentials and arrested her for "failure to disperse." This arrest was made despite the fact that a city ordinance exempts journalists from arrest for "failure to disperse" orders unless they are "physically obstructing" police officers. Ms. Schuerholz filed a federal lawsuit against the City and SPD. In the summer of 2001, she was awarded compensatory damages in a cash settlement of \$32,500. She also received a letter of apology from the Mayor of Seattle, and the City agreed to provide the officer who arrested her with a copy of the ordinance exempting journalists from "failure to disperse" arrest. The compelling evi-

dence in Ms. Schuerholz' case were photos she had taken, and a videotape of her arrest that showed she was not physically blocking police officers and was displaying media credentials.

Sharon Borgstrom was also arrested on that day. The Seattle Police Department cited her in police reports for participation in downtown incidents in which she was not involved. She received a cash settlement of \$32,000, a letter of apology from the Mayor, and her arrest record was sealed.

Still not settled is a federal class action lawsuit filed against the city of Seattle on behalf of hundreds of WTO demonstrators who were arrested. This lawsuit, filed by a team of prominent civil-rights attorneys in Seattle, argues that the City's creation of a "no-protest zone" on December 1 and 2 violated the constitutional rights of protestors.

All of the lawsuits detailed above followed the same path. First, the victims retained an attorney who specializes in civil rights and police misconduct. Many attorneys agree to work for a contingency fee of a third of any settlement. The typical case went like this: An attorney filed suit in Federal Court. The City responded with a small cash settlement offer. The plaintiff declined the offer and discovery began. Each side demanded information from the other that they believed relevant. Such information can include photographs, videotape, documents, and witness lists. The arrest record of the plaintiff, history of activist activities, and tax records were typically demanded by the City's attorneys.

Plaintiff's attorneys often demand such information as the training and disciplinary files of the police officers involved.

Discovery was followed by depositions taken by both sides. Attorneys from each side questioned involved parties from the other side under oath. A court reporter recorded everything.

After the discovery and depositions came mediation before a Federal judge. All of these cases were settled in mediation. Settlement amounts were a function of the strength of the evidence and the "presentability" of the plaintiff—i.e., how sympathetic a jury might be.

Although filing a lawsuit is not a painless process, it is my hope that these cases will encourage activists to continue the battle for social justice and free exercise of constitutional rights in the courtroom. Indeed, I would argue that we have a responsibility to hold this repressive government and its unlawful police responsible for their behavior.

When you participate in a street demonstration, know your constitutional rights. You can obtain palm-cards detailing these rights from civil rights organizations. Take along a camera and a pen and a notebook. Record the unlawful police behavior that you witness. And then, when the demonstration is over, get an attorney, file suit, and hold them accountable. Isn't this what we mean when we chant "Whose Streets? Our Streets! No Justice? No Peace!"

Forgotten Ties

CIA, ISI & TALIBAN

Hamid Hussain, MD

Events of the last few months have resulted in major political realignments on a global scale. The hunt for Osama bin Laden has focused world attention on war-ravaged Afghanistan once again. After the Soviet withdrawal in 1989, Afghanistan almost disappeared from the radar screen of the world media. This certainly does not mean that the interest of major parties involved in the area also diminished. Ten years of active involvement of intelligence agencies of various countries, along with pouring in thousands of tons of arms and ammunition and billions of dollars created a volatile cocktail which has already had very serious repercussions both for the players and the pawns.

Pakistan's direct involvement in Afghanistan affairs dates back to 1973 when King Mohammad Zahir Shah's cousin and Prime Minister Mohammad Daud overthrew him and became head of state. An Afghan Cell was then created in the foreign office. Prime Minister Zulfikar Ali Bhutto, Foreign Minister Aziz Ahmad, Director General of Inter Services Intelligence (DGISI) and Inspector General of Frontier Constabulary (IGFC) coordinated intelligence and covert operations inside Afghanistan. Over time this involvement became deeper and deeper with the result that ISI emerged as the main operator of Pakistan's foreign policy. Active cooperation of the CIA and acquisition of state of the art surveillance equipment has enabled ISI to make Pakistani society one of the most closely monitored in existence.

Jimmy Carter's national security adviser, Zbigniew Brzezinski, was the most active supporter of the Afghan Mujahedin. He convinced the National Security Council (NSC) in April 1979, about eight months before Soviet forces entered Afghanistan, to actively support the rebels.¹ In May, CIA Islamabad station chief John J. Reagan met Afghan resistance leaders and promised weapon supplies.² President Carter signed the first directive for secret aid to the Mujahedin in July 1979. It was during President Reagan's administration that large-scale operations in Afghanistan started. William Casey, chairman of Reagan's

election campaign, was made director of CIA with full cabinet rank. This unprecedented step gave the CIA director a seat at cabinet meetings for the first time. Robert Dunn was appointed the CIA operations chief for the Afghan war. Dunn had extensive experience in Pakistan as an instructor for Special Services Group (SSG), the elite commando unit of Pakistan's army and had close contacts with Pakistani army officers.³

By early 1983, Casey emerged as the major player in the Reagan administration's Afghan policy, just as the US was sinking deeper in the quagmire of Middle East politics, especially in Lebanon. Casey visited Pakistan once or twice a year to coordinate operations. During his 1982-83 trips, the participants of meetings included US ambassador Ronald Spiers; Director of Covert Operations for near and southeast Asia Charles Cogan; CIA Islamabad station chief Howard Hart; Pakistani President General Zia ul Haq, his Chief of Staff (COS) Lt. General K.M. Arif and DGISI Lt. General Akhtar Abdur Rahman.⁴ Billions of dollars passed through the accounts of CIA and ISI in the Bank of Credit and Commerce International (BCCI).⁵

ISI TAKES CHARGE

After the Soviet intervention in Afghanistan in 1979, ISI was assigned the task of running the Afghan operation. CIA would acquire weapons from different countries and deliver them to the Pakistani port of Karachi, provide intelligence and surveillance information about Afghanistan and arrange for specialists of guerrilla warfare from different countries to come to Pakistan. ISI was responsible for transport of weapons inside Pakistan, training of Afghan resistance fighters and coordination of operations inside Afghanistan. There was a general agreement between ISI and CIA about the nature and aims of the operations in Afghanistan. The objective was tying up the Soviet forces and bleeding them white. None of the parties was much interested in any negotiated settlement. The two-prong approach of providing maximum firepower to the Mujahedin on the military side, and

recruiting the most conservative and radical Islamists to counter the Soviets ideologically was agreed upon by both intelligence agencies.

The result of the policy was that the region was flooded with all kinds of weapons and the most radical Muslims from Saudi Arabia, Egypt, Algeria and all over the globe, who flocked to the training camps in Pakistan run by ISI. These recruits were ideologically charged with the spark of holy war and trained in guerrilla tactics, sabotage and bombings. The result was that all social and political institutions of Afghanistan were destroyed, leaving no mechanisms for conflict resolution. The orgy of slaughter and bloodshed, which followed the Soviet withdrawal, was the predictable outcome, as in the brutalized Afghan society, only the most radical Afghan and foreign elements remained. The strange partnership between poor, religiously educated, rural Taliban and Osama bin Laden, an urban, well-educated multimillionaire with highest-level connections to the Saudi royal family and the CIA, came into being in war-torn Afghanistan.

According to Brigadier Muhammad Yusuf, one of the former Chiefs of the Afghan Cell of ISI, "During my four years some 80,000 Mujahedin were trained; hundreds of thousands of tons of arms and ammunition were distributed, several billion dollars were spent on this immense logistic exercise and ISI teams regularly entered Afghanistan alongside the Mujahedin."⁶ Pakistan was under the military rule of General Zia. This assured that all vital decisions were made by a small group of senior army officers with no civilian input. Even in the military, the operation was solely run by ISI, completely out-

ABOUT THE AUTHOR

Hamid Hussain, a physician by profession, was born in Peshawar, Pakistan and practices in New York. He teaches at SUNY Stony Brook, and writes regularly on defense and intelligence matters for the Pakistan press. Contact the author at: humza@dnaimail.com

side the military's normal chain of command. "The result was that an intelligence organization with the primary role of intelligence gathering was transformed into a complex, highly centralized and personalized cartel, planning, organizing and executing its plans with no significant interaction with any other department of the state."⁷ General Zia and DGISI General

**LAILI HELMS, THE NIECE OF
FORMER CIA DIRECTOR
RICHARD HELMS, FACILITATED
CONTACTS BETWEEN CENTGAS,
THE STATE DEPARTMENT, AND
THE TALIBAN**

Akhtar Abdur Rahman were in full control of the Afghan affair at the highest level. In August 1988, when both of them died in a plane crash along with many senior Pakistani army officers and US ambassador Arnold Raphael, Pakistan's Afghan policy became less coherent.

ISI was single mindedly pumping more and more weaponry into Afghanistan. By 1986, the rate was 1,000 tons of arms and ammunition per week.⁸ In early 1989, after the Soviet withdrawal, CIA and ISI, confident of victory, embarked on an ambitious plan of conventional military assault. They chose Jalalabad to establish a foothold. The ISI high command with CIA help committed Mujahedin to a conventional military assault on Jalalabad garrison.⁹ This adventure was a dismal failure and the inevitable recriminations followed, with allegations of widespread corruption in the money and weapons pipelines and increased scrutiny by Congress, which resulted in a shakeup at the CIA Afghan desk.

Pakistan's military mission went to Washington to promote a new military and political offensive. This plan included the creation of a conventional Mujahedin army of eight battalions drawn mainly from Gulbuddin Hikmatyar's organization, Hizb-e-Islami and subversion of Pushtuns aligned with the socialist government of President Mohammad Najibullah. In March 1990, Dr. Najibullah's defense minister, General Shahnawaz Tanai, launched an abortive coup in Kabul and afterward fled to Pakistan.

General Zia had inserted a clause in the constitution that gave the president authority to dismiss an elected government. This power has been used four times since 1985 with the blessing of the army

chief. The option of dismissing civilian governments allows the army to avoid the hazards of direct rule. Prime Minister Benazir Bhutto's government was dismissed in 1990 by the president with the military's blessing.

Pakistani military brass suggested another plan, which included a massive assault on Kabul city. This was abandoned only after forceful intervention by the US State Department, which was alarmed by the prospect of heavy civilian casualties.¹⁰ Many ISI officers continued to work at different levels with Afghan elements. Some officers even after retirement continue to engage in Afghan affairs for ideological or monetary reasons. During the 1992 interim Afghan government headed by Burhanuddin Rabbani, an ISI operative, Lt. Colonel Saleem was working as a liaison between Rabbani's presidential secretariat and ISI headquarters in Islamabad. He had access to all relevant government officials.¹¹ Since the opening of Pakistan's consulate in Herat in 1994, it has been headed by an ISI operative, Colonel Sultan Amir, known as Colonel Imam. The ever-expanding role of ISI encompassing active involvement in Afghanistan, internal surveillance of the army and political manipulation, changed the inner dynamics of the armed forces as well. Whenever a new government or a new army chief took control, there was a large-scale shuffle in ISI to bring in loyal officers. After the dismissal of Prime Minister Nawaz Sharif's government by the president in 1993, DGISI Lt. General Javed Nasir was sacked and several officers at ISI were retired or sent back to regular army units.¹²

During Benazir Bhutto's second term in office, her interior minister, Major General (Retired) Naseerullah Khan Babar became actively involved in Afghan affairs. Pakistan by this time was frustrated by the incessant civil war in Afghanistan and by the failure of its main ally Hikmatyar, and was looking for new Pushtun clients in Afghanistan. A consensus developed between the Pakistani and US intelligence communities in favor of the Taliban. The Taliban were expected by both these countries to bring order in Afghanistan to pave the way for multibillion-dollar oil pipelines, put an end to the tribal and factional fighting, and act as a staunch Sunni roadblock to Iranian Shiism in the region.

The emergence of many independent states in central Asia in 1991 after the collapse of the USSR, the huge energy reservoirs attracted many corporations. In February 1998 during a House subcommittee hearing on US interests in central Asia,

UNOCAL's vice president for international relations, John Maresca, gave details of the projects. Maresca explained that a 1,040-mile pipeline will run from the existing lines in central Asia through Afghanistan to an export terminal to be constructed on the Pakistani coastline for export. The estimated cost of this joint project of UNOCAL and Delta of Saudi Arabia was \$2.5 billion. In addition, Central Asia Gas Pipeline Consortium (CentGas) in which UNOCAL holds an interest, was working on a 750-mile gas pipeline. The pipeline was to start from the Daulatabad gas fields of Turkmenistan, pass through Afghanistan on to Multan in Pakistan. Later, an extension was to move gas to New Delhi for the emerging energy markets of Asia. (House of Representatives, Subcommittee on Asia and the Pacific and Committee on International Relations. Hearings on US interests in the Central Asian Republics, February 12, 1998).¹³

Intelligence analysts briefed UNOCAL officials extensively. UNOCAL and Delta hired many Americans who were closely involved in Afghanistan during the 1980s. Thomas Gouttierre's Center for Afghanistan Studies at the University of Nebraska received \$1.8 million from UNOCAL for the period 1997-99 for educational and vocational programs related to oil pipelines.¹⁴ Laili Helms, the Afghan-American niece of former CIA director Richard Helms, helped facilitate contacts between Taliban and CentGas, the consortium for the pipeline project. She was also the go-between for the State Department and Taliban.¹⁵ The Taliban became closer to bin Laden as he was supporting the regime financially. Lt. General Mahmud Ahmad, chief of ISI was visiting the US on September 11, 2001. In subsequent months, allegations of his links with terrorists resulted in his sacking. He is now under house arrest. Prior to the start of the US attack on Afghanistan, several million dollars had been distributed among the tribes straddling the Pakistan-Afghan border to keep them neutral, a custom centuries old.¹⁶ "The dismantling of the Taliban with a combination of lethal air power, support of opposition and lavish spending especially along the Durand line (British-drawn border between Afghanistan and Pakistan) has resulted in the emergence of new realities."¹⁷

The events of the last two decades in Afghanistan have again proven that reliance on covert operations for achievement of strategic goals has serious repercussions. Policies devoid of humane perspective can only unleash severe violent actions and reactions with devastating consequences for the participants.

NOTES

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5. On BCCI, see Fred Dexter, "Oil Money, BCCI and the CIA" *CAIB* no. 39 (Winter 1991-92).
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7. Hamid Hussain, "Time for Reflection-Pakistan's Afghanistan Policy," *Defence Journal* (Karachi) December 2001, p. 49.
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11. A.R. Brigadier Siddiqi, "Pakistan and Northern Alliance," *The Nation Online* (Lahore), October 17, 2001.
12. Author's interview, February 2002, with army officers; and Ikram Sehgal, "Intelligence Happenings" *The Nation Online* (Lahore), November 24, 2001.
13. <www.commdocs.house.gov/committees>
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16. Camelia Fard and James Ridgeway, "The Accidental Operative," *Village Voice Online*, June 6, 2001 <www.villagevoice.com/issues/0124/ridgeway.php>
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(Continued from inside cover.)

forces that organized the coup d'etat are still there and certainly haven't bowed to the will of the Venezuelan people. To be reminded of the threat, all we have to do is turn on the TV. What we witnessed here was a carefully planned and organized, media-led coup d'etat.

The unfolding of events, or rather the manner in which the Venezuelan corporate media reported them, clearly shows that this coup was orchestrated by an alliance of business sectors, members of the old guard in the military and organized labor, the media and the US government. The political power of business is concentrated in Fedecamaras (the Venezuelan big business lobby), the power of the old guard lies in CTV (trade unions linked to Accion Democratica, the former ruling party), the power of the media rests with Venezuela's four television channels, its most widely-read newspapers, and commercial radio (all in the hands of the old business elite). The power of the US centers around its diplomatic, oil and military interests. These forces all joined in a well thought out plan to destabilize Venezuela and create a context of confusion in which a coup could be carried out.

STAGE I: MANAGERIAL "STRIKE"

To prepare the atmosphere of crisis, CTV and Fedecamaras called for a general strike on Tuesday, the 9th of April. The unnatural alliance of old-line trade union leadership with business owners echoed clearly the fascist precursors. This is confirmed by the fact that, although the strike was not widely followed, its organizers decided to reconduct it, then, on Wednesday night they decided to continue it indefinitely.

STAGE II: VIRTUAL REALITY

The media constructed a virtual reality by representing the strike as an enormous success indicating widespread discontent with the "Chavez regime," and later by constant coverage of anti-Chavez demonstrations in upper-class Caracas neighborhoods. As with similar demonstrations in preceding months, the media referred to demonstrators as "civil society," as if the wealthy were representing Venezuela as a whole. Another huge media contribution to the "big plan" was its constant drumroll of support for a march, called by the opposition forces, on the headquarters of PDVSA, the state-owned oil company. Recent management changes implemented by Chavez to bring the company into line with his economic policy, and his recent agreements to supply oil to Cuba on favorable terms, were used by the opposition as examples of Chavez's "authoritarian character." On Thursday morning, after a night of rallying on TV and radio, most of Caracas's middle-class, at least 200,000 people, began marching on the main office of PDVSA. By midmorning, the media began falsely reporting that President Chavez had fled Miraflores, the presidential palace, and in no time the march had shifted its course towards this new destination.

But the pro-Chavez shantytowns of Caracas were alerted and many "Chavistas" began running to Miraflores to defend the President and their Revolution. The decisive phase of the plan was in action. As the opposition understood, given the enormous class tension between these two segments of Caracas's population, this could only result in a very ugly confrontation.

STAGE III: FIRE AT WILL

Chaos best describes what followed. Before more than a few thousand Chavez supporters had reached the presidential palace, the mob of middle class demonstrators had encircled the Miraflores neighborhood and were moving in on the palace. Only a few dozen National Guard troops were interposed between the two fronts. There was a lot of yelling and stick waving, but clashes had not occurred when, suddenly, the Chavistas began receiving sniper fire from unidentified sharpshooters deployed on tall buildings nearby. To add to the confusion, the snipers shot at both pro-Chavez and anti-Chavez demonstrators, killing several people on each side, including a journalist.

Who were the snipers? The media, without providing an ounce of proof, alleged that they were from the Chavista camp. To support this allegation they broadcast videotaped images of pistol-shooting Chavistas. As this was the only record produced of shooting, it suggested all the violence was perpetrated by Chavistas. This allegation was probably accepted unquestioningly by the TV-watching audiences, both inside and outside Venezuela. For many months the anti-Chavez media campaign had depicted the Bolivarian Circles as bloodthirsty mobs armed to the teeth and "civil society" as civilized pacifists. According to the Venezuelan media, Chavez had ordered the shootings, and, henceforth, "asesino!" became the battle cry of the opposition.

STAGE IV: MILITARY DEFECTIONS

As dusk approached, the situation around Miraflores seemed to be cooling down. The media onslaught continued relentlessly,

(Continued on pg. 34)

Palestine in the Crosshairs

US POLICY AND THE STRUGGLE FOR NATIONHOOD

John Steinbach

Fifty four years ago Israel, in defiance of international law and U.N. resolutions, refused to readmit approximately 800,000 refugees expelled and displaced during the first Israeli/Arab conflict.¹ In 1967, Israel conquered and occupied large areas of Palestinian land, creating approximately half a million more refugees, many for the second time. Today, about 4.5 million reg-

sharply circumscribed national rights.

In sharp contrast, because of strategic and domestic considerations, US support for Israel has ranged from unconditional to mildly critical (on occasion and always temporarily), under nearly every circumstance superceding Palestinian rights and enabling and emboldening Israeli oppression. The loudly proclaimed notion that the US has

themselves with the biblical Israelites, had conceived of the notion of Jewish return to Israel (as a precondition for the imminent second coming of Christ) before the Zionist Movement emerged in the late 19th Century.⁴ The nascent Zionist movement was only too happy to take advantage of fundamentalist Christian attitudes, an enduring alliance which has continued to the present.

After World War I, Woodrow Wilson, despite "a steady flow of reports" critical of the "Zionist project," approved of the British Balfour Declaration (1917), a document "drafted primarily by Zionist figures in the American government," that supported a "Jewish Homeland" in historic Palestine.⁵ At no point was the opinion of the Palestinians themselves ever considered. US Zionists like Felix Frankfurter and Louis Brandeis "managed to institutionalize in American foreign policy in particular, and in American political thought in general, misinformation about Palestine as well as the denial of the right of the Palestinian people to self-determination."⁶

Although the Zionist movement still represented a minority of Jewish opinion in America and Europe up until WWII, over the next several decades, the Zionist lobby grew dramatically and had great influence on public and, especially, political opinion. In a portent of things to come, on the 25th anniversary of the Balfour Declaration, 63 senators and nearly 200 representatives urged the establishment of a "Jewish National Home." "As the Jewish claim to Palestine rose to prominence in the minds of Americans, the knowledge that Arabs inhabited the land and also had a claim was generally pushed aside."⁷

During the next twenty-five years the Palestinians were largely absent from US foreign policy considerations. US support



Reuters/Mahfouz Abu Turk

December 8, 2001. Qalinda checkpoint between Ramallah and Jerusalem. An Israeli soldier assaults a Palestinian teenager. Such brutality is a fact of daily life in occupied Palestine.

istered Palestinian refugees and a worldwide Palestinian nation of nearly eight million struggle for justice, human dignity, and self-determination.² The Palestinian Nakba (catastrophe) represents one of the last remaining instances of settler-state colonialism and the longest and largest unresolved refugee crisis since World War II.

Much of the blame for the Nakba and the prolonged occupation lays squarely at the feet of the US. From the mid-1800s until present, a mixture of domestic and geo-political considerations has dictated US policy toward Palestine. Since 1948, the bi-partisan US position toward Palestine has varied from almost complete indifference, to affected humanitarian concern for refugees, to grudging recognition of

been "evenhanded" or an "honest broker," let alone a "full partner" in Palestinian-Israeli negotiations is patently absurd.

Over a hundred years ago, negative Arab stereotypes and the notion that Christian Europeans were entitled to rule the "Holy Land" (Palestine) were already firmly entrenched in the popular imagination, an inheritance from their European forebears. "The European view, inherited by the Americans, was shaped by mostly hostile encounters with Middle East peoples beginning with the rise of Islam. ...Then the Crusades...intensified the hostility by whipping up emotions against Islam and Muslims."³

By the mid-1880s, mainstream American evangelical Protestants, who equated

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April 3, 2002. Israeli police fire teargas at more than 2,000 Israeli activists, Jews and Arabs, at the Ram checkpoint between Jerusalem and Ramallah. Demanding an end to the Israeli military offensive, they were trying to deliver humanitarian supplies to the West Bank town of Ramallah.

for Israel continued and was consolidated, especially under Lyndon Johnson. It was during this period that Israel, with French and US complicity, emerged as a major military power and developed its nuclear capability.⁸ "Between 1964 and 1967...a new, unprecedented, covert military-security relationship (with Israel) was formed..."⁹

THE EMERGENCE OF THE PLO

The 1967 War ended with Israel occupying the remaining parts of Palestine, the West Bank and the Gaza Strip containing more than one million Palestinians. The US response was an unprecedented increase in political, military and economic support for Israel, reflecting perceived increased Israeli strategic value.¹⁰ In 1968, the Palestine Liberation Organization (PLO), under the leadership of Yassir Arafat's Fatah movement, became the recognized representative of the Palestinian people. Predictably, as the oppression mounted, so did PLO guerrilla actions against Israel and the world began to recognize the legitimacy of Palestinian national demands.¹¹ In a telling reaction to the PLO's growing power, Nixon instituted an official policy of implacable hostility toward Palestinian nationalism and a commitment not to rec-

ognize or talk to the PLO, a policy that continued nearly 20 years.¹²

Jimmy Carter raised the ire of the American Israel Public Affairs Committee (AIPAC) and other Zionist pressure groups when he expressed support for a "Palestinian Homeland" and criticized Israel's settlement policies. Despite Carter's relatively open-minded attitudes toward Palestine, it is important to understand that he never favored the creation of a Palestinian State, and did nothing to slow the settlements.¹³ US support for Israel continued to intensify during the Carter years, and the concept of Israel's "strategic indispensability...slowly became part of the body of US assumptions about Israel."¹⁴

The Reagan era represented "a quantum leap in efforts to promote Israel and delegitimize the Palestinians in the United States."¹⁵ Reagan saw Israel as a bulwark against communism and threatened to unleash its military might against the "Soviet proxy" Syria while Palestinians were relegated to the status of "terrorist bands." Illicit arms technology transfers to Israel resulted in a greatly enhanced Israeli military, and enabled the arming of repressive regimes world-wide which the US could no longer directly supply.¹⁶

At the foreign policy level, Reagan maintained the basic US principles toward Palestine of no right to self determination, no independent state, no electoral franchise and no right of return. Ronald Reagan's extreme embrace of Israel and complicity in Israeli attempts to destroy the PLO in Beirut and Tunis, coupled with the ongoing settlement construction and the commensurate increase in Occupation brutality, led the Palestinian grassroots to rebel. The Intifada eventually required the permanent deployment of well over 100,000 Israeli troops, and the cost to Israel, both in dollars, casualties, and international opinion became prohibitive.

With the onset of the Intifada, for the first time the American public began to see the Palestinians as a distinct people with legitimate national aspirations.¹⁷ When a weakened and coerced Arafat and PLO were finally forced to concede to American dictates and renounce armed struggle, this and the Intifada exposed contradictions between Reagan and the Shamir government, ultimately leading to direct talks between the US and the PLO.

A broad range of pro-Israel groups and "front" groups coordinated by Israel and the AIPAC and supported by pro-Israel

"think tanks" like the Washington Institute for Near East Policy (WINEP) organized a formidable strategy of intensive lobbying and financial support for Congressional supporters of Israel. According to the late Israel Shahak, "Major Jewish organizations support Israel as loyally and unconditionally as the Communist party for so long used to in regard to the USSR."¹⁸ Politicians who dared question US policy in the Middle East found themselves targeted by AIPAC and subsequently often defeated. It goes without saying that there is no remotely comparable Palestinian/Arab lobby.¹⁹

A major front in the propaganda war was waged in the media where, historically, debate over Palestinian rights has been

AIPAC and WINEP. From the start, the Oslo Peace Process was intended to result in a final settlement conforming to Israel's familiar "red lines"; no return to 1967 borders, no removal of settlements, no Palestinian Right of Return, no independent Palestinian state, and no shared Jerusalem, each point in direct violation of international law and UN Security Council resolutions. Israelis managed to get a weakened Arafat to sign the Oslo Accord.²² Clinton continued Reagan's and Bush's policy of putting "dialogue" with the PLO "at the service of Israel's game plan: talk inconclusively about procedures while Israeli force was systematically applied to crush Palestinian resistance and initia-

ments and Israeli Army fortresses....If Israel ever decides to withdraw its troops from any downtown (Arab) area...the Army will continue to rule that city from outside."²⁶ Reinhart went on to conclude:

The meaning of the plan is that we will solve the problem of 2 million Palestinians in the Territories by imprisoning them in ghettos, starving them and turning them into beggars. But instead of calling it 'an occupation' we will present it as a step toward a Palestinian State. We will crush Palestinian throats with our boots while smiling to them nicely.

Peace Now and much of the Israeli "peace movement" avidly supported this racist Apartheid-like plan and pressured the Palestinian Authority (PA) to accept it. The fundamentalist settlers and Israeli radical right supported it privately and attacked it publicly in order to manipulate the Labor Party "doves." Shahak points out that it was the Labor Party "doves" who actually implemented the plan and that historically Labor has been "more noxious in terms of the actual oppression of its victims."²⁷

Implementation of the Matrix of Control was the tail that wagged the entire Clinton "peace process." It bought Israel seven years of feverish settlement activity (the number of Israeli settlers more than doubled between 1993 and 2001, an unprecedented rate) and enabled the construction of a web of security roads and Israeli Army forts. Only when the project was near completion and continued Israeli "control from the outside" was assured, did Barak present his "generous offer."

While the "peace process" and the Final Status Talks were ongoing, US economic and military aid to Israel continued to accelerate at an unprecedented pace. According to Richard Curtiss, US aid to Israel from 1949 to 1997 totaled over \$134 billion, equal to \$23,240 for each Israeli. Put another way, from 1949 to 1996 the total US foreign aid to Israel exceeded the total aid to all of sub-Saharan Africa, Latin America and the Caribbean combined (total population 486 million).²⁸ Israel receives more annual per capita aid than the GNP per capita income of Egypt despite the fact that it is "an advanced, industrialized, technologically sophisticated country, as well as a major arms exporter."²⁹ The tired old argument that US aid is to ensure survival of the "tiny beleaguered" Israel is farcical; Israeli military forces are in the top ten worldwide, with an arsenal of hundreds of sophisticated nuclear weapons capable of reaching beyond Moscow.³⁰

US AID TO ISRAEL (POP. 4.8 MILLION) FROM 1949 TO 1997 TOTALED OVER \$134 BILLION. PUT ANOTHER WAY, THE TOTAL US FOREIGN AID TO ISRAEL FOR THE SAID PERIOD EXCEEDED THE TOTAL AID TO ALL OF SUB-SAHARAN AFRICA, LATIN AMERICA AND THE CARIBBEAN COMBINED (POP. 486 MILLION)

severely curtailed and almost entirely negative. From *Time Immemorial* (Harper and Row, 1984), the genocidal screed by Joan Peters, denied the Palestinians' very existence, yet became a bestseller and received virtually universal accolades in the mainstream media. When Israeli and European scholars revealed massive fabrication of evidence, omissions, misquotes, and plagiarism of discredited sources, "none of the publications which favorably reviewed it issued retractions."²⁰

The power of the Israeli lobby continues unabated. A typical recent triumph of the Zionist lobby is the October 20, 2000, House Resolution 426 expressing Congress' solidarity with Israel and condemning the Palestinian leadership for encouraging the violence that has erupted in the Middle East. The resolution failed to also condemn violence perpetrated by Israeli forces. Motion agreed to 365-30.²¹ The majority of the Congressional Black Caucus and the Progressive Caucus supported the resolution.

No previous American President had been as reliably pro-Israel as was Bill Clinton. Clinton's vice president, Al Gore, was one of Israel's most avid supporters in Congress, and virtually his entire Middle East team read like a "Who's Who" of

tives."²³

The Madrid "Peace Process," initiated by the US in 1991 directly in response to the first Intifada had stalled for two years. The problem was that Israel had (and has) absolutely no intention of relinquishing control of the Occupied Territories; the solution was Bill Clinton and Oslo.²⁴ "A tacit understanding exists between Israelis and Palestinians who attended the secret negotiations (in Oslo) to the effect that no autonomy in the West Bank and the Gaza Strip can possibly materialize even if the Oslo Accord mandates it."²⁵

The Clinton-orchestrated "peace process" provided perfect cover to implement the policy formulated by Ariel Sharon in 1977 and elaborated on by radical fundamentalist settlers in the early 1980s. This plan, called the "Matrix of Control," called for the establishment of strategic hilltop settlements throughout the West Bank, to be connected by "bypassing roads" and reserved for the exclusive use of settlers and Israeli Defense Forces (IDF). The purpose was described by Professor Tanya Reinhart as "envisaging the maximal defense of all existing settlements and the partition of the West Bank into (Arab) enclaves. Each enclave is to be surrounded by bypassing roads, settle-

The overriding strategic function to US aid to Israel is inextricably connected to access to Middle East oil and markets and the related repression of Arab nationalism. The development of a popular, class based pan-Arab movement capable of challenging western control of Middle Eastern oil is Washington's greatest nightmare. To ensure Israel's surrogate role as the overwhelmingly dominant power in the region, the US has provided it with the most advanced weaponry and technology, deliberately creating a military imbalance which the US has exploited by also selling generally less sophisticated weapons to its other client states in the region, making the Middle East by far the most lucrative market for the military-industrial complex.³¹

Among its various strategic roles, Israel provides intelligence information, serves as a testing ground for new US weaponry, helps defeat radical national movements, and funnels arms to nations which the US cannot support directly (examples include the Nicaraguan Contras, Apartheid South Africa, Guatemala and El Salvador, Chile, and Iran). All this serves the interests of the weapons industry. "The Aerospace Industry Association...has given two times more money than all the pro-Israel groups combined...the general thrust of US policy would be pretty much the same even if AIPAC didn't exist."³²

As the Oslo "peace" negotiations dragged on, Israeli settlement activity surged and Israel enjoyed seven years of unprecedented prosperity. Under the approving eyes of Washington, Israel expelled Palestinian workers, set up Maquiladora-like "industrial parks" in Gaza and the West Bank, and repeatedly curtailed movement within the Occupied Territories, while closing its borders to Palestinian workers; policies deliberately designed to make Palestine totally economically dependent.

On the ground the result was unprecedented Palestinian economic deprivation, with a 20% decrease in per capita income, skyrocketing unemployment and dramatic deterioration in its infrastructure and education system. Inevitably, grassroots Palestinian support for the "peace process" and the Palestinian Authority evaporated, leading directly to the second Intifada.³³

Yasser Arafat has come under intense pressure from the US and Israel to "crack down on 'terrorists'," but so far he has supported the Intifada while distancing himself from the radical Islamists. "Arafat does not control the Islamists, nor does he control the stone-throwing students and youths who constitute a disproportionate

number of the dead and wounded."³⁴

Sharon's response to the second Intifada, with US approval, has been a policy of escalation of the occupation, punc-

**ABETTING SHARON'S
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tuated by periodic provocations designed to elicit violent Palestinian response. For example, Arafat called for a ceasefire on December 16, 2001 and despite an actual increase in Palestinian deaths, three weeks of relative calm prevailed.

In mid-January, Sharon ordered the assassination of Khamis Ahmad Ali, a senior Fatah leader, resulting in a renewed Palestinian uprising, precisely Sharon's intention. Arafat has been held under house arrest and Israel has attempted his assassination with many unsuccessful helicopter and tank attacks on his headquarters while holding him prisoner.³⁵ There have been widespread invasions of Palestinian territory, including downtown Gaza City, Bethlehem, Ramallah...and the destruction of hundreds of Palestinian homes and businesses. Rocket attacks from Apache helicopters and F-16 fighters have destroyed much of the Palestinian infrastructure, including Gaza Airport and Seaport. The long-standing Israeli campaign of political assassinations and attacks on Palestinian police has intensified.³⁶

Sharon's intentions are transparently obvious. By isolating Arafat and attacking the Palestinian Authority, and by systematically assassinating the leadership of the secular groups like DFLP and PFLP in the last twelve months, Sharon is attempting to create a political vacuum that would be filled by an insurgent Hamas and Hezbollah, turning what has historically been a secular conflict into an increasingly religious one.³⁷ Sharon can then claim, as is already the case, that he has no "peace partner" to negotiate with and, consequently, that Israel has no recourse except to take unilateral action to create "buffer" zones, annex large areas of the Occupied Territories and turn them into a war zone resembling southern Lebanon, all the while continuing settlement building

and infrastructure expansion.

As of early 2002, Sharon has openly admitted his intentions about the future of Israel by introducing the term "transferring." He intends to make existence for Palestinians in the occupied territories and Israel itself so miserable as to force them to flee. This plan will make hundreds of thousands of Palestinians into refugees twice removed. Anywhere else in the world, this practice is called ethnic cleansing. The silence of the Western media on the subject is deafening.

Abetting Sharon's schemes, Washington has broadened and intensified a propaganda campaign designed to undermine and isolate Arafat.

ISRAEL, THE US & POLITICAL ISLAM

Beginning with the installation of the Saud family in the 1920s, Western Imperialism has a long and sordid history of promoting reactionary political Islam to counter nationalism and secular democratic movements in the Middle East. Following the Second World War, the strategy shifted to include countering perceived Soviet influence and containing anti-colonial and anti-imperialist pan-Arab secular nationalism. Present manifestations of this policy are readily apparent in Afghanistan, Pakistan, Kosovo, and the former Soviet republics. "Political Islam traps the people it victimizes and makes them powerless in the face of the challenges of liberal capitalist globalization, and that this suits dominant capital's purpose."³⁸

An independent secular-democratic Palestine would be a powerful symbol that could weaken Western control of the region and its resources. In order to prevent this, Israel borrowed a page from the US, by tacitly supporting and enabling Hamas in the 1980s, thus driving a wedge between the secularists and Islamists, fomenting discord and weakening the resistance. Coupled with Israel's strategy of decapitation of the secular leadership with a protracted campaign of political assassinations (greatly accelerated during the past 18 months), the result has been to threaten the Palestinian political infrastructure.

If the Palestinian resistance assumes a more fundamentalist religious character of its own (an outcome which would doubtless please at least some on the Israeli right), Israel, driven by its own fundamentalist settler-colonial logic (Zionism), may attempt to use such a development to justify even more draconian measures of oppression.

POST-911 IMPLICATIONS

Israel's strategic role has taken on even greater importance in the aftermath of 911. The current war hysteria driving US policy dictates increased unilateralism, as elucidated by George W. Bush's "Axis of Evil" speech especially targeting Iraq. Conventional wisdom no longer questions whether, but only when, to attack Iraq and topple Saddam

except as a last resort, would now be a strong probability."⁴¹

The proposal by Saudi Crown Prince Abdullah for permanent "peace" based on Israeli withdrawal to 1967 borders in return for diplomatic recognition by the Arab states and "normalization" is being lauded as a "breakthrough."⁴² Although it is reportedly "flexible" about borders and

had encountered a stone wall, making it clear that there was little or no appetite for US war plans.⁴⁴

The UN resolution, the visit by US negotiator General Anthony Zinni, and recent statements by the State Department mildly critical of Israel are mendaciously designed to temporarily appease Arab and European discontent with the carnage in the Occupied Territories in order to gain support for an invasion of Iraq. Israel has repeatedly made clear that it has no intentions of permitting a truly independent Palestinian state. A potential silver lining in the resolution is that, for the first time, the Security Council is formally on record supporting the concept of a sovereign Palestine, enhancing Palestinian credibility.

In the opinion of Professor Naseer Aruri, "The anti-war movement never had a problem supporting liberation movements in Vietnam, Central and South America, South Africa and elsewhere; but regarding Palestine there is a problem. This is due to a variety of factors, including fear of being labeled anti-semitic, and fear of losing funding. Broad segments of the American Peace Movement come dangerously close to acquiescence in Israeli War Crimes. It is an uphill struggle to build a grassroots movement to end the occupation and challenge US support for Israel, but it is not impossible."⁴⁵

The situation for Palestine has become increasingly desperate. The Bush policy of "hands off" while blaming the Palestinians for escalating violence (overwhelmingly affecting Palestinian civilians), conforms precisely to Israel's strategy of creating "facts on the ground," making any future negotiated settlement problematical. With Israel appropriating 80% of West Bank aquifer water and controlling much of the most fertile land, it is abundantly clear that any presently conceivable future Palestinian state would be "independent" in name only. Even if Israel were to completely withdraw to pre-1967 borders as required by law, a Palestinian "state" comprising only 22% of historic Palestine (less than 1/2 the UN-partitioned Arab land in 1948), would present serious questions of viability.

Considering that Israel has an absolute obligation under the Fourth Geneva Convention to readmit Palestinians expelled in 1948 and 1967, the inherently racist concept of Israel as "a State of the Jews" rather than a state of all its citizens is unviable. According to Professor Shahak, "Discrimination, amounting to a form of apartheid, but one based on religion not on race, is inherent in the character of Israel as a 'Jewish State'."⁴⁶ The only option that



AP Photo/David Guttenfelder

April 8, 2002. Palestinians walk along a road, destroyed by Israeli bulldozers, connecting the West Bank city of Hebron and the town of Yatta. Al Fawar refugee camp can be seen in the background.

Hussein. Unlike the Gulf War, however, it is unlikely that the US can count on substantial international support.³⁹

If the US attacks Iraq unilaterally, Israel's position as the dominant power in the region would be emphasized. "Protection" of Israel from Iraqi "weapons of mass destruction" will undoubtedly be a large part of the initial justification. The presumed Israeli role in the new Iraq war would be to provide intelligence and logistical support and, especially, to discourage other Arab states from interfering militarily on Iraq's behalf by brandishing the threat of retaliation, above all with nuclear weapons.

During the Gulf War, then-Secretary of Defense Dick Cheney threatened, "I assume [Saddam] knows that if he were to resort to chemical weapons, that would be an escalation to weapons of mass destruction and that the possibility would then exist, certainly with respect to the Israelis, for example, that they might retaliate with unconventional (nuclear) weapons as well."⁴⁰ It is significant that, during the 1967 and 1973 wars, the US and USSR went on high nuclear alert. "Should war break out in the Middle East again... or should any nation fire missiles against Israel, as the Iraqis did, a nuclear escalation, once unthinkable

Jerusalem, and apparently makes no mention of the Palestinian right of return, it is unlikely that Israel, especially under Sharon, will respond favorably. Typically, the Israeli response to seemingly innumerable Arab peace proposals over the years is to feign interest, study it, and ultimately reject it. The real significance of the Saudi proposal is that it illustrates the level of panic prevailing among the Arab monarchs in the wake of the warm popular response to Osama bin Laden's demands for US evacuation from Saudi Arabia, Palestinian autonomy, and an end to the puppet regime of the House of Saud.

CONCLUSIONS

The U.N. Security Council Resolution 1397 of March 14, 2002 "affirming a vision of a region where two states, Israel and Palestine, live side by side within secure and recognized borders," was introduced by the US in the face of mounting international condemnation of the current military campaign against the Palestinians, the largest and deadliest since 1967.⁴³ Vice-President Dick Cheney's mission to the Middle East designed to whip up support for the "war on terrorism" and especially for the impending war against Iraq

fully satisfies International Law is the establishment of a secular democratic, or binational state.

NOTES

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demonize Palestinians.

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26. Shahak, pp. 165-68.
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US Pushing for a Coup d'Etat

VENEZUELA, TARGET OF OPPORTUNITY

Maximilien Arvelaiz &
Temir Porras Ponceleon



Washington, DC, fall 1999. Hugo Chavez addresses a forum sponsored by Inter-American Dialogue.

President Bush's statement in the wake of 911 that "either you are with us, or you are with the terrorists" is clear: From now on, those who are not "100% with the USA" may be branded as terrorists. Until recently, only the so-called rogue states had been threatened by the Bush administration, but now, a traditional ally, with a democratically elected government, has also become a target.

On February 5, Secretary of State Colin Powell, questioned by Senator Jesse Helms, expressed unhappiness with Hugo Chavez. He was distressed by the fact that the Venezuelan president was being less than fully supportive of the anti-terrorism campaign. Powell also questioned, without elaborating, Chavez's "understanding of

what the democratic system is all about."¹

The following day, George Tenet, director of the CIA, followed up on Powell's statement, commenting on "the growing internal opposition to President Chavez," and predicted that, due to the fall of oil prices, oil being Venezuela's main source of income, the "crisis atmosphere is likely to worsen."² Needless to say, this sort of comment could hardly ease the "crisis atmosphere." At no other time since the beginning of the Bolivarian Revolution in 1998, had US officials intervened so abruptly in Venezuelan affairs. Yet they did so at a time when the political situation in Venezuela was particularly tense. Washington's warnings took on the appearance of self-fulfilling prophecies: During

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the following week, the massive flight of capital (US \$100 million per day) forced the Venezuelan government to take emergency economic measures.

Following a period of steady deterioration, US-Venezuelan bilateral relations seem to have reached a point of no return. Back in the Clinton days, the US government had adopted a "wait and see" policy toward President Chavez, and tolerated some uncolonial behavior from the former paratrooper (e.g., visiting Iraq, establishing close links with Cuba). They didn't really have much choice. When Chavez took office, he found a country exhausted by ten years of social unrest and permanent political crisis. After several decades of ruthless corruption and the political class's inability to respond to basic social needs, the Venezuelan population unanimously rejected a regime that was once considered a model of democracy. Given that Venezuela is one of the US's main oil providers, and that it contains among the world's largest proven oil reserves outside of the Middle East, the Chavez solution, as long as it could bring stability to the country, was not considered by Washington to be the worst possible scenario.³

Additionally, from the beginning of the 1990s, Latin America had ceased to be a priority for the USA. The historical hegemonic influence of the US in Latin America took on a new form: the promotion of Bill Clinton's "market democracy," i.e., elected governments as long as they guarantee that markets remain open to free trade, and that US interests remain untouched.⁴ Thanks to the retreat of traditional opponents, this policy was not difficult to implement. After the fall of the Berlin wall, most of the left-wing parties in Latin America were easily co-opted to neo-liberal ideas. Meanwhile, the guerrilla movements, with the notable exception of the FARC and the ELN in Colombia, seemed to have run into a dead end.⁵

But three years after Chavez's electoral victory, the context determining US-Venezuela relations has changed considerably. Within Venezuela, the vast consensus that rejected the ancien régime has fallen apart, and the political scene has become extremely polarized. For several months, storm clouds have been gathering over Venezuela. These days, a typical week in Caracas features bomb scares, dramatic headlines, rumors of a coup, the distribution of threatening manifestos signed by underground political factions within the army, or the reports of an imminent US intervention by some obscure retired general. Not to mention strikes and demon-

strations financed and promoted by Fedecámaras, the main business lobby.

On the external front, the Republicans' return to office and the 911 events have resulted in a much more aggressive US foreign policy which has resulted, among other things, in a significant change in attitude toward Latin America. The recent appointment of hawks such as John Negroponte, Otto Reich, John Maisto and Roger Noriega, has brought forth a new "realistic" agenda involving the protection and promotion of US interests no matter what it takes.⁶ Negroponte, appointed ambassador to the United Nations, attracted much criticism after having served as US ambassador to Honduras from 1981 to 1985 where he implemented the Reagan administration's anti-Communist policy in the most fanatical manner. The current National Security Council Special Adviser on Latin America, John Maisto, is remembered for his role in the 1989 invasion of Panama. Ironically, during the Venezuelan presidential campaign of 1998, this former ambassador to Caracas refused to grant a visa to candidate Hugo Chavez citing Chavez's involvement in the 1992 coup d'état against President Carlos Andrés Pérez. A few weeks before the election, he told the press that he didn't "know anyone in Venezuela who thinks that Chavez is a democrat." Is he to blame, given that the 56% of voters who endorsed the Chavez option, mostly members of the lower classes, don't regularly attend diplomatic receptions?⁷

THE BOLIVARIAN MODEL

Once elected, Chavez didn't fall into the expected mold—that of a neo-populist of the same cloth as Alberto Fujimori or Carlos Saul Menem, popular enough to implement the neo-liberal reforms advocated by the global financial institutions. On the contrary, President Chavez has proved to be an heir to two important traditions of rebellion in Latin America: a civilian revolutionary tradition and a national military tradition. The first, that of the left-wing guerrillas of the 1960s inspired by Fidel Castro and Ernesto "Che" Guevara, is represented by some of the most prominent government members and advisers, often former guerrilla fighters or supporters. This tradition has also materialized in the creation, parallel to the Chavez administration, of a Comando Político de la Revolución, a "revolutionary brain trust" in charge of setting the political agenda in the mid and long term. In the present context, "making the revolution" has been interpreted as the search,

through governmental action, for an alternative path toward social equality and sustainable development. Meanwhile, the Chavistas have also given new impetus to the national military tradition, that of Generals Jacobo Arbenz in Guatemala, Juan Velasco Alvarado in Peru or Omar Torrijos in Panama, by accepting and encouraging democratic rules. For instance, over a three-year time span,

The appointment of such hawks as Negroponte, Otto Reich, John Maisto and Roger Noriega, has brought a new "realistic" agenda...

Venezuelan voters went to the ballot box seven times. And the elections were in each case fair and competitive.⁸

The Chavez administration has been implementing a series of pragmatic measures, which combine economic rationalism and nationalism. With the aim of responding to the needs of the poor (80% of the population), his government has boosted social spending, particularly in the education sector, and launched an ambitious public works program.⁹ In the meantime, it has slowed inflation and increased growth rates.¹⁰ Nevertheless, amateurism has handicapped the government's action, mainly because of the lack of experienced cadres among Chavez's supporters. It has resulted in a considerable turnover in key executive positions and in numerous hesitations over such matters as paramount as monetary policy. Furthermore, constant quarreling between "moderate" and "radical" factions within Chavez's political party, the MVR (Fifth Republic Movement), has led to several defections among members of the parliament, and thus lessened the government's margin of maneuver.

On the international scene, President Chavez, in a move that is likely to arouse concern in Washington, is urging Latin Americans to reconsider their position on issues such as nationalism, regional integration and democracy. His conception of nationalism finds its inspiration in the early nineteenth century wars of liberation

It is impossible to fight barbarity with barbarity. The evil deeds of a fanatical minority cannot justify the bombing of the Afghan people.

—Hugo Chavez

and is symbolized by the figures of the Founding Fathers, San Martín and Bolívar. In this tradition the armed forces are looked upon as the defenders of state sovereignty as well as the interests of the general population. As a direct corollary, the Bolivarian paradigm influences Chavez's conception of regional integration: a political integration, prior to economic integration, that takes into account the particularities of each nation and its people. Bolívar imagined a Latin American anficiónía (assembly) that would form a vast political front, powerful enough to act as a counterweight to the "Colossus of the North." Chavez has reinterpreted this vision and adapted it to existing national realities, imagining a "federation of sovereign nations." Finally, the Venezuelan government has advocated a "participative democracy" in which every sector of the population could contribute to the decision-making process. Thus, Venezuelan officials opposed the US final resolution proposal at the Summit of the Americas (Québec, March-April 2001), arguing that a vague commitment to democracy was insufficient if its participative character was not specified.¹¹ Chavez's comments on the risk of confiscation of representative democratic systems by national "oligarchies," and his condemnation of Cuba's exclusion from continental meetings, were less than appreciated by most of his colleagues, particularly George W. Bush who refused to meet him in private.

Washington and Caracas's plans for Latin America could hardly be more divergent, as their respective views on Plan Colombia and the Free Trade Area of the Americas clearly demonstrate. From an economic point of view, Chavez's program is nationally oriented. Its main objective is the reduction of the country's excessive dependence on oil exports, as well as on foreign—mainly US—agricultural products

and manufactured goods. Thus, Chavez is skeptical about the implementation of the Free Trade Area of the Americas as soon as 2005. Arguing that the Venezuelan economy wouldn't yet be ready to compete with "northern" economies on equal terms, he also asserts that a matter of such grave importance should first be submitted to a national referendum. As for "Plan Colombia," Chavez didn't allow US surveillance airplanes to enter Venezuelan airspace during their "War on drugs" missions in the neighboring country. Another clear sign of Caracas's animosity towards US military policy in Colombia was the removal of the US Military Group delegation from its rent-free presence in the Venezuelan army's main headquarters at Fuerte Tiuna. This decision put an end to a "cooperation" that began in the mid-1950s, during Colonel Marcos Pérez Jiménez's dictatorship, and that was continued after 1958 under democratic rule.

SAME OLD FEARS

More generally, Washington fears, in a new version of the "domino theory," that the growing influence of leftist nationalistic political forces in countries like Venezuela, Colombia and Ecuador, could lead to the emergence of a "Bolivarian triangle." For instance, President Chavez seems to have been an inspiration for some leaders of the January 2001 coup d'état in Ecuador. This short-lived revolution, which Venezuela was the only country to not firmly condemn, was the product of an alliance between sectors of the army and indigenous movements. Its aim was to put an end to the neo-liberal policies of President Yamil Mahuad, who intended to "dollarize" the Ecuadorian economy.¹² Without the pressure of the OAS and US authorities, Colonel Lucio Gutiérrez and his allies might well have succeeded. In Colombia, Chavez's electoral victory led the Colombian Revolutionary Armed Forces (FARC) to modify their Marxist rhetoric and to adopt some aspects of his "Bolivarian" language and style. On several occasions, the FARC, an organization labeled "terrorist" by the US, and therefore by the Colombian Government as well, has shown sympathy for Venezuela's political evolution since 1998.

US-VENEZUELA RELATIONS POST-911

Pro-Chavez sentiment on the part of rebel movements that are on the wrong side of the fence, can prove to be particularly cumbersome in the post-911 world. For this and other reasons, Fall 2001 was a significant turning point for Venezuela-US relations.

In conformity with its general approach to the Third World, the Venezuelan government has upheld an unorthodox view of the September 11 attacks and the American intervention in Afghanistan. For Chavez, a formal condemnation of the attacks on New York and Washington didn't preclude the examination of their root causes. As unjustifiable as they might be, these events were the product of American unilateralism in the world as well as the acute social imbalances that neo-liberal capitalism has engendered. In view of this attitude, Venezuela's poor show of support for the US military intervention in Afghanistan isn't too surprising. While the majority of Latin America's leaders were pushing and shoving to be the first to visit the White House and pledge their support to Bush, Chavez received attention for publicly declaring that it was impossible to "fight barbarity with barbarity." The evil deeds of a fanatical minority, he added, could in no way justify "the bombing of the Afghan people," since it would inevitably result in the "slaughter of innocents."¹³ During the weeks that followed, the US ambassador in Caracas, Donna Hrinak, was recalled to Washington for consultation, thus underlining the US administration's irritation.

Also, while the Western forces were beginning their war against the Taliban regime, Chavez visited Libya, Venezuela's strategic partner within OPEC, but also one of Washington's biggest headaches. Thus, no one was too surprised when, in December 2001, the US government decided to give a sterner tone to bilateral relations with the nomination of Charles S. Shapiro as new ambassador to Caracas. It was thought that Mr. Shapiro had picked up skills as ambassador to El Salvador (1985 to 1988) and as director of the Bureau of Cuban Affairs (since 1999) that could be particularly useful in Chavez's Venezuela.

Fall 2001 was also a turning point for Venezuela domestically. Up to this date, the Chavistas had mainly carried out political reforms. The most significant of these was the complete remodeling of the country's institutions, and the drafting of a new Constitution.¹⁴ On the economic front, most of the government's energy had been focused on reviewing oil policy and reactivating OPEC. Under the leadership of the Venezuelan Ali Rodríguez Araque, an ex guerrilla leader of Syrian descent, OPEC had carried out a concerted policy of decreased production that, during the year 2000, pushed barrel prices up from nine to thirty dollars. The ensuing flow of petrodollars was a godsend for a government that was preparing to launch a far-



July 2001. Presidents Fernando Henrique Cardoso of Brazil, Hugo Chavez of Venezuela and Fidel Castro of Cuba at the inauguration of a major project on the Venezuela-Brazil border.

reaching policy aimed at revitalizing and restructuring the economy. Its margin of maneuver was further extended by the Venezuelan Parliament's decision to authorize the executive to legislate by decree. This authorization was due to expire at the end of October 2001 and so, when Chavez returned from his international tour of that same month, he presented Venezuela with a set of 49 new decrees. In no time, the opposition to Chavez and much of the Venezuelan business community were in an uproar.

THE ANTI-CHAVEZ OFFENSIVE

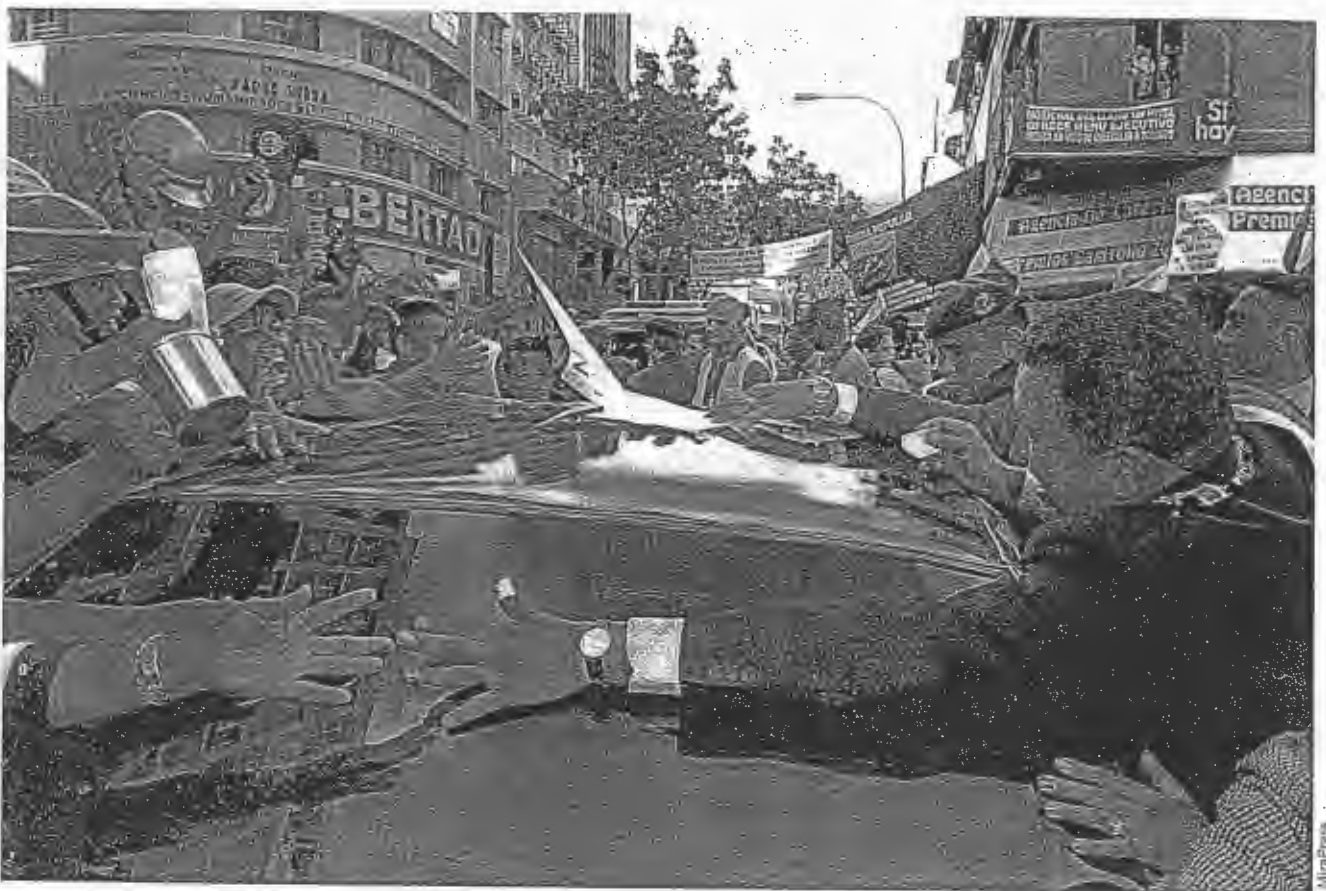
One of the most controversial measures was the "land law" that was to serve as the framework for the agrarian reform that the government had long promised to carry out. This law allows the National Land Institute to expropriate all non-productive land of properties surpassing 5,000 hectares (12,350 acres) includes provisions that limit individual property ownership to 12,350 acres and that allow the National Land Institute to expropriate non-productive land. This land is then to be redistributed to peasant cooperatives. Furthermore, the law requires that landowners produce title-deeds for all the land they claim to own. Many are in fact incapable of doing so as, very often, they appropriated land illegally, sometimes displacing small farmers in the process.

The opposition to the Chavez government now felt that the context was ripe enough to

begin awakening the fears, both old and new, of the US administration. From the domestic point of view, and despite the fact that they were entirely legal, the economic measures were deemed "tyrannical" and "communist." And from the international point of view, President Chavez was accused of alienating the "Western democracies" and favoring ties with governments and subversive groups that used "terrorism" as a political weapon. Then, on December 10, the day the "land law" was to come into effect, the opposition launched a full offensive by calling for a "general strike" against the government. This strike, that paralyzed the country for one day, was the baby of a couple of strange bedfellows: the Fedecamaras business lobby and the CTV, a central trade union confederation (a National Endowment for Democracy grantee) in which the old former ruling party, Accion Democratica, plays a dominant role. It was a peculiar strike indeed: The bosses themselves shut down their companies for a day, and thus provided their employees with an unexpected holiday.

Following this "awakening" of the country's conservative opposition, the declarations made by members of the American administration added fuel to the fire. Since Powell and Tenet's comments, the number of anti-government demonstrations has multiplied and senior army officers have defected. The fact that these defections have been given lavish media coverage is unsurprising in view of the fact that most of Venezuela's media are controlled by the

interests that have the most to lose from Chavez's new measures. Nevertheless, the hero's welcome that the opposition has given the rebel officers serves to highlight the contradictory nature of their attitude. For though they are prompt to denounce the "country's militarization" operated by Chavez, they are just as quick to praise the democratic values of any general who chooses to distance himself from the president. On a daily basis, they use their mouthpieces in the press to denounce the government's alleged disrespect for freedom of speech. The Venezuela correspondent for the Paris daily *Le Monde* has noted otherwise: "...even the most hostile newspaper editors admit that under the Chavez regime the media encounters much fewer pressures than before."¹⁵ All the while, rebel officers in uniform march in protest against the "dictatorship" without any sort of interference on the part of the government. Each time they occur, these acts constitute the very proof of the absurdity of the accusations that are thrown at the Chavez government. Furthermore, the fact that the demonstrations' participants are socially homogeneous, belonging to the same elite group, is strangely reminiscent of the mobilization of the upper classes prior to the coup d'état against Allende in 1973. It is in Altamira, one of the ritziest neighborhoods of the capital, that the demonstrations and the "cacerolazos" are organized. It is SUVs with tinted windows that make up the "caravans" that parade



January 2002. Chavez greets supporters following an address before the National Assembly.

around Caracas using their horns to call for Chavez's departure.¹⁶ But these demonstrators are not alone. At the end of February 2002, a spokesman for the State Department predicted that "if Chavez doesn't fix things soon, he's not going to finish his term."¹⁷ To some ears, this little piece of advice sounds a bit like a threat.

The authors wish to acknowledge the invaluable assistance of Alexander Main.

NOTES

1. "Colin Powell duda del compromiso de Hugo Chavez con la democracia," *El Nacional*, February 6, 2002, p. A2.

2. "Jefe de la CIA Expresó Preocupación por Agudización de Crisis en Venezuela," *El Nacional*, February 7, 2002, p. A2.

3. Petróleos de Venezuela (PDVSA) is the Venezuelan national oil company. Venezuela's total proven and estimated oil reserves rank sixth in the world.

The Venezuelan election in December 1998 was described by former US President Jimmy Carter as the first step of a "pacific and democratic revolution."

4. Elizabeth Cohn, "Bush 'Realists' Say Goodbye to Democracy Promotion," *NACLA Report on the Americas*, vol. xxxv, no. 3, November/December 2001.

5. Castañeda, Jorge, *Utopia Unarmed; The Latin*

American Left After the Cold War (New York: Knopf, 1993). Castañeda reflects this resignation quite well. According to Vicente Fox's current Minister of Foreign Affairs, "the only thing left to fight for is a future that is simply the present plus more of the same." p. 443.

6. Otto Reich, Assistant Secretary of State for Western Hemisphere Affairs, is a Cuban-born right-wing fanatic who considers Fidel Castro a tropical Adolf Hitler.

7. Chavez's program consisted of the convocation of a Constituent Assembly, the cancellation of the privatization programs, the promotion of participative democracy, the land reform and the fight against poverty through social programs and the allocation of micro-credits to self-managed cooperatives and small businesses.

8. See the *Carter Center Trip Reports* on <www.cartercenter.org>

9. Educational spending has doubled in three years and Venezuela's figures have reached UNESCO international standards (6% of the GNP). See *Gobierno Bolivariano de Venezuela, Venezuela Construye su Camino*, 2001. See also the *Education For All* report on Venezuela at <www.unesco.org>

10. See the Banco Central de Venezuela's statistics on <www.bcv.org.ve>

11. The Declaration of Quebec City (April 22, 2001) calls for the strengthening of "representative democracy."

12. Despite this rebellion, his successor and former vice president, Gustavo Noboa, followed

Mahud's "dollarization" policy. See Heinz Dieterich, *La Cuarta Vía al Poder; Venezuela, Colombia, Ecuador* (Mexico: Quimera, 2001).

13. Chavez didn't just make these declarations during his regular appearances on radio and television shows. While he was on an official visit to France, he repeated them in front of a crowd of petrified diplomats during the forum "Transforming Venezuela: A Possible Utopia?" organized by the authors at the Sorbonne on October 10, 2001.

14. Ratified on December 15, 1999. The year 2000 was devoted primarily to elections at all levels and establishing the newly constituted powers. See Jonathan Marshall and Christian Parenti, "But Venezuela's 'Revolution' faces many obstacles," *In These Times*, February 26, 2002.

15. Jan Krauze, "Au Venezuela, Hugo Chavez Fait Face à Une Contestation Croissante," *Le Monde*, February 27, 2002, p. 2.

16. Pablo Aique Garbarini, *Libération* (Paris) "Chavez 'le Révolutionnaire' Chahuté à Caracas," February 23, 2002.

17. Peter Slevin, "Political Crisis in Venezuela Worries White House," *Washington Post*, February 23, 2002, p. A18.

POST-SCRIPT: THE SHAM INTERVIEW OF IGNACIO RAMONET

The Venezuelan media's ongoing campaign to discredit President Hugo Chavez's government has recently taken a particularly grotesque turn. On Wednesday, February 27th, the online magazine Venezuela Analítica published an interview in which Ignacio Ramonet, editor-in-chief of *Le Monde Diplomatique*, severely criticized the policies of President Chavez. Responding to the questions of the "Mexican journalist" Emiliano Payares Guzmán, Ramonet said that Chavez was going about "things very badly," and that his revolutionary project, lacking "respectable intellectual foundations," had foundered and given way to mindless "populism." This was some scoop the Venezuela Analítica had gotten its hands on. After all, Ramonet, whose foreign affairs journal has a devoted readership throughout Latin America, had been one of Chavez's most enthusiastic fans. In the Fall of 2001, had he not praised what he had called Venezuela's "avant-garde government," before an audience of nearly a thousand at the Sorbonne in Paris? Given the extreme level of tension between the country's government and the opposition, Ramonet's repudiation couldn't have come at a worse time for Chavez and his supporters. And, naturally, the country's anti-Chavez media cartel jumped on this prime opportunity to further undermine the Venezuelan President's credibility.

Thus, the following day, Teodoro Petkoff, an ex guerrilla who'd converted to

free-market thinking and who was now a leading figure within the anti-Chavez coalition, made his move. In an editorial in *Tal Cual*, the daily paper he directs, he gloated over the "end of the love affair" in a sarcastic tone flavored with machismo. But it was on Sunday, the day of peak newspaper sales, that the heaviest blow was to be dealt by *El Nacional*, the country's reference newspaper. It published the interview in its entirety and, in a front-page article, brutally announced Ramonet's repudiation of Chavez. In a vengeful tone, the commentary that preceded the interview ironically reminded the reader that Chavez had once told Venezuela's journalists that they had much to learn from the "objective" reporting of *Le Monde Diplomatique*. For the opposition, this fateful "divorce" was yet another sign of President Chavez's growing isolation on the international scene. But their spirits were soon to be dampened.

On March 4th, the editors of *El Nacional* and the Venezuela Analítica received two letters that must have spoiled their day. In the first letter, Ignacio Ramonet, after categorically denying ever having made the statements found in the interview or having even met Guzman, renewed his support for Chavez. Absent from Paris for several days, Ramonet had discovered upon his return that he'd received many angry and insulting e-mails. It was only some time later that the founder of ATTAC's Venezuelan friends pro-

vided him with the explanation for this unpleasant surprise.

The second letter, written by Emiliano Payares Guzman, proved to be even more upsetting. Guzman admitted that it was a phony interview and explained that his intention had simply been to put the Caribbean media's professionalism to the test. The interview, which he claimed to have obtained through Carlos Fuentes's mediation, had been sent by e-mail. To his great surprise, Venezuela Analítica had accepted it without asking for any details, not even basic information such as where and when the interview was made. As for *El Nacional*, the editors of this most respectable of papers had decided that, since the interview had already been published elsewhere, there was no need to pursue any further investigations. But what would the attitude of *El Nacional* have been had a respected intellectual made positive comments regarding Chavez's Bolivarian Revolution? Incapable of mustering decent arguments in its defense, this Venezuelan New York Times even hinted that Ramonet, in his fanatical search for evidence of mainstream media's inherent failings, had been behind the set-up. Meanwhile, Venezuelan high society continued to demonstrate freely against President Chavez's alleged dictatorship. But what of the dictatorship of Venezuela's media cartel?

—Ponceleon & Arvelaiz.

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Earl the Pearl Defends Ken Lay

WATERGATE ALUMNUS TO THE ENRON RESCUE

Nora King

As 2001 came to a close, despite terrorist attacks and "accidental" bombings of civilians in Afghanistan, the big story was the crash heard round the world as energy giant and George W. Bush patron corporation Enron fell of its own weight like a mathematical illustration out of *Das Kapital*. The fall of Enron, with dispossessed workers and lies exposed, is like some Marxist parable.

By late January 2002, former Enron chief Ken Lay promised to come voluntarily before the Senate Commerce Committee to explain and vindicate himself. Network TV cleared a slot. Folks bought popcorn. Then quietly on the Friday before Lay was supposed to appear before Congress, the word was out that he had hired Earl "The Pearl" Silbert, one of America's most high-profile litigators.¹ From that moment on, it never crossed my mind that Lay would testify.

Failing to appear at the February 2, 2002 hearing, Lay's pretext was the comments of loose-lipped legislators on the Sunday morning talk shows. Speaking on *Meet the Press*, Representative Billie Tauzin, a Republican from Louisiana, spoke of putting Lay in the "pokey." "Prosecutorial Tenor" cried Earl the Pearl, echoing G. Gordon Liddy, famed Watergate burglar, who in 1973 used the same claim of public utterances presaging overzealous prosecution against Silbert as the two duked it out in front of a Washington, D.C. Grand Jury. Liddy, after doing time and waiting for a few statutes of limitation to run out, gave an entertaining account of his face-off with the young Silbert in his confessional but militant autobiographical tale *Will*.

Both Silbert and Lay cut their political teeth in the Nixon years. It is unthinkable that a defense attorney who learned the practice of the law during Watergate would allow Lay to testify under oath before a government committee when he was facing possible civil and criminal charges.

Silbert has his work cut out, potentially defending Lay against accusations from influence peddling to fraud. Lucky for Earl that he doesn't have to face a jury in Europe, Latin America, perhaps Bombay.

In its fervor to build a power plant south of Bombay and to reap the megaprofits of deregulation, Enron hired strongmen who pulled activist protesters from their homes and beat them.² The World Bank refused to finance the project but, thanks partly to friends in high places, Enron managed to wangle taxpayer-backed Export-Import Bank and Overseas Private Investment Corporation loans and guarantees. Now

*...the Dirty War
paved the way for the
Chicago Boys; white
collar economic
sadists who trans-
formed Argentina to a
business-friendly
client state*

that the project is bust, Enron wants \$200 million for its losses. If some of the more articulate and politically conscious citizens of Bombay could extradite Enron executives, they almost certainly would.

Readers of the contemporary British press have certainly learned more about the rapacious nature of Enron than readers of the average American newspaper. American journalist Gregory Palast (who writes for the *London Observer*), recipient of a BBC award for his investigative coverage of Enron the World Bank and IMF, has, as he said in a recent interview, been forced to choose an employer willing to cover the story properly and so ended up with "children with English accents."³

Some of the stories available on Spanish language web sites or in publications based outside the US have unveiled more about the megalomaniacal dreams of Ken Lay, dreams which have included

attempts to control entire national markets for natural gas and water. Take Argentina.

Argentina was and continues to be a victim of the difference between the altruistic hype and the real Enron. It is also a prime example of the power of presidential patronage under George Herbert Walker Bush. In 1988, George W. Bush, on behalf of daddy and Enron, called an Argentine official a week after GHWBush was elected to get a favor. Dubya was asking for late and low bid acceptance for his father's patron. He was soliciting special consideration of an essentially non-competitive bid on an Argentine natural gas pipeline forced into privatization. In 1989, the deal was done with the help of Argentine President Carlos Menem.⁴ Menem is now disgraced and enmeshed in the corruption scandals that have rocked Argentina.⁵

The raffle of the Argentine infrastructure started during the Kissinger dictator-friendly years. The bloodbath which began in the early 1970's and is known as the Dirty War paved the way for the Chicago Boys; white collar economic sadists who advised on the transformation of Argentina from a messy, democratic, union proud and loud country to a business-friendly client state. George Shultz, Nixon's Secretary of the Treasury, hailed from the economics department of the University of Chicago, where Milton Friedman and Arnold Harberger were expounding the neoliberal theories which have since become Washington gospel. The Chicago Boys' prescription for Argentina included gutting national resources and social protections. Loan guarantees to the generals to buy weapons or avert financial instability were tied to privatization and wage caps in the public sector. Repression was rewarded.

Argentines have now lived through a chain of events over twenty-five years that have made them a nation stripped of

ABOUT THE AUTHOR

Nora King is an independent journalist whose accidental front-row seat on the corruption of the Kissinger years has given her a lifetime of material.

resources and control over their own services, a nation forced to take to the streets and now reorganize itself.

The potential financial rewards to the new masters of the universe first articulated in the theoretical waxings of Milton Friedman were not lost on Ken Lay. As the illegal break-ins at the Watergate dawned on the public mind thirty years ago, Kenneth Lay was quietly working in the US Department of Energy, a Nixon man interested in the ramifications of regulation and de-regulation. He had a front row seat for the clash between nations that owned and controlled development of their natural resources and nations that were subject to the "free market." The Cold War policy issues of a more global scale often worked their way into energy policy.

Contemporaneously, Lay saw investment opportunities on both sides of the border in the US tilt toward Pakistan, as Kissinger sacrificed America's relationship with India, the world's most populous democracy, for a back-channel through Yahyah Khan, Pakistan's notorious despot who brokered the opening to China. Kissinger made promises good enough to inspire the incredible historically brutal misery visited by West Pakistan on the East. What began with the burning of girls in their dormitories went on to mass, forced starvation now nearly synonymous with the word Bangladesh.⁶

While Ken Lay got an education in profit through privatization, Earl Silbert was getting his training under Attorney General John Mitchell. Trained as the "people's attorney" in the US Department of Justice, Earl Silbert has been part of two world-class conspiracy trials and in each case satisfied himself with prosecuting the henchmen and letting their paymasters slide. He understands the interface between grand juries, senate committees, criminal trials and civil suits. Let's take a peek at the beginning of Silbert's career.

For those who were not yet alive in 1972, and those who may have forgotten, let me light the historical stage Earl was about to walk upon...

White House illegal activities man G. Gordon Liddy was busy shredding back at the office three hours after the June 17, 1972 break-in at Democratic National Headquarters. Attorney Douglas Caddy was being awakened by a worried Bernard Barker's wife. Barker, who had served in the US military during WWII and was a veteran of the Bay of Pigs invasion, had met Caddy at the Army Navy Club. Caddy, a well-connected ideologue, took no fee for representing the men at their arraignment. (Along



April 24, 1974. Earl J. Silbert tells the Senate Judiciary Committee that his prosecution of the original Watergate case was hampered because "we couldn't get any insiders" to provide leads. Silbert appeared before the panel seeking confirmation as US attorney for the District of Columbia.

with super-spy E. Howard Hunt and columnist and ex-CIA man William F. Buckley, Caddy had founded the right-wing student group Young Americans for Freedom.) The *Washington Post* sent former Naval Intelligence man and rookie reporter Bob Woodward to cover the hearing, and Assistant Attorney General Henry Petersen chose Earl Silbert, a capable young Harvard man, to represent the government at the Saturday arraignment of the five burglars. Those present at the arraignment heard a strange tale of professional anticommunists coming up from Florida to work with ex-CIA man James McCord on a burglary at the Watergate. The burglars spoke briefly but clearly—they were not the men who chose the target of the burglary, and they had no idea why it had been chosen other than that it might advance the cause of anti-communism.⁷

The physical evidence Silbert encountered was strange also. Fake IDs, some electronic bugging equipment, consecutively numbered \$100 bills, the work phone number of E. Howard Hunt, and Hunt's check for \$6.36 to the Lakewood Country Club in Maryland.⁸ Hunt, first famous for his CIA work with the anti-Castro Cuban community in the Bay of Pigs invasion, has since gained notoriety for his alleged involvement in the Kennedy assassination.⁹

In government circles it was an open secret that a D.C.-based publicity agency, The Mullen Company, (where Hunt's boss was Robert Bennett, now Senator from Utah) worked both for eccentric millionaire Howard Hughes and as a front for the CIA. Dirty tricks orchestrated by Nixon out of Mullen included the setting up of over 100 dummy committees to launder question-

able contributions and the bizarre incident in which Howard Hunt borrowed a red wig from the CIA to intimidate publicist Dita Beard for exposing a quid pro quo between International Telephone and Telegraph and the Republican Party.¹⁰

Fairly quickly, Silbert must have seen that he had all these right-wing activists busy with a man who still had a White House pass and shared a top secret communications room with National Security Adviser Henry Kissinger. A properly executed search warrant would have busted the ongoing nature of dirty business and swept the thought that the Watergate break-in was in any way an aberration for Nixon peo-

In the 911 hindsight about how we handle terrorists, the Sheridan Circle murder case deserves a second look.

ple. A jingle on the phone from the head of the Senate Intelligence Committee, Frank Church of Idaho, might have given him a clue that there was more than met the eye.

Senator Church took time, not only to contact the prosecutors but even to write a personal letter to a concerned citizens group worried about US intervention in Chile. The letter, dated May 15, 1972 urged them to write to the executive branch and lobby hard for non-intervention. Church suspected a coup coming eventually. The timing of his letter, the first workday after the break-in at the Chilean Embassy speaks for itself. Senator Church was inclined to connect the dots from recent break-ins at the Chilean Embassy to those the same day at an office of the Federal Reserve Bank to those at homes of reporters and others on the Nixon enemies list.¹¹

If Silbert had believed his lyin' eyes at the arraignment, he would have heard and seen things which would have corroborated Senator Church's theory of the case. Church was concerned that the break-in at the Chilean Embassy on the weekend prior to May 15, 1972 (still an open case at the time of the Watergate burglary), was connected both by politics and by common means and methods to the June 17th break-in at the Democratic National

Headquarters.

A series of unsolved break-ins throughout the spring actually represented a mini crime wave in the D.C. area. Most of those break-ins were still prosecutable within statute when Silbert went to trial, so he had potentially more counts to charge, potentially more victims with the right both to pursue criminal prosecution of the perpetrators, in theory, and also the right to civilly sue the identified perpetrators, which is a time-honored tool of prosecutors in bringing henchmen to identify their paymasters. Two other burglaries were in the Watergate, one at the Banking Operations Division of the Federal Reserve Board, the other at the law office of Democratic Party leader Patricia Harris. Journalists, researchers at think tanks and foreign diplomats were also targets in this crime wave.

In hindsight, it seems fair to ask the "people's attorney" why such apparently interlocking puzzle pieces were ignored or rejected. Why was the first Watergate trial limited by a theory that Liddy took off with unapproved funds on an unapproved mission when the President of the United States was known as king of the "ratfuckers"—a Southern California tradition of screwing one's opponent despite truth, morals or the law?

Why develop a theory of the crime that leaves out so much of the evidence? A careful study would have led to perpetrators of not just break-ins but threats, and later could be seen to form the beginnings of a pattern that fit the escalating violence against Chileans.

Much can be chalked up to inexperience in Earl's first Watergate prosecution, but when he prosecuted the murder of Orlando Letelier and Ronni Moffitt he exhibited the same weaknesses as a prosecutor. The prosecution came years after the elected Chilean government came down in a 1973 US orchestrated military coup. The target victim was an ambassador who had been bugged by the Watergate offenders. The primary perpetrator in custody, Michael Townley, worked for the Chilean secret police. He constructed a cookie pan bomb and arranged a conspiracy of Cuban Americans to carry out the bombing while he flew out of the country.¹² The legs were blown off a persuasive left-wing economist and diplomat whose lifework was to stop privatization and restore democracy in his homeland.

Given the current view of terrorist activity, it perhaps now seems as shocking to the broader citizenry as it did to the human rights community twenty years ago that a foreign terrorist, sent by a government to kill

in the US capital during the bicentennial celebration would be given a plea, a light sentence and a place in the witness protection program. Politics over police work.

If only stodgy police work had prevailed over the Silbert approach to discovery in both the Watergate and Sheridan Circle trials, history might have been different, both for Chile and the US.

Here are bits of evidence from the Watergate era crimes which hang in the historical wind, yet when woven together show the direct flow of the lesser Watergate crimes with the 1973 coup and the 1976 murders in Washington:

- Certain he was wiretapped, Pentagon Papers defendant Daniel Ellsberg demanded an inter-agency search to find the source. After a five-month search of 12 agencies, Ellsberg was told that there were tap logs only on lawyer Leonard Boudin's communications with the Chilean Embassy.¹³ This information was forwarded to Silbert.

- Watergate defendant James McCord made a point of calling the Chilean Embassy and asking for a visa, hoping to expose the tap Sturgis and others have admitted planting at the Embassy.¹⁴

- Sol Linowitz, who was attorney for the Chilean Government in its dealings with the US was also bugged, and forwarded the information to Justice.¹⁵

- At the July 1972 bail hearing of Bernard Barker, his attorney stated in court that \$89,000 of the money transferred into Barker's bank account came from Chilean investors whose identities could not be brought forward for fear of reprisals, presumably from the democratically elected government of Chile.¹⁶ Since *Washington Post* reporter Bob Woodward's star informant Deep Throat told us to "follow the money," why has the fact that this was first identified as Chilean money in a time of coup plotting been left in the footnotes?

- The April 1972 change in campaign finance law had led to a glut of last-minute suitcases of cash flowing into the Committee to Re-Elect the President (CREEP). One source named for the four checks totaling \$89,000 found by a Florida District Attorney in Barker's account was a group of Houston-based oil executives concerned with issues of regulation and deregulation in both the US and trading partner nations. One nation of concern to the oil interests was Chile, as its government under President Salvador Allende had exercised what these execs considered unacceptable levels of scrutiny and control over foreign investment.

Some oilmen later complained that

they were told how much CREEP expected from them, a million being a good figure in some cases. This mirrors the sworn testimony of Yankees owner George Steinbrenner, who in 1972 was primarily in shipping, about what he considered amounted to extortion.¹⁷ What we are left with is that, while Earl was only able to explain a bit of the cash at trial, and was embarrassed by opposing counsel over it, cub reporter local district attorneys and FBI men figured out that illegal campaign contributions were mixed with legal ones, laundered internationally and mixed with specific patron donor contributions to bankroll an in-house team of burglars and god knows what else.

Silbert followed a see-no-evil, hear-no-evil prosecution strategy that topped the conspiracy with a renegade Liddy making off with unauthorized funds to perform unauthorized deeds. Shutting down the Chilean aspects of the case bought time for real tragedy. The CIA coup in Chile happened September 11, 1973 between the first trials and the resignation of Richard Nixon. Dictator Pinochet was to last 17 years. Nixon's brave new world of business-friendly dictators went on without him. Emboldened henchmen felt comfortable coming here to perform a killing on Washington soil.

While he was still working on the prosecution side of the courtroom, Silbert played a strange role in a political terror case. His co-counsel from the Watergate trial, Seymour Glazer was the defense attorney for Michael Townley, a man who stood accused of building a bomb and killing the man whose embassy had been burgled four years earlier.¹⁸

In the Sheridan Circle case, Silbert came to prosecute a high profile, political double murder. According to Eugene Propper, who brought Michael Townley back from Chile, Silbert's approach mirrored his stance in the first Watergate trial. "The higher up you go," he is reported to have said, "the more you have to have them by the balls."¹⁹ On this theory, perhaps it made sense in some rare instance to trade a boss' immunity for testimony against his henchmen, but the morality would certainly be questionable. In the 911 hindsight about how we handle terrorists, this case deserves a second look.

Since the CIA Chief at the time of the killing was George H.W. Bush, we know that he was readily accessible for interview at the time of litigation a few years later. The suspect Silbert was about to plead was also a suspect in several terrorist killings in Europe and Latin America, and was want-

ed for questioning in those countries. It is also possible, since Townley was not put through a lineup for the other, related DC case, that this was the "North American" reputed by first-hand witnesses to have been present at the interrogation of murdered journalist Charles Horman. The 1977 civil case *Horman v. Kissinger*, also in DC District Court, was closed "without prejudice" because Kissinger had successfully blocked access to relevant government documents.²⁰

One of the issues which arose internationally during the time GHW Bush headed the CIA was what sort of relationship our intelligence agencies should have with a Chilean Secret Police which had as one of its leading ideologues Walter Rauff, formerly of Hitler's SS, and inventor of the mobile gas chamber. Since the killer in the D.C. murders was clearly associated with the Chilean Secret Police, and had a history of some kind with the CIA, both Bush and the current CIA chiefs could have been really crucial to prosecution not only of this murder, but of others as well.

Pinochet had waged a campaign of terror across three continents, killing and maiming social democratic politicians like Orlando Letelier and many others considered enemies of the dictatorship. From the recently released tapes of conversations between Kissinger and Pinochet during an OAS meeting two months before the killing, it is clear that the dictator does not feel reigned in by the human rights rap that Kissinger was obliged to deliver for show at the meeting.²¹

Silbert's approach to the case was to get a quick deal and give the bomb builder a few years in jail, a new identity and immunity from extradition for other serious crimes, so that he would agree to inform on those who worked under him. I wonder if he saw the stuff I saw when some of the Chile files were declassified—one a report about Townley and poison gas, gas canisters, storage units—you get the picture. The National Security Archive has a wealth of such documents, some in which government employees are wondering what role Townley might have played in several high profile crimes in Europe. Deals seem unimaginable when perusing these files.

The families of the dead and their supporters have brought questions left from this disturbing deal back into court. Sons, widows, granddaughters have together reopened old cases, like the Letelier case which was re-opened by Janet Reno in 1999 and passed as an open case to John Ashcroft—asking who gave the orders? Others cut straight to the chase—what was

the role of Henry Kissinger in the death of constitutionalist General Rene Schneider?

Like the tale of the elephant and the blind men, we each see Silbert from our own particular perspective. Nixon right-hand man G. Gordon Liddy has called Silbert a "world class ass kisser."²² One of the legal associations led by Silbert touts his skill with white collar crime on their web site. I am looking for his amazing skill at keeping the top man out of the picture.

NOTES

1. Carl Bernstein and Bob Woodward, *All the President's Men* (New York: Simon & Schuster, 1974) p. 18.
2. John Nichols, "Enron's Global Crusade" *The Nation*, March 4, 2002, p. 4.
3. Interviewed by Amy Goodman on "Democracy Now," Pacifica Radio, February 18, 2002. <www.webactive.com/webactive/pacifica/demnow/dn20020218.html> Palast has just published *The Best Democracy Money Can Buy* (London: Pluto Press, 2002).
4. Nichols, p. 4.
5. See Salomon Partnoy, "On The Horns of a Dilemma" in this issue.
6. Walter Isaacson, *Kissinger, A Biography* (New York: Simon and Schuster, 1992) p. 372.
7. Fred Emery, *Watergate: The Corruption and Fall of Richard Nixon* (London: Jonathan Cape, 1994), p. 148.
8. Emery, p. 151.
9. Mark Lane, *Plausible Denial: Was the CIA Involved in the Assassination of JFK?* (New York: Thunder's Mouth Press, 1991). Lane answers his own question by recounting the little-known trial of a libel suit brought by Hunt.
10. James McCord, *A Piece of Tape: The Watergate Story: Fact and Fiction* (Rockville, MD: Washington Media Services, 1974) p. 44.
11. Frank Church to Elizabeth Farnsworth, Non-Intervention in Chile Archive. The Archive will soon be publicly available at the Westminster House Library, 2700 Bancroft Way, Berkeley, CA 94704.
12. See Eugene M. Propper and Taylor Branch, *Labyrinth* (New York, Viking: 1982). Propper was a US District attorney for Washington DC at the time. *Labyrinth* is his account of the investigation and prosecution of the assassination of Orlando Letelier.
13. Anthony Summers, *Arrogance of Power; The Secret World of Richard Nixon* (New York: Viking, 2000) p. 526.
14. McCord, p. 44.
15. Summers, p. 526.
16. Bernstein, pp. 36-37.
17. Summers, p. 397.
18. Propper and Branch.
19. Bernstein, p. 231.
20. Nora King, "Kissinger's Crimes," *CAQ*, no. 70, April/June 2001, pp. 23-25.
21. National Security Archive <www.gwu.edu/~nsaarchiv/>. Search on "June/July 1976" and "Kissinger" and "Pinochet."
22. Liddy, p. 270.

Slow Motion Holocaust

US DESIGNS ON IRAQ

Stephanie Reich

The George Bush II administration is implementing war preparations for an all-out attack on Iraq. In his January 2002 "Axis of Evil" speech, Mr. Bush accused Iraq of having plotted to "develop anthrax and nerve gas and nuclear weapons," fulminating against "...a regime that agreed to international inspections then kicked out the inspectors...a regime that has something to hide..." This despite that fact that in January 2001, outgoing Secretary of Defense William Cohen advised the incoming administration that "Saddam Hussein's forces are in a state where he cannot pose a threat to his neighbors..."¹ Scott Ritter, the outspoken former US Marine and UN weapons inspector, has reiterated this assessment.²

Immediately after Iraqi troops entered Kuwait on August 2, 1990, George Bush I implemented war preparations, bypassing both UN procedures for conflict resolution and inter-Arab efforts at resolving the dispute. This happened despite the fact that during the previous decade, the Iraqi government had adopted policies designed to improve its relations with the US. For example, Iraq substituted France for the Soviet Union as its leading trading partner and arms supplier, and condemned the Soviet intervention in Afghanistan.³

These Iraqi moves did not alter the basic thrust of US policy in the Persian Gulf region, which was to maintain the Arabian Peninsula monarchies as Washington's chief strategic allies, and to marginalize both Iraq and Iran. During the Iran-Iraq war, the US carried out this policy by assisting one belligerent and then the other. Henry Kissinger said at the time: "The ultimate American interest in the war is that both should lose."⁴

Despite its propaganda regarding the Iranian government, the US did not take any action against Israeli arms sales to Teheran, since they served the US objective of keeping Iran and Iraq in combat. Israel reconstructed its Iranian arms market impressively during the Iran-Iraq war, accounting for as much as 50 per cent of Iran's war needs from the outbreak of hostilities to March 1982. During the war, Israel supplied Iran with at least \$500 mil-

lion worth of arms per year.⁵ The Reagan administration got involved in arms sales to Iran after receiving reports from Israeli intelligence about Tel Aviv's contacts with what Israel called "anti-Khomeini and pro-Western elements" (the debut of the so-called "Moderates") within the Iranian government. Thinking to keep the conflict

HENRY KISSINGER SAID AT THE TIME OF THE IRAN-IRAQ WAR: THE ULTIMATE AMERICAN INTEREST IN THE WAR IS THAT BOTH SHOULD LOSE.

going, President Reagan authorized Israel to sell TOW antitank missiles to Iran, in July 1985, and in January 1986, approved direct US arms sales to the Khomeini government. These two directives contravened "Operation Staunch," a US-led arms embargo on Iran.⁶

While the war brought Iraq severe economic problems, the country seemed to have emerged from the conflict with increased military strength in 1988. This apparent development set the stage for US and Israeli moves to contain Iraq. For the US, such moves were to ensure that Iraq would not become strong enough to interfere with US warships patrolling the Gulf.⁷ Between 1988 and 1990, Gulf oil had become more important to the US than ever because the global demand for oil had increased. In January 1990, Director of Central Intelligence (DCI) William Webster speculated that the share of Gulf oil would increase from 10 to 25 per cent of all US imports over the next few years. Furthermore, Soviet oil production was declining, and this made it likely that Moscow would become a competitor with the US for Gulf oil.⁸

Israel, for its part, aimed to maintain its position as paramount military power in

the region by portraying the strengthening of any Arab state's armed forces as a major security threat. Israel included in this category the growth and battle experience of Iraq's armed forces, Iraqi and Syrian moves toward reconciliation, and the formation, in March 1990, of a joint Iraqi-Jordanian squadron armed with Mirage aircraft. Israel considered all of these developments precursors to the emergence of a new, anti-Israeli eastern front.⁹ The following month, US intelligence claimed that Iraq had completed the installation of fixed launching sites for modified versions of its Scud-B missile, as preparation for attacks on Israel. The seizure in Greece of steel pipes slated to be components of Iraq's 1,000 mm supergun provoked speculation that this gun was to be used to lob large chemical or nuclear warheads into Israel. Israel further alleged that both Iraq and Syria possessed waterborne biological agents capable of poisoning Lake Tiberia, Israel's chief source of water.¹⁰

In sounding these alarms, the US and Israel were attempting to conceal three realities. The first was that Iraq was developing these weapons as a defense against Israel, which had a massive arsenal of nuclear, chemical and biological weapons. By 1988, Israel possessed nearly 200 nuclear weapons of various types, and a fleet of fighter aircraft designed for nuclear payloads.¹¹ Israel's tactical nuclear arsenal at the time included land mines planted along the Golan Heights. Currently, Tel-Aviv's Nes Tziyona Biological Institute produces chemical and biological weapons, and its arsenal features ballistic and cruise missiles designed for nuclear warheads, at least 200 neutron bombs, and F-16 fighter jets designed to carry chemical and biological payloads.¹²

The second reality was that as late as 1990, Iraq's arsenal of superguns, and nuclear, chemical and biological weapons

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was still at a rudimentary stage of development. The third reality was that it had been US, British and other Western firms and agencies that sold much of the technology for these weapons to Iraq. The Reagan administration's removal of Iraq from the list of states "sponsoring terrorism" granted Iraq the eligibility that every other "free world" state enjoyed to purchase high technology equipment from the US.¹³ Between January 1, 1985 and August 2, 1990, the US Commerce Department approved hundreds of license applications for exports of US products to Iraq. Many of these products had potential military applications. A 1989 US Commerce Department report highlighting areas of the Iraqi economy that were likely to prove lucrative to US businesses pointed out that military hardware, and specifically state of the art weaponry and logistical supplies, were items that Iraq would require for replenishing its defense forces.¹⁴

The British firm of Walter Sommers, Ltd., had supplied the steel tubes for the one operational long-range cannon that Iraq possessed, a 356mm gun with a range of 150 to 180 kilometers. (Israel is 825 kilometers distant from Iraq.) Other parts for the cannon had come from West Germany, Spain and France. Iraq had not yet assembled by 1991, much less tested, its two highly-publicized 1,000 mm supergun. Walter Sommers, Ltd. and Sheffield Forgemasters held the contracts for the guns' steel tubes, and a Belgian firm was to supply the propellants. Despite allegations that Iraq was planning to use these guns to deliver biological payloads to Israel, there is no evidence that Iraq had such a capability.¹⁵

As late as 1985, Iraq possessed only one operative mustard gas plant, a small complex that the West German firm of Karl Kolb had built. More significantly, by the end of the 1980s, Iraq was still importing the precursors for mustard gas, thiodiglycol and ethylene oxide. Iraq imported its thiodiglycol from the US throughout that decade, as well as from Western European firms. In the late 1980s, Iraq still lacked facilities for the production of ethylene, a basic precursor for many petrochemical products, as well as for thiodiglycol and ethylene oxide. Although Iraq had completed the construction of its first ethylene plant early in the decade, the Iran-Iraq war had postponed startup until 1989. Not until 1988 did Iraq let contracts for the construction of a second plant for the production of ethylene oxide.¹⁶ The construction manager was Bechtel Corporation, to which former Secretary of State George



Al Jumhuriya neighborhood, Basra, Iraq, January 25, 1999. Exhumation of Nor, six years old, buried alive at home by a US-delivered AGM 130 missile.

Schultz had returned as a top executive at the end of Reagan's second term.¹⁷ Another US company working on this plant was Lummus Crest, of Bloomfield, New Jersey.¹⁸

As of 1988, Iraq's production capacity for the nerve agents Sarin and Tabun was

small. The country's two West German built pilot plants at Samarra were each capable of producing only 48 tons per year of these agents. (By comparison, the best data available on US production of chemical weapons suggests production levels of around 1,000 tons per year as of early



Voices in the Wilderness/Chuck Trapkus

May, 1998, Basra Pediatrics Hospital, Iraq. Mashal Anur, Adras Hussein, and Misal, all under one year old, all suffering from nutritional marasmus. Their mothers presented their children for the photographer. "The US government wants the next generation weak and mentally retarded," said Dr. Firas Abdul Abbas.

1970s. —*Bulletin of the Atomic Scientists*, vol. 53, no. 5, 1997) Furthermore, Iraq had to import the precursors for these nerve agents, and until 1985, an important source of these imports had been Western Europe and the US. Because many precursors of nerve agents have few non-military uses, Iraq had also to contend with the export restrictions that many potential source countries had imposed. It was not until 1987 that Iraq obtained the equipment for a production plant for the nerve gas precursors phosphorous oxychloride and phosphorous trichloride from West German firms. However, Iraq remained unable to produce elemental phosphorus, a basic component of all nerve agents.¹⁹

US and other Western firms and agencies were extending considerable assistance to Iraqi research on infectious diseases, irrespective of whether or not this research was being conducted for military purposes. One such agency was the American Type Culture Collection, which supplied Iraq with the cultures for Tularemia and West Nile Fever, and no fewer than seventeen shipments of cultures of various toxins and bacteria between 1985 and 1991.²⁰ By the outbreak of the 1991 war, other US centers had transferred the strains for a number of viruses to Iraq for research, and the US firm Sigma Chemie had provided Iraq with precursor viruses. In addition, this firm transferred mycotoxins to its two West German subsidiaries, Joseph Kuhn and Plato-Kuhn. These firms, in turn, delivered the toxins to Iraq.²¹

Despite the Bush I administration's hair-raising alarms about Iraq's alleged nuclear capabilities during the run-up to the 1991 Gulf War, the reality was that Iraq's nuclear achievements by that year

were dismal, and many were traceable to US equipment. For example, US companies played a significant role in the development of Saad 16, a complex for designing missiles and conducting nuclear weapons research. Iraq had imported fully 40 per cent of the equipment used at this complex from the US, including computers manufactured by Hewlett Packard Co., oscilloscopes manufactured by Tektronix, Inc, and microwave measuring devices purchased from Wiltron Co.²²

Back in 1981, Israel had destroyed Iraq's French-built Osirak reactor before it became operational, due in part to US-provided high-resolution satellite photographs.²³ France did not rebuild the Osirak reactor, nor did Italy conclude the 1981 agreement that Iraq had tried to initiate for a new reactor, since it was clear that Israel would destroy it. During the 1980s, Iraq obtained 93% enriched uranium from France, conducted research on the various techniques for uranium enrichment and plutonium production, and was able to obtain components for these techniques from German and US companies such as Maxwell Laboratories of San Diego. Yet even by the end of the decade, Iraq possessed insufficient quantities of highly enriched uranium for building the most rudimentary nuclear device. Producing a smaller weapon with the limited amount of enriched uranium that Iraq possessed would have required complex implosion technology that Iraq lacked. As for plutonium, Iraq had been able to extract slightly over 5 grams by the onset of the Gulf War, whereas the simplest plutonium weapon requires 8 to 10 kilograms. Nor does any evidence exist indicating that Iraq was designing plutonium weapons. Finally, by the end of the 1980s, Iraq still lacked an effective delivery system for nuclear weapons.²⁴ At the time of Israel's attack on Osirak, Iraq was a signatory to the Nuclear Non-Proliferation Treaty, as it remains today. Israel has yet to sign.

In February 1990, Saddam Hussein condemned US military presence in the Persian Gulf, and warned that growing US power in the region might eventually allow it to dictate the price, production and distribution of the region's oil, solely according to its own interests.²⁵ In April of that year, President Hussein advocated a pan-Arab troop and materiel buildup, and declared that as long as the Arab states remained economically and militarily weak, they would be unable to dislodge Israel from the occupied territories and establish a Palestinian state. President Hussein's speech emphasized that eco-

IN 1990, SADDAM HUSSEIN POINTED OUT THAT ISRAEL, NOT IRAQ, INTRODUCED NUCLEAR AND CHEMICAL WEAPONS INTO THE REGION, AND ADVOCATED AN ALTERNATIVE: TRANSFORMATION OF THE MIDDLE EAST INTO A NUCLEAR, CHEMICAL AND BIOLOGICAL WEAPONS-FREE ZONE.

nomically strengthening of the Arab states required the investment of oil revenues at home rather than abroad, and that wealthy Arab governments should assist poor ones. He advocated special pan-Arab funds to assist the Palestinian intifada, and stated that Iraq would answer any Israeli nuclear attack, and would come to the military aid of any Arab nation facing external aggression. He also pointed out that Israel, and not Iraq, had introduced nuclear and chemical weapons into the region, and advocated an alternative: the transformation of the entire Middle East into a nuclear, chemical and biological weapons-free zone.²⁶

While the US and Israel were trumpeting allegations about the "Iraqi menace," Kuwait was engaging in a series of damaging maneuvers against Iraq. In 1989 Kuwait hindered Iraq's access to the Gulf by refusing to lease two islands, Bubyah and Warbah, for shipping purposes.²⁷ In 1990 Kuwait resumed direct flights to Iran while prohibiting Iraqi aircraft from crossing Kuwaiti airspace, thereby preventing Basra from functioning as an international airport.²⁸ Iraq's industrialization and debt repayment plan of 1989 was based upon the presumption that in 1990, the price of oil would rise above the OPEC-set price of \$18 per barrel. Instead, the price of oil fell markedly during that year, and both Kuwait and the United Arab Emirates (UAE) dabbled on agreeing to adhere to their OPEC production quotas until they received warnings from Iraq in July. Nor would Kuwait agree to cancel the \$17 billion debt that Iraq had contracted during the war with Iran.²⁹ A related Iraqi grievance against Kuwait concerned the Rumailah oilfield, ninety per cent of which lies in Iraq. Iraq charged Kuwait with taking advantage of the war situation and stealing

Iraqi resources by slant-drilling \$10-14 billion worth of oil from the field during the 1980s.³⁰

All along, Kuwaiti officials were confident of US support. This confidence is revealed in a document the Iraqis discovered in a Kuwaiti intelligence file at the time of the invasion. The document was a memo from the head of Kuwaiti State Security summarizing a November 1989 meeting with CIA Director Webster. Webster and the Kuwaiti security chief agreed that it was important to take advantage of Iraq's deteriorating economic situation in order to pressure Iraq on the border dispute, and that Kuwait could rely on US cooperation at the highest levels. The

**A SERIES OF RECENTLY
REVEALED DEFENSE INTELLIGENCE
AGENCY REPORTS
SHOW THAT THE US ATTACK ON
IRAQ'S CIVILIAN POPULATION
WAS DELIBERATE AND CALCULATED.**

Kuwaiti Foreign Minister fainted when his Iraqi counterpart confronted him with this document at an Arab summit meeting in mid-August, 1990.³¹ According to Jordan's King Hussein, prior to the Gulf War the Kuwaiti Foreign Minister had stated "We are not going to respond to [Iraq]. If they don't like it, let them occupy our territory...We are going to bring in the Americans."³²

Privately, the US had made its intentions clear to Kuwaiti officials, but Washington's public statements and communications to Iraq about troop deployments along the Kuwaiti border in July 1990 were very ambiguous. While both Secretary of Defense Dick Cheney and Undersecretary of Defense for Policy Paul Wolfowitz (both now in the Bush II administration) stated that the US was committed to defending Kuwait if it were attacked, the White House later stated that Cheney had spoken with "some liberty." State Department spokesperson Margaret Tutweiler stated that the US had concluded neither defense treaties nor special

security agreements with Kuwait, but then asserted that the US "remained strongly committed to supporting the individual and collective self-defense of our friends in the Gulf..." On July 25, 1990, US Ambassador to Iraq April Glaspie uttered her infamous statement to the Iraqi president that the US had no opinion about inter-Arab conflicts. On the same day, Assistant Secretary of State John Kelly killed a VOA broadcast reiterating Tutweiler's warning. Days before Iraq actually entered Kuwait, Kelly told Congress that the US had no defense treaty with any Gulf country, and had historically avoided taking positions on border disputes or inter-OPEC deliberations.³³

Once Iraq entered Kuwait, the US moved swiftly and decisively toward war, foiling regional attempts to resolve the conflict, dismissing Iraqi proposals for withdrawal, and contravening standard UN procedures for such situations. President Bush brusquely gave King Hussein of Jordan a mere forty-eight hours to convene a summit in Saudi Arabia for negotiating a settlement. Believing that he had persuaded Egypt to refrain from condemning Iraq, King Hussein then obtained Iraq's agreement to begin troop withdrawals on August 5, the first day of the summit. On August 3, possibly under Egyptian pressure, fourteen out of twenty-one Arab foreign ministers voted to condemn the invasion, and so the mini-summit collapsed. On August 6, the Bush administration secured Turkey's pledge to boycott Iraq and shut down Iraq's oil pipeline, in exchange for US promises of military and economic favors.³⁴

Next came Saudi Arabia's "invitation" for US military intervention on August 7, after Secretary of Defense Cheney had convinced King Fahad that the Kingdom was in danger of an Iraqi invasion. Reports subsequently surfaced that British Prime Minister Thatcher had revealed to King Hussein that US troops were actually en route to Saudi Arabia before King Fahad had requested them.³⁵ Both CIA and Defense Intelligence Agency officials expressed skepticism about the existence of such Iraqi invasion plans. General Colin Powell also concurred with this assessment by conceding that Baghdad could have invaded Saudi Arabia without going through Kuwait, and that Iraq had curiously refrained from carrying out such an invasion within the three weeks immediately following the takeover of Kuwait.³⁶

Between August 10 and 19, Iraq issued three proposals for resolving the Gulf crisis. The first proposal offered Iraqi withdrawal from Kuwait in exchange for

Syrian pullout from Lebanon, and Israeli evacuation of the West Bank and Gaza. The second proposal called for the replacement of US troops assembling in Saudi Arabia by UN forces, and the handling of the Iraq-Kuwait situation within a regional context. The third proposal, delivered to US National Security Adviser Brent Scowcroft, offered Iraq's complete withdrawal from Kuwait in exchange for Iraqi control of the Rumailah oilfield, and for Baghdad's guaranteed access to the Gulf. The US responded to these three Iraqi offerings by continuing its troop buildup in Saudi Arabia.³⁷

The US gained its November 29 UN vote authorizing war against Iraq from the



January 25, 1999, Al Jumhuriya neighborhood, Basra, Iraq. A father bearing the corpse of his six year old child. CNN acknowledged that the US missile struck a residential district, but reassured TV watchers around the world that CNN had received "no independent confirmation of any civilian casualties."

other Security Council member states by offering them handsome economic assistance packages. The Soviet Union, for instance, obtained a US pledge of \$6 billion in financial aid as payment for its "yes" vote. Colombia, Ethiopia and Zaire were also offered new aid packages, and access to World Bank credits and IMF loans. China's abstention was purchased by ending China's post-Tiananmen Square isolation through a high-level White House meeting with the Chinese ambassador, and by promising to push for the release of China's withheld World Bank credits. Yemen was punished for voting against the

**ASKED ABOUT REPORTS CITING
MORE THAN HALF A MILLION
IRAQI CHILDREN KILLED BY
SANCTIONS, MADELEINE
ALBRIGHT, US AMBASSADOR TO
THE UN REPLIED "...WE THINK
THE PRICE IS WORTH IT."**

**(THE INTERVIEW WAS IN 1996; THE TOLL
TODAY MAY REACH OVER ONE MILLION.)**

resolution with a cutoff of \$70 million in US aid.³⁸

The Gulf War concluded at the end of February 1991 with the Highway of Death massacre, in which the US Air Force, in violation of international law, strafed and killed tens of thousands of Iraqi troops retreating from Kuwait. The sanctions imposed in August 1990 remained, now tied to Iraqi compliance with Security Council Resolution 687, directing the demolition of its weapons of mass destruction, and compliance inspections at 60-day intervals. It was a moving goalpost that never stopped moving. Lifting the sanctions requires unanimity among the Security Council's permanent members. The US and Britain remain the only hold-outs to this day.³⁹

Iraq subsisted on UN humanitarian aid and the donations of NGOs until 1996, when Iraq was permitted to resume oil exports under the Oil for Food Program. The sanctions continue to wreak devastation on the country and its people. Sanctions have caused massive migrations to Baghdad from the impoverished south, inflation, unemployment, a huge rise in childhood mortality, and an increase in crime. The Clinton administration consistently blamed all the sufferings of the Iraqi people on Saddam Hussein.⁴⁰ The documentary evidence tells a different tale.

GENOCIDE AS PRACTICAL POLICY

A series of recently revealed Defense Intelligence Agency (DIA) reports show that the US attack on Iraq's civilian population was deliberate and calculated. A DIA report of January 1991 stated that sanctions would prevent the import of chemicals and equipment required for the provision of safe drinking water, resulting in epidemics. A second DIA report listed as like-

ly causes of epidemics in urban areas the fact that US bombing had destroyed water, electrical and waste disposal systems, and had largely ended distribution of preventive medicines. The report itemized the predicted disease outbreaks, highlighting those that strike children. A third DIA report dated March 1991 explicitly connected outbreaks of gastrointestinal and respiratory diseases to the war, stated that children in particular were affected, and noted that potable water had been reduced to 5% of prewar supplies.⁴¹

Even in the face of these and subsequent reports, many prepared by the UN, US-backed Iraqi opposition groups continue to support sanctions. The Iraqi National Congress (INC), the Kurdish Democratic Party and the Patriotic Union of Kurdistan all support sanctions. Iran's proxy, the Shi'a group Supreme Islamic Council for Revolution in Iraq, supports them as well.⁴²

The Oil for Food program, adopted by the UN in 1996 as an ostensibly humanitarian gesture, was actually another instrument of punishment aimed at the Iraqi people. By the UN's own admission, the funds generated from the beginning have been woefully inadequate. In 1998, UN Humanitarian Coordinator Dennis Halliday publicly announced his resignation, citing failure by design as his reason for doing so. In February 2000, Hans von Sponeck resigned the same post on similar grounds. Von Sponeck points out that Oil for Food revenue never exceeded \$180 per person per year, a tiny fraction of the cost of mere existence.⁴³

Since the end of the Gulf War, the US has justified sanctions on various grounds, usually blaming all Iraq's ills on Saddam Hussein, and alleging rapid rebuilding of Iraq's military capabilities. Scott Ritter exposed such rationales by pointing out that the Clinton administration was consistently intent on removing Saddam. This meant continued sanctions regardless of Iraq's behavior. Few statements illustrate the policy as clearly as that of Madeleine Albright, then US Ambassador to the UN, on May 12, 1996. Asked on the CBS newsmagazine *60 Minutes* about reports citing more than half a million Iraqi children killed by the sanctions she replied: "...we think the price is worth it."

Despite the fact that fellow UN Security Council members Russia, France and China are convinced that Iraq has disarmed, the US continues to insist on one inspection after another, without any commitment regarding lifting of sanctions. In 1998, UN weapons inspector Scott Ritter

revealed that the US had successfully inserted intelligence agents in the UN inspection teams. The Iraqis refused the final UNSCOM inspection in reply, and this refusal was used to justify another round of US bombing in Operation Desert Fox.⁴⁴ Compounding the hypocrisy of Washington's stance is the well-publicized fact that US corporations, including Exxon-Mobil and Chevron, are profiting from the stranglehold of Iraq by purchasing Iraqi oil from third parties involved in the "humanitarian" Oil For Food program.⁴⁵

As early as the first half of the Clinton administration, US was resorting to proxy war in its campaign against Iraq. In 1994, Ahmad Chalabi of the Iraqi National Congress (INC) launched an insurrection from a base in Iraqi Kurdistan with US backing, intent on overthrowing the Ba'athist government before it could resume exporting oil. The insurrection was a dismal failure, but that didn't stop Chalabi from co-signing, with Caspar Weinberger, Frank Carlucci, and Donald Rumsfeld, an open letter to President Clinton in 1998, urging a second try. Toward the end of his term, President Clinton signed the Iraq Liberation Act, allocating \$97 million for training and military equipment for Iraqi opposition groups.⁴⁶ Rumsfeld, Paul Wolfowitz, Richard Perle, and many other signers of the letter now hold positions in the Bush II administration, where they are counseling an all-out war under the handy pretext of the "War on Terrorism."⁴⁷

After September 11, 2001, Chalabi presented a new battle plan, featuring a firebase inside Iraq, declaration of a provisional government (with quick US recognition, no doubt), and recruitment among Iraq's Shi'a Muslims. Chalabi's new plan also calls for heavy US bombing and plenty of US Special Forces. Chalabi's plan anticipates multiple threats paralyzing the Iraqi military.⁴⁸ General Wayne Downing, a former ad hoc advisor to the INC now (appropriately) serving as the National Security Council's expert on terrorism, apparently believes a few hundred Americans could train a small Iraqi force sufficient to seize an airfield near Iraq's oilfields, and neutralize the Republican Guards. Like Chalabi, Downing claims to believe that modest military successes by the Iraqi opposition will ignite wholesale insurrection.⁴⁹ Scott Ritter's assessment lacks such cheerful arrogance. He predicts the Iraqi army would disperse to villages and towns throughout the countryside, and logically asks: "What will we do? Flatten the towns?"⁵⁰

It now appears that the CIA and State Department wish to bypass the INC, focusing instead on the Patriotic Union of Kurdistan, the Kurdistan Democratic Party, the pro-Iran Supreme Islamic Council for Revolution in Iraq, and the Iraqi National Accord. Ayad Allawi, who heads the Iraqi National Accord, and a number of former Iraqi military officers, including Nizar Khazraji, a Sunni and a former combat general and Chief of Staff, have been meeting with CIA officials.⁵¹

The Bush II administration's current obsession with overthrowing Saddam Hussein might seem hard to understand at first blush. The Gulf War devastated Iraq's military and civilian infrastructure. According to several UN inspectors, Iraq no longer has any weapons of mass destruction, and as discussed earlier, had developed only limited quantities of them by 1990. Nor could Iraq purchase the components of these weapons under the present sanctions. The obsession may relate to unintended consequences of the sanctions. Under the Oil for Food program, Russian, French, and Chinese companies, have benefited most. These countries have pursued policies less hostile to Baghdad. They are poised to benefit most from exploration and investment in Iraqi oil once the sanctions are lifted. This is likely to prove an excellent investment, since there are more than seventy known oilfields in Iraq, only fifteen of which have been developed.⁵² Chalabi has stated that should the INC lead a new Iraqi government, it would be US oil companies that would get the contracts. Russian and French companies would be junior partners at best.⁵³

Attacking Iraq directly might also benefit the US further by diverting international attention from the Palestinian Intifada, which shows no sign of abating. The chaos that might ensue from a US attack on Iraq, or Iraqi blows directed at Israel in response, could facilitate even deadlier Israeli repression of the Palestinians, possibly including mass expulsions. It could also provide a cover for greater direct assistance to Israel, including massive arms transfers.

Noam Chomsky has recently outlined the motives of US regional policy planning, and in his view, they are even more criminal in intent. According to Chomsky's analysis, the real target of US hostility is not the Ba'athist government of Saddam Hussein, but the Iraqi population as a labor force. Given the obvious erosion of international support for sanctions, and the presumed immediate benefits to Iraq of readmission to the international community, Chomsky now believes that the US would prefer to reduce Iraq to a sparsely populated, politically compli-

NOAM CHOMSKY HAS OUTLINED MOTIVES OF US PLANNING EVEN MORE CRIMINAL IN INTENT. HE BELIEVES THE REAL TARGET OF US HOSTILITY IS NOT THE GOVERNMENT OF SADDAM HUSSEIN BUT THE IRAQI POPULATION AS A LABOR FORCE.

ant, oil-pumping state, similar to the Gulf monarchies. To achieve this before full restoration of Iraq's oil income, the US must resort to further attacks on the civilian infrastructure (scarcely possible without all-out war) and continuation of sanctions for as long as possible.⁵⁴

One of the major problems facing opponents of the US war against Iraq has been a tendency to focus solely on sanctions and their enormous human cost. The humanitarian crisis must be alleviated. Yet only by carefully examining the full range of geostrategic, economic and political issues in the Gulf region, can we understand how and why Iraq stepped into the Gulf War trap, and why the US has insisted on a deadly regime of sanctions and bombing ever since. Making sense of US policies in the Middle East requires, at a minimum:

- Recognition of the magnitude of the prize that Gulf energy reserves and markets represent, and the bottomless depths of US determination to maintain control over them regardless of the cost.

- Recognition of the importance of Israel as the key US client in the region. The \$6 billion annually sent to Israel is not charity. In exchange for this income, Israel, the last European settler-colonial state, has both accepted a role as lightning rod for anti-US sentiments in the Arab world, and assumed anti-democratic counter-insurgency responsibilities in defense of US interests in many other parts of the globe, especially Turkey and Latin America.

- Recognition of the Palestinian struggle as central to the entire political future of the Middle East, and even the world. The question of Palestine is the question of whether Middle Eastern peoples will be allowed to join the international community as equals, or whether they remain brutalized under the humiliating subjection of medieval religious and monarchical regimes suitable to Washington's aims. Iraq has consistently supported Palestinian

struggle and aspirations financially, politically and militarily, and this is one of the reasons it has been the target of 12 years of unstinting brutality.

To understand these realities, and to make the case forcefully and relentlessly for an end to US hostility toward Iraq, is the minimum required for anyone seriously interested in putting an end to the suffering of the Iraqi people.

NOTES

1. H.C. Graf Sponeck, "The Facts on Iraqi Sanctions," *New Statesman*, January 22, 2001, p. 37; See also: Scott Ritter, "We Must Break Out of the Failed Saddam Trap," *Los Angeles Times*, September 5, 2000.
2. Michael Jansen, "A Way Out of the Mess," *Middle East International*, July 14, 2000.
3. Faris Glubb, "Iraq's Tilt Westwards," *Middle East International*, no. 109, September 28, 1979, p. 9.
4. Abbas Alnasrawi, "Iraq's Perspectives," *Arab Studies Quarterly*, vol. 11, no. 1, Winter, 1989, pp. 150-51. Alnasrawi observes that one of the fringe benefits the US reaped from the Iran-Iraq war was the establishment in 1981 of the Gulf Cooperation Council (GCC), an organization wherein the Gulf monarchies were to coordinate their economic and security policies. The GCC's emphasis was the integration of member states' defense systems according to US specifications. Neither Iran nor Iraq was ever invited to join the GCC, as it had been established as an organization for clear-cut US allies as an instrument to facilitate the US presence in the Gulf.
5. Jane Hunter, "Missiles for the Mullahs: The Israeli Arms Bazaar," *CAIB*, no. 30, (Summer, 1988), p. 32.
6. Mansour Farhang, "The Iran-Israel Connection," *Arab Studies Quarterly*, vol. 11, no. 1, Winter, 1989, pp. 90 and 92. For further information on Israel and Iran, see *CAIB* no. 37, pp. 52-60.
7. Tony Banks, "JDW Country Survey: The Gulf States," *Jane's Defence Weekly*, March 31, 1990, pp. 590-94. In 1983, the US had beefed up its ability to intervene in the Persian Gulf by transforming the Rapid Deployment Force into a full-fledged military command called Central Command (CENTCOM). Based in the Indian Ocean, off the island of Diego Garcia, CENTCOM at its founding consisted of seventeen warships. As a military command, CENTCOM had the authority to requisition 300,000 to 350,000 troops. See also: Joe Stork and Martha Wenger, "From Rapid Deployment to Massive Deployment," *Middle East Report* 168, vol. 21, no. 1, January/February, 1991, p. 25. By 1990, the US military had expanded its land-based fuel storage capacity in the GCC states to enhance CENTCOM's strategic capabilities. (Banks, p. 594.)
8. Banks, pp. 588-90.
9. Tony Banks, "Growing Threat to Israel?" *Jane's Defence Weekly*, March 24, 1990, p. 555.
10. *Jane's Defence Weekly*, April 14, 1990, p. 678; April 28, 1990, p. 771, and Tony Banks,

"Chemical Weapons: Fighting to Stem the Tide," *Jane's Defence Weekly*, July 14, 1990, pp. 51, 55.

11. Martha Wenger, Joe Stork, and Dick Anderson, "Living by the Sword in the Middle East: A Primer," *Middle East Report* 144, vol. 17, no. 1, January/February, 1987, p. 26.

12. John Steinbach, "Nuke Nation: Israel's Weapons of Mass Destruction," *CAQ*, no. 70, April-June 2001, p. 20.

13. Jack Colhoun, "Trading With the Enemy" *CAIB*, no. 37, Summer 1991, p. 20.

14. Colhoun, p. 23.

15. Anthony H. Cordesman, *Iran and Iraq: The Threat from the Northern Gulf* (Boulder: Westview Press, 1994) pp. 238-40. The Iraqi supercannon was designed by Canadian Physicist Dr. Gerald Bull. Bull was murdered at his home in Brussels, Belgium, in March 1990—a murder believed to have been orchestrated by Mossad.

16. Seth Carus, *The Genie Unleashed: Iraq's Chemical and Biological Weapons Program* (Washington: The Washington Institute for Near East Policy, 1989) pp. 12-15.

17. Colhoun, p. 22, 24. One of the US companies exporting thiodiglycol to Iraq had been NuKraft Mercantile Corporation of Brooklyn, NY.

18. Colhoun, p. 24.

19. Carus, p. 20, 21, 23 and 26.

20. To learn more about the role such companies may have played in recent US domestic bioterrorism, see: David Neiwert, "Anthrax Terrorism" *CAQ* no. 71, Winter 2001, p. 34-36.

21. Cordesman, pp. 256-57.

22. Colhoun, p. 31

23. No other nation was allowed to possess this data. Stephen Zunes, "The Function of Rogue States in U.S. Middle East Policy," *Middle East Policy*, vol. 5, no. 2, May 1997, p. 156.

24. Cordesman, pp. 260-71.

25. William Blum, *Killing Hope: US Military and CIA Interventions Since World War II* (Monroe, ME: Common Courage Press, 1995) p. 323.

26. Joe Stork and Ann M. Lesch, "Background to the Crisis: Why War?" *Middle East Report*, No. 167, vol. 20, no. 6, November/December 1990, pp. 15-16.

27. When Sir Percy Cox, the British High Commissioner for Iraq, unilaterally drew the borders of Saudi Arabia, Iraq, and Kuwait, 1922 he gave Kuwait a coastline of 310 miles, leaving Iraq a mere 36 miles. Since the early 1970s Kuwait had rejected repeated Iraqi requests to lease or cede the two islands. Bishara A. Bahbah, "The Crisis in the Gulf—Why Iraq Invaded Kuwait," in Phyllis Bennis and Michael Moushabeck, *Beyond the Storm: A Gulf Crisis Reader* (New York: Olive Branch Press, 1991) pp. 51, 55.

28. Stork and Lesch, p. 17.

29. Stork and Lesch, pp. 15-17.

30. Bahbah, p. 52; Steve Niva, "The Battle is Joined," *Gulf Crisis Reader* (New York: Olive Branch Press, 1991) p. 55. Slant drilling for petroleum requires US technology, and is often used to tap reserves lying under bodies of water without leaving shore. This staggering act of international theft is seldom mentioned in

Western media accounts of the Gulf War.

31. Blum, pp. 322-23.

32. Blum, p. 323.

33. Blum, pp. 321-22.

34. Niva, pp. 56-57.

35. Niva p. 57

36. Blum, p. 331.

37. Niva, pp. 58-59.

38. Niva, p. 64.

39. Sarah Graham-Brown, "Intervention, Sovereignty, and Responsibility," *Middle East Report*, No. 193, vol. 25, no. 2, March/April 1995, pp. 4-7. The US and Britain also differ with the other permanent Security Council members in that they interpret UNSC Resolution 688, which governs Iraq's treatment of its citizens, as a justification for the establishment of "no fly zones" in the north and south of the country. The US, Britain and France established these two zones under the pretext of protecting the Kurds in the north, and the Shi'as in the south. In reality, these zones have done little to protect either population, but have succeeded in giving US and British aircraft enough airspace to kill many Sunni, Shi'a, or Kurdish civilians in each bombing sortie. Edward Peck, "Doing it All Wrong in the Middle East: Iraq," *Mediterranean Quarterly*, vol. 12, no. 4, Fall 2001, p. 16.

40. Peck, pp. 6-11.

41. Jeff Lindemeyer, "Iraqi Sanctions: Myth and Fact," *New Politics*, vol. VIII, no. 4, Winter 2002, pp. 80-81.

42. Rend Rahim Francke, "The Iraqi Opposition and the Sanctions Debate," *Middle East Report*, No. 193, vol. 25, no. 2, March/April 1995, pp. 16-17.

43. Felicity Arbuthnot, "A Welter of Resignations," *Middle East International*, February 25, 2000, p. 17. The first Oil For Food program proposal in 1991 set aside 40% of the revenue for such obscene misuses as war "reparations" to Kuwait and the US. Iraq declined to participate. See also Lindemeyer, pp. 81-82.

44. Lindemeyer, pp. 86-7.

45. Seymour Hersh, "The Iraq Hawks: Can Their Plan Work?" *New Yorker*, December 24 and 31, 2001, pp. 62-63.

46. Hersh, pp. 58-59.

47. Hersh, p. 61.

48. Hersh, p. 60

49. Downing has recently hired Linda Flohr to assist him in his NSC capacity. Flohr spent 27 years in the CIA's clandestine service before retiring in 1994. Her last assignment was with the top secret Iraqi Operations Group. She subsequently worked for the Rendon Group, a public relations firm retained by the CIA in 1991 to handle press issues concerning Iraqi opposition figures like Chalabi and organizations like INC. (Hersh, p. 36.)

50. Hersh, "The Debate Within" *New Yorker*, March 11, 2002, pp. 34-37.

51. Hersh, March 11, 2002, p. 36.

52. Raad Alkadiri, "The Iraqi Klondike: Oil and Regional Trade," *Middle East Report*, 220, vol. 31, no. 3, Fall 2001, pp. 31-32, 34.

53. Hersh, March 11, 2002, p. 37.

54. Noam Chomsky, "US Iraq Policy: Motives and Consequences," in Anthony Arnone, *Iraq*

Under Siege; The Deadly Impact of Sanctions and War (Cambridge, MA: South End Press, 2000) p. 53.

PLEASE BE ADVISED

Our readers everywhere should know that as we go to press, leading journals of so-called liberal opinion in this country, including but scarcely limited to, *The New Yorker*, (March 25, 2002); *The Atlantic Monthly* (May 2002) and *Vanity Fair* (April 2002), are all encouraging the Bush II administration to carry out its threat of another bloody assault on the people of Iraq. The sadism of the past decade of US-led economic strangulation is outrageous enough. Please consider writing a letter or two to the editors of these debased periodicals to remind them that war propaganda is a crime against humanity.

Disasters of Neoliberalism

ARGENTINA IN FLAMES

Salomón Partnoy

Argentina is on the horns of a triple dilemma—social, political and systemic. The social dilemma is that, while anarchy is no solution, outrage is the only logical response to an economic system so unjust that it is destroying the fabric of society. The political dilemma is that the Argentine people have been sold out to the global market predators by their own ruling class, which has made itself obscenely rich off the suffering of the great majority. The systemic dilemma is that today's neoliberal economic model isn't working, but the power holders claim it is the only option, although it promises no hope for the future.

To understand how Argentine politicians have sought a way out of the extreme crisis facing the nation—in light of the social explosion December 19-20, 2001, in which police repression caused at least 25 deaths and a large number of wounded—it is important to analyze the different political positions that have emerged. On the one hand, those politicians who follow the Peronist line—conservative although still populist—adjusted to the discipline of the majority in Congress and voted for candidates determined by top party leadership. On the other hand, those following new political coalitions—center-left workers and the rebellious middle-class—responded to the explosive social events of the moment out of self-interest by backing their party militants.

Since its institutionalization during the presidencies of Juan Peron (1946-55, 1973-74), the Peronist party has sought and obtained power through clever demagogic appeals to the popular masses. At first, tangible social-democratic reforms in labor, education and welfare did help Argentine workers make significant gains, but Peronism has always primarily benefited the upper classes, today associated with the large corporations. Carlos Saul Menem (president 1989-2000 and hoping to return to office) is a Peronist, as is the current president, Eduardo Duhalde. Peronism today makes the same populist appeals, but has nothing to offer the average Argentinian.

In this context, two opposing positions

have emerged. One is held by Graciela Fernández Meijide, leader of a group named Frepaso—an alliance of Peronists and socialists—who, after the withdrawal of President Fernando de la Rúa, backed Duhalde who sought to prevent the country from falling into a state of anarchy.

...bankruptcy is a solution corporations can employ when they face a state of insolvency. No such proviso applies to nations.

Challenging that position, deputy Elisa Carrió—leader of ARI, an alliance of trade unionists and Peronists—proposed following the constitutional rules which called for electing a new president.

During the presidency of de la Rúa (December 1999-December 2001), the government announced that it had neither financial resources nor foreign credit to pay the next installment of the foreign debt that was about to come due. Facing default, Argentina would thus fall into bankruptcy. While a judicial request to declare bankruptcy is a solution corporations can employ when they face a state of insolvency, no such proviso applies to bankrupt nations.

When President Fernando de la Rúa resigned his post on December 21, 2001, the presidency fell to Ramón Puerta, President of the Senate. The Legislative Assembly (Chamber of Deputies and Senators) did not follow the process established by the Constitution for calling new elections. Instead, the two major political parties, which had the vote majority, proceeded to manipulate the political situation outside the Congress, orchestrating

hidden agreements.¹ As a result, they designated Adolfo Rodríguez Saá, Governor from the Province of San Luis, as President, who should have called for immediate presidential elections.

When they installed him in the presidency, however, they made it clear he would not be a provisional president, but would remain in power until 2003 with no new election. Saá made several promises: to raise the minimum salary from \$400 to \$500 a month; to not pay the foreign debt; to accept requests for the extradition to foreign countries of those military leaders from the old dictatorship judged guilty of the disappearance of many thousands of people during the "Dirty War" (1976-1983); and to publicly receive the Mothers of the Plaza de Mayo, who requested he free all those detained by the police during the protests initiated against President de la Rúa, which Saá promised he would do. However, since there was insufficient support from the Peronist governors in the most important provinces, he resigned his post after one week without fulfilling any of these promises.

The designations of Saá of Duhalde as president had no parliamentary legitimacy. In both cases, the Legislative Assembly operated as an autonomous body making decisions beyond its powers. The opposition group, Frepaso, failed to take any clear position or to back any alternative, for fear of losing their posts prior to any popular elections. Luis Zamora, a socialist deputy, denounced the whole Legislative Assembly as a fraud because it didn't represent the people who had mobilized the mass protests.²

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Buenos Aires, December 20, 2001. Mounted police battle demonstrators on the streets of the capital following widespread public outrage at the freezing of private bank accounts and declaration of a state of seige. (In Seattle, 1999, this was called a "no protest zone.") The confrontations ended the presidency of Fernando de la Rúa.

PRIVATIZATION, DEREGULATION, GLOBALIZATION, BANKRUPTCY

These four themes frame the parameters of the financial crisis behind the desperate social situation that has fallen upon Argentina. The historical context for such crises in the free market economies of the Americas first appeared in Mexico, developing during the presidency of Carlos Salinas de Gortari (1988-94) and marked by the collapse of the Mexican stock mar-

ket in December 1994. This happened at the same time the indigenous Zapatista rebellion in Chiapas was challenging the corruption and lies that cloaked the newly imposed neoliberal model called NAFTA. A total Mexican collapse was avoided through a \$50 billion bailout orchestrated by President Bill Clinton, as the only way to avoid a complete disaster and save the North American Free Trade Agreement (NAFTA). Now, Argentina is the second cri-

sis. It developed in Argentina during the government of Menem, although the actual collapse occurred in December 2001 under de la Rúa, it has submerged the people in disaster and emptied the nation's bank accounts. The cases of Mexico and Argentina are both examples of Robin Hood in reverse: the poor are robbed to pay the rich.

In relation to the emptying of the bank deposits, Carlos Heller, Vice President of the Association of Public and Private Banks of the Republic of Argentina, said: *...in order to reestablish the people's confidence in the banks, they have to explain where the money is and who took more than \$20 billion out of the country during the last days just before the crisis exploded—money the system doesn't have—and which caused the collapse; and to expose the guilty, those rich capitalists whose money flows in and out of the country at will.*³

A report from the Central Bank of Argentina confirmed the fact that in the month of November 2001, \$4.9 billion were withdrawn from the nation's banks. Those rich depositors who had more than \$250,000 in the bank withdrew 47.4% of their money, whereas the small depositors who had up to \$10,000 were allowed to withdraw only 9% of their funds.⁴

The withholding of bank deposits, that is, prohibiting people from withdrawing their savings—called "corralito"—a creation of the Minister of the Economy, Domingo Cavallo, was a measure taken on December 1, 2001, in the face of the massive withdrawal of money by the biggest depositors. Most of the money belonging to small depositors still remains inaccessible to them.

The most recent data from the Central Bank reveal that 98% of all depositors had their deposits blocked, that is, those with \$50,000 or less in their accounts, whereas this restriction only affected 0.21% of the major accounts of more than \$250,000. As a result of emptying the banks of these huge deposits and referring to this "blocking" invention of Cavallo, President Duhalde said: "the corralito is like a bomb, if it explodes no one is left with a single peso." In other words, a situation in which anyone who has a bank account loses everything.

The main standard-bearers of this neoliberal system in Latin America were Augusto Pinochet in Chile, Carlos Salinas de Gortari in Mexico, Carlos Saul Menem in Argentina, Carlos Andrés Pérez in Venezuela and Alberto Fujimori in Peru. Each of these cases resulted in such financial disasters for their societies that three of these leaders were arrested—Menem,

Perez and Pinochet—and two of them fled into exile—de Gortari and Fujimori. Ronald Reagan and Margaret Thatcher were the commanders who are still unpunished.

In Argentina, the program of privatization was initiated by President Menem in 1989. This strategy, based upon a macro-economic theory, has as its goal the corporate takeover of the finances of the State, both its public spending potential and its operating budget. While market theory talks about "greater efficiency" and "social benefits," its real goal is the deregulation of the national economy. It accomplishes this by demanding the privatization of the country's major industries, thus reducing the State's income and then having foreign companies take over—privatize—the principal industries which control the primary services of the society: gas, electricity, telecommunications, water and sanitary services.

In Argentina, this neoliberal economic model took off in 1990, focusing on the laws related to the de-monopolization of public services by the State: state reform, monetary regulation and the law of convertibility, by which the Argentine peso abandoned the gold standard and made the U.S. dollar its base. The primary objective of Domingo Cavallo, then Minister of the Economy, was to undermine the nation's sovereignty, by integrating Argentina's economy into that of the United States. The Minister of Foreign Relations for Argentina, Guido Di Tella, defined these bilateral ties with the US as "carnal relationships."

As a result, Argentina's national sovereignty—its political autonomy and its economic independence—was subjugated to the global capitalist system. The Argentine social security system was privatized through establishing agreements for depositing the funds with, and transferring the administration to, foreign financial corporations.

The income received from the sale of the State's patrimony over its national industries was either insignificant or wasted without the government revealing any clarifying accounting data, so the public believed the transfer had been a good deal for Argentina. To the contrary, as if by magic, the nation's entire inheritance, accumulated over generations through the labor of its people, disappeared overnight. The system of public administration was dominated by corruption, based upon a system of artificial justice and weakened by excessive expenditures manipulated by the presidency behind a veil of traitorous silence that will take future historians years

to investigate and uncover.

When the government of Isabel Perón fell in 1976, the foreign debt of Argentina was calculated at \$7.5 billion; by 2001 its debt had reached \$142.3 billion, while the interest owed between 1992 and 2001 amounted to \$83.2 billion.⁵ In 1990, monetary parity between the peso and the dollar was fixed. Thus, the money

...the nation's entire inheritance, accumulated over generations through the labor of its people, disappeared overnight.

supply is controlled by the amount of reserves in dollars in the Central Bank. In order to pay its bills, the State borrows more foreign money instead of increasing the money supply or using funds from the income of the nation's production.

This system of outside financing, which while successful in controlling hyper-inflation during the Alfonsín government, was completely abused during Menem's administration, created a new crisis resulting from corruption at high levels: the squandering of presidential expenses, excessively high salaries paid congressional members and government employees, the widely accepted practice of not paying taxes and a corrupt judicial system which refused to investigate any of these illicit activities. All these factors turned the national fiscal deficit into a chronic foreign debt that finally became unpayable and led to default.

These economic crimes not only reduced the flow of income to the State but produced such extreme illicit wealth that it created a hidden economy that was so huge it equaled the official economy. In time, the international agencies which control the public accounts of the State—the IMF and World Bank—made public the gravity of this fiscal evasion. According to FIEL—Fundación de Investigaciones Económicas Latinoamericanas—this hidden economy or fraudulent financing, rose to \$64 billion annually.

Examining the paradox of the foreign debt, Raúl Dellatore has written:

ENRON GOES TO ARGENTINA (AND MAKES OUT LIKE A BANDITO)

Enron declared bankruptcy on December 2, 2001, just as Minister of the Economy, Domingo Cavallo, announced economic measures which would trigger the social explosion, tremendously deepening the economic crisis of the Argentine people. Enron and Argentina: two apparently successful models of economic globalization, two spectacular economic basket cases.

In February, Rodolfo H. Terragno, Minister of Public Works and Services during the presidency of Raul Alfonsín, told reporters that in 1988, one of the sons of then Vice-President of the United States, George Bush—he didn't specify which—contacted him regarding an Enron project. (Rodolfo H. Terragno, La Nacion (Buenos Aires), "George W. Bush, Enron y Yo," Feb. 2, 2002, p.1. <www.lanacion.com.ar>) Enron proposed to purchase from Argentina natural gas it needed for an energy project, amounting to 6.57 billion cubic meters annually. Enron sought a 20-year contract, for which it offered a paltry twenty cents (US) per million BTUs, about ten percent of the US price. Terragno rejected the project as disadvantageous for Argentina.

This Enron project—repeatedly proposed and rejected, was immediately approved by the incoming administration of President Carlos S. Menem (1989-2000), setting the tone of his sellout administration. In 1992, the Argentine industry "Gas del Estado" was privatized. Subsequently, Transportadora de Gas del Sur, 70% controlled by Enron, received exclusive rights to transport gas from wells in the south and west of the country for distribution to Buenos Aires and its neighboring cities until the year 2027. This 4,146 mile pipeline has a capacity of 57 million cubic meters daily, representing 60% of all natural gas consumed in Argentina. (Gabriel Castro, "Report from Transportadora de Gas del Sur," May 29, 2001, p. 1. <www.abf.com.ar>)

A second industry owned by the Enron Group of Argentina, is Azurix, responsible for delivering all potable water for the province of Buenos Aires. The Enron bankruptcy thus presents an extremely grave crisis for Argentina.

By accepting these privatization projects, Argentina not only lost control of basic infrastructure necessary to modern life, but forfeited a dependable source of national income. Ceding Argentina's water and gas systems made tremendous profits which were then transferred to the US without any restrictions—arguably a theft of Argentina's national patrimony, and even sovereignty. Privatizations carried out under Menem also included Telecon y Telefonicas de Argentina, Aerolineas Argentinas y Austral (Spain), and many others. The results are self-evident.



December 31, 2001. Riot police take up positions outside the Buenos Aires Supreme Court, as the nation's battered leadership struggles to designate Argentina's fourth president in two weeks. Globalization in action: compare with shin guards shown elsewhere in this issue.

Over the past twelve years, two Argentine governments favored the payment of foreign debt over any other political objective. The consequence of this policy, so evident today, is a nation whose economy consumes itself in order to end all other means of debt repayment with a debt many times higher than at the beginning of the military dictatorship (1976). Paradoxically, only days after the explosion which ended that model, the country entered another cul-de-sac: resolving its commitments to the financial system by freezing its dollar accounts worth \$46.4 billion and its peso accounts worth \$16.4 billion.⁶

MILITARY RULE AND STATE TERRORISM

Despite the health of the Argentine economy after World War II under its independent and protectionist policies, domestic political fears and US continental policies led the country into military rule and eventually state terrorism. These continental policies developed out of the United States' Cold War policy and its anti-com-

munist propaganda as well as the rise of leftist movements in Latin America. Although President Arturo Frondizi (1958-1962) had cordial relations with President John F. Kennedy, he opposed the idea of taking precipitous measures against Cuba, opting for an independent solution to that dilemma. This provided an opening for the military, which accused Frondizi of being soft on communism and the Peronists, and thus "deliberately orchestrated a coup against the Argentine president."⁷

In June 1966, the military overthrew President Arturo Illia, claiming his government wasn't adjusting to the new definition of domestic and international objectives (i.e., the "national security state"), and replaced him with General Juan C. Onganía who took charge of a dictatorial presidency with unlimited powers. The military, filled with excessive arrogance, declared that everything the civilian administrators had been incapable of doing—ending the escalation of inflation, reversing the declining economic develop-

ment and preventing labor unrest—could be accomplished through a military regime. A broad sector of the political elite, business class, reactionary elements of the Catholic Church (Opus Dei) and groups of intellectuals welcomed Onganía's ascendancy to power.⁸

Even though popular mobilizations and a fraction of the big capitalists withdrew their support from Onganía in 1969, ushering in the return to power by Juan Peron in 1973, the economic situation rapidly deteriorated. This led to the rise of the Montoneros, leftist students and Peronists, who clashed with right-wing groups and para-police resulting in 700 deaths. In 1975, the cost of living escalated by 335% and demonstrations were frequent. On March 24, 1976, a military junta, led by General Jorge Rafael Videla, took power. He dissolved the Congress, imposed martial law and governed by executive decree. In response to street clashes, the government launched its own counter-attacks, which Argentines refer to as state terrorism.

In 1987, the Argentine Human Rights Commission denounced the activities of the military and its "Dirty War" before the International Human Rights Commission in Geneva, accusing it of having committed 2,300 political assassinations, making 10,000 arrests for political reasons and 'disappearing' between 20,000 and 30,000 persons, many assassinated or buried in unknown graves. During this reign of terror, the Videla government imposed a rigid economic plan that initiated a period of "easy money" [*plata dulce*] in which the national currency and corporate assets were overvalued, facilitating sumptuous spending abroad. Thus, between unlimited terror inside the country and unlimited spending abroad, between the concentration of income in a few hands and the enormous impoverishment of the poor majorities, life in Argentina was a dream for the few, but a nightmare for most.

The most visible result of this poverty/profligacy phenomenon was the fall of the "new poor" from the middle class. Between 1976 and 1983, 30% of the population lost its class status and today live on incomes of less than \$125 a month.⁹ Through the intervention of José Alfredo Martínez de Hoz, Economic Minister, who was also a member of the advisory board of the Chase Manhattan Bank, the first article of the civil and commercial code proceedings was modified in order to allow demands against Argentina from abroad to stand without having to present their cases before the Argentine judicial system. This marked the beginning of a fundamental economic change that favored transnational corporations. With that crucial step, the dictatorship entered into crisis, producing internal disputes within the military as its economic policy failed. The defeat of the Argentine military on the Malvinas Islands in June 1982 precipitated its decline. As a result, democratic government was restored on December 10, 1983.

To understand how the case of Argentina relates to the international capitalist system or global economy (neoliberalism), it is important to remember that capitalism is, in essence, a system that expands both internally and externally. In the case of Argentina, it is important to recall what Paul Sweezy calls the "financialization" mechanism in the process of capital accumulation.¹⁰ This process, which developed in Argentina over a ten-year period, generated a huge concentration of money and involved enormous financial earnings which found their way directly into the vaults of the foreign banks,

that is, they were not used to stimulate the growth of the national economy. This cult of "cash flow," which is the religion of globalization, results in companies being bought and sold simply because of their capacity to generate large sums of money. This policy was supported by a political class in Argentina which operated from within the government and by the financial ruling class, using various forms of corruption without any inhibitions or controls.

During the last quarter of the 20th century, only the highest strata of Argentine society saw their incomes increase while the poorest sectors continually declined. During this period, some 32 million people saw their incomes, worth \$27 billion, transferred into the hands of 5 million.

*It is estimated that
those without housing
and having no place
to live today number
1,200,000 persons.*

Simultaneously, a process of extracting investments out of production (sometimes called "asset stripping" or "deindustrialization") reappeared during the golden age (1950-1970), a phenomenon that has persisted down to the present. All this happened within the context of an expanding global capitalist market, which left its devastating imprint upon Argentine society, culminating in the recent dramatic collapse.

MASS PROTESTS

In the present protests against the freezing of depositors' savings—the *corralitos*—a measure imposed by Domingo Cavallo during the presidency of de la Rúa and ratified by Jorge Remes Lenicov, Economic Minister under Duhalde—workers lost their jobs; the impoverished middle class lost its identity; depositors with money in the bank had extreme restrictions placed upon their withdrawals; and, retired people received payments only occasionally or had their payments reduced because of liquidity problems. As a result, all these groups organized into movements of urban protest to demonstrate against those responsible for their impoverishment and the helpless situation in which they find themselves submerged.

At the same time, many other protests

developed against a variety of other serious social injustices plaguing Argentina. They are known as "the unemployed movement," "the picketeers" and "those without a roof," groups that use different tactics in carrying out their protests. Few of them have any revolutionary orientation for their actions. They are not organized on the basis of ideological theory; they do not mention Marx or Bakunin, as during the movement of struggle and protest in the 1970s; no talk about liberation theology or class struggle or the revolution of the proletariat.

Protests are noisy but peaceful. Sometimes, groups interested in provoking violence infiltrate the marches, in combination with undercover agents, para-police groups or political sectors opposed to the government. These protests, called *cacerolazos*, move along with people banging on their pots and pans or employing other noisemakers such as drums, keys or bells. Protests are organized as neighborhood assemblies without the participants belonging to any political party or union structure, but each has a particular focus or goal.

For instance, the "Neighbors of Buenos Aires" group demanded renationalization of banks, privatized businesses and the social security system. Another pressured the government not to pay the foreign debt and called for the resignation of the Supreme Court judges; for justice and punishment of those responsible for the repression in the Plaza de Mayo on the day President de la Rúa resigned. Some demanded that mortgages be payable in pesos, using the exchange rate that existed at the end of 2001 when a peso equalled a dollar. The protest against the high electric and telephone rates called for not using those services. One national *cacerolazo* protest, carried out on January 25, organized itself by utilizing all the communication media. Hospital employees and medics closed off streets and highways because of the lack of medicines and the delay in the payment of their wages. Those "without roofs" were made up of middle class people with secondary and university education, who remain on the street because they were thrown out of their living quarters for not paying their rents or the instalments on their mortgages. It is estimated that those without housing and having no place to live today number 1,200,000 persons.

Thus the Argentine middle class is passing through a complete identity crisis through the loss of their belongings and the positions they once held in society. In 2001, of the 4 million Argentines who were below the poverty line, 2 million

came from middle-class homes where their incomes have radically declined. Only 1.6 million people come from homes suffering from endemic or permanent poverty who are living in emergency shelters or in very precarious locations.

Catastrophe is coming to Argentina. The banks have no money to return to their depositors, so a breakdown in the banking system appears imminent, especially given the pressure of the international financial institutions, which is forcing the nation to follow the same rules that applied before this crisis erupted. As a result, an immediate moral dilemma for the politicians is to evaluate which economic risk the Argentine government is willing to take in order to avoid an even greater economic or social risk.

The ultimate dilemma of the Argentine people in its search for an economic solu-

tion to the present extreme crisis is this: Can the present financial system be reformed? Can the country be considered independent? Can a Supreme Court and judicial system be installed that is not corrupt? In the face of all this, the fundamental question is: Can economies in a state of such collapse save themselves by adopting Washington's model of free trade without restrictions, or will they have to seek solutions independent of the suicidal model offered by the New World Order?

NOTES

1. Jorge Altamira, "Dualde: Un gobierno golpista de la Union Industrial y el Tesoro Norteamericano," *Prensa Obrera Online*, Buenos Aires, Jan. 4, 2002, pp.1-5. <www.po.org.ar/>
2. Altamira.
3. Report from Banco Central, Clarín (Buenos Aires), "Un informe del Banco Central

Argentina," January 12, 2002, p. 1. <www.clarin.com>

4. Report from Banco Central.

5. Eric Toussaint, "El eslabon mas de debil de la cadena mundial de la deuda," *Terra/América Latina*, Feb. 3, 2002, p.1. <www.terra.com/actualidad/latina>

6. Raul Dellatore, "Otro Modelo Agotado," *Página 12*, Buenos Aires, Jan. 12, 2002, pp. 1-2. <www.pagina12.com.ar>

7. Roberto A. Potash, *El Ejército y la Política en la Argentina* (Editorial Sudamericana: Buenos Aires, 1983), p. 452. Translated as: *The Army & Politics in Argentina* (Palo Alto: Stanford University Press, 1969).

8. On Opus Dei, see: *CAIB* no. 18, Winter 1983.

9. Nestor Restivo, *Clarín*, "La larga calda de la clase media," January 29, 2002, pp.1-2. <www.clarin.com>

10. Paul Sweezy, "More or Less Globalization," *Monthly Review*, vol. 47, no. 4, 1997.

(Continued from p. 5.)

with television stations showing over and over, footage of two Chavistas firing for five seconds over a bridge railing, providing no image of what they were firing at, accompanied by wild assertions about the number of demonstrators killed. Then, at around 6:00 p.m., an announcement was broadcast on television and radio: the commander of the National Guard declared that, because slayings had occurred and because Chavez had sworn that he would never give the order to shoot at civilians, his corps no longer recognized President Chavez. This declaration triggered defections of other factions of the army, while the media continued to attack by broadcasting false reports of the disintegration of the Chavez government, Chavez's flight to Panama or Cuba, the defense minister's request for asylum at the Chilean embassy, etc. The job was finished off by sabotage of the public television transmitter. From this point on, until Chavez's return, reality would be defined exclusively by the opposition's media.

In the middle of the night, Chavez was asked to place himself in custody of the army. Nearly simultaneously the media announced that Chavez had resigned, though no proof was ever advanced.

STAGE V: INTERIM GOVERNMENT

The next morning, a civil-military junta was constituted with, at its head, Pedro Carmona Estanga, president of Fedecamaras. In the early afternoon, a formal ceremony was organized, and Carmona declared himself

invested with powers to lead the country during a transitional government. He announced that the term "Bolivarian" would no longer be officially used, then announced the dissolution of all the Bolivarian Republic's institutions.

STAGE VI: US STAMP OF APPROVAL

On the afternoon of the same day, George W. Bush's spokesman, Ari Fleischer, held a press conference on the Middle East in which he commented on the Venezuelan situation almost in passing. "We know that the action encouraged by the Chávez government provoked this crisis...now the situation will be one of tranquility and democracy." The illegal junta had been implicitly recognized and given the go-ahead. Although the US attempted to lead the way, Vicente Fox's Mexico and Alejandro Toledo's Peru decided to hold back for the time being.

Members of the junta had done everything possible to warrant the sympathy of the Bush government. Contrary to Chavez, they had shown themselves favorable to neo-liberal policies and the Free Trade Area of the Americas. In addition, in the midst of the crisis in the Middle East that was driving oil prices up, they pledged a quick return to pro-US rather than pro-OPEC oil policies. As a symbol of their good will, the very first measure taken by the fired PDVSA managers who had illegally returned to their former positions, was to cut off all oil exports to Cuba.

According to the media, no coup had

occurred. Officially, President Chavez had resigned, therefore Venezuela had entered a democratic transitional process. The media expressed no concern that evidence of the resignation had not surfaced, and no individual could confirm that such a resignation had been signed. But, since Venezuela had entered the media's virtual reality zone, it didn't really seem to matter.

In the 24 hours that followed, the junta behaved as one might expect, carrying out political arrests and illegal searches of anywhere Chavista-related material might be found, and some of this purging process actually appeared on TV. It might strike the reader as strange that such blatantly criminal activity should be covered by media favorable to the junta, but for coup forces, this coverage was viewed in a positive light. Chavez and his followers had been demonized and criminalized long before the coup, and their persecution demanded little, if any, justification for the regular consumers of Venezuela's media. Thus, when the media "revealed" that searches made in the lower class Pastora neighborhood had "uncovered" T-shirts and posters bearing the image of Chavez and Che Guevara, the reaction was predictable. Middle-class television audiences did not sense the hypocrisy of the Venezuelan media when, after three years of constant denunciations of Chavez's authoritarianism, they covered, but didn't denounce, violations of fundamental rights that had never been perpetrated in the three years of Chavez's presidency.

The next day (April 13th), the morning

(Continued on p. 40)

Attack on the Parliament of India

RELIGIOUS FASCISM BARES ITS FANGS

Shishir Thadani

Although initially no group claimed responsibility for the December 13, 2001 attack on the Indian Parliament, all the evidence gathered by India's investigating agencies pointed to terrorist groups operating in the Islamic Republic of Pakistan with the knowledge and connivance of its military government and the ISI—the Pakistani Secret Service. An Indian national involved in facilitating the attack confessed to his role, and in a television interview identified the main perpetrators as being of Pakistani origin, and receiving tactical and logistical support from Kashmiri separatist agents living in Delhi.

Since then, according to a report appearing in *The News, Pakistan* (Feb. 18, 2002) Sheikh Omar Saeed, who had confessed about his role in the kidnapping of American reporter Daniel Pearl, also spoke of his involvement in the attack on the Indian Parliament. Soon after publication of this report, Shaheen Sehbaei felt compelled to resign his post as editor of the *News*, arguing that pressure from the Pakistani government (who threatened to withdraw its advertisements from the publication for what it painted as a false and malicious report) made it impossible for him to continue. Nevertheless this bolsters what the Indian government agencies have claimed all along. Although much of the evidence is confidential, detailed information about the involvement of Pakistan-based terrorist groups was provided not only to India's closest allies such as Russia, but also to the US, Britain and other NATO powers, as well as to China, key non-aligned nations and to several nations in the Middle East.

A spokeswoman for the Indian Ministry of External Affairs, Nirupama Rao pointed out that evidence and other relevant material concerning terrorist acts committed in India by Pakistani or other nationals residing in Pakistan had also been provided to Pakistan's Government.¹

In an unprecedented step, an all-party meeting also decided on sending teams of 4-5 parliamentary delegates to several nations across the world to present and discuss the evidence in one-on-one meetings

with their governmental counterparts. Clearly, the Indian Parliament wanted to make it absolutely clear to all nations of the world that its patience with its belligerent and hostile neighbor was coming to an end.

Although a matter of life and death for India's political class, for many ordinary Indians who harbor few illusions about the honesty and sincerity of their politicians, this attack was simply one of many shock-

SINCE 1996, WHEN A MAJORITY OF JAMMU AND KASHMIR'S VOTERS TURNED OUT TO CAST THEIR BALLOTS IN INDIA'S NATIONAL ELECTION, THERE HAVE BEEN SEVERAL MASSACRES OF VILLAGERS, PARTICULARLY WOMEN AND CHILDREN...

ing and frustrating acts of terror initiated by Pakistan's clerical and military elite against India.

Since 1996, when a majority of Jammu and Kashmir's voters turned out to cast their ballots in India's national election, there have been several massacres of villagers—particularly women and children living in the Jammu and Kashmir region. Hindus and Sikhs have been targeted to create an atmosphere of terror so that they may be compelled to flee, as has already occurred in the Srinagar valley where over 90% of the valley's Hindus have fled in fear.² Pilgrims from various parts of India to ancient goddess shrines (such as Vaishno Devi) in the mountains of Jammu and Kashmir have also been repeatedly targeted so as to discourage these popular pilgrimages and to weaken India's strong historical and cultural links to the region. Muslim villagers who have joined the hundreds of Village Defense Committees and taken up arms against the Pakistan-

backed terrorist movement have also been frequently targeted. Elsewhere in the country, trains have been derailed and civilians have lost their lives when railway and bus stations have been targeted. As a result, many Indians have felt that the government's posture towards Pakistan has been too accommodating.

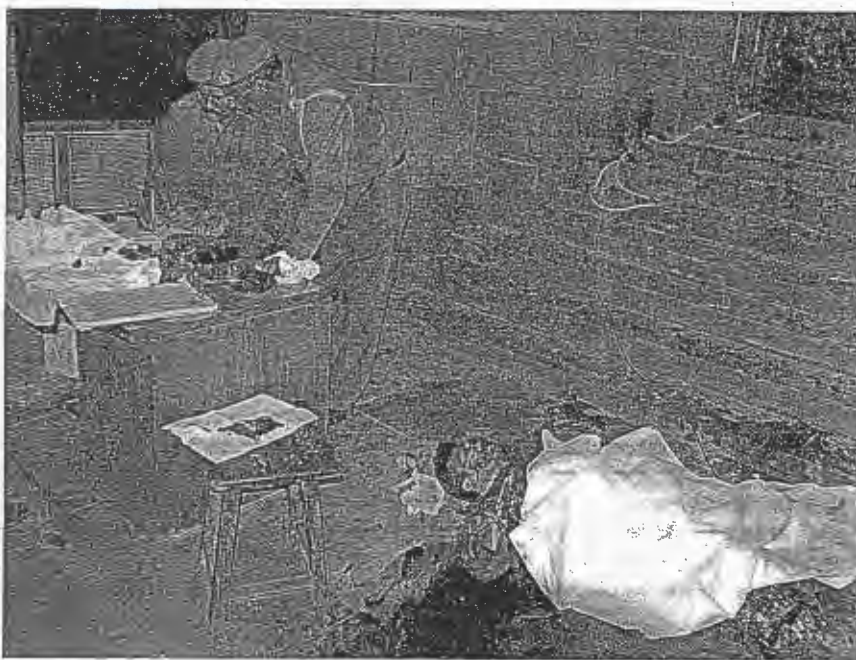
But no matter how skeptical many Indians might be of their political leaders, the overwhelming majority of Indians saw the attack on Parliament as a reactionary assault on their sovereign right to shape the destiny of their own land. Indian democracy, for all its flaws is much richer than the US's two-party monopoly because it permits a wider range of political ideas to compete for public acceptance. In some elections, there may be as many as five serious contenders for a parliamentary or legislative seat representing a broader diversity of popular aspirations than what is possible in the US.

But more significantly, this attack symbolized an attack on India's hard-fought and delicately preserved unity. In many ways, India is a truly unique nation in that it brings together a billion people who speak a multitude of languages and dialects, who write in over a dozen different scripts, who celebrate different festivals, worship different gods and goddesses, and are also of considerably varied racial and ethnic stock.

Although both the Soviet Union and the People's Republic of China succeeded in bringing together a variety of nationalities under a common constitution, both nations had the advantage of at least one relatively homogeneous (or culturally unified) nationality that could numerically outnumber all others (such as Russians in the former Soviet Union or Han Chinese in China). But India has no such single dom-

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December 13, 2001. Delhi police officers make a list of items recovered from one of the dead militants, right, inside the Parliament House complex in New Delhi, India. A half-dozen gunmen stormed the complex, killing seven people with grenades, AK-47 rifles and a human bomb.

inant grouping. While some analysts have tried to argue that Hindus make up a dominant grouping in India, there is too much linguistic and cultural diversity amongst India's Hindus for such a claim to be valid. Unlike Judaism, Christianity or Islam, there is no single messiah, holy book, or centralized clerical authority to marshal Hinduism's varied followers. Hindus have no single place of pilgrimage, nor do they all worship the same gods and goddesses. For some Hindus, god is a very abstract metaphysical concept—for others it finds representation in a variety of pagan, animistic or totemistic forms. There are also Hindus who are avowed atheists (or agnostics), and identify as Hindus only for philosophical and cultural reasons.

It is therefore all the more remarkable that such a diverse group of people have stayed together in the face of tremendous adversity. Not only has the Indian nation survived intense class conflicts and centrifugal pressures from well-funded internationally supported separatist groups—it has managed to make progress in spite of that.

One of the reasons for this somewhat unusual achievement is that even though ordinary Indians may not have much love for their compromising politicians, they have developed a great love for the pluralistic spirit that imbues the Indian nation. Over the decades the majority of Indians have grown to admire and appreciate the arts and crafts, the folk dances, the cuisine and unique cultural facets of the various com-

munities that make up the Indian mosaic. The solidarity and concern that many Indians have developed for each other has come about not through state edict but through growing contact and mutually beneficial cultural communication.

Many Indians are also exceedingly aware of their plight during the two centuries of colonial rule, and how a united struggle liberated the nation and allowed it to overcome the worst depredations of colonial rule. When the British colonial lords left India, they left a nation desperately impoverished and pauperized from two centuries of extraordinary pillage and plunder. There were thirty-one serious famines in 120 years of British rule compared to seventeen in the 2,000 years before British rule. Before independence, 70-80% of Indians lived in abject poverty—on the very margins of subsistence. Two-thirds were chronically undernourished, and in Bengal, nearly four-fifths were malnourished. Infant mortality in Bombay was 255 per thousand in 1928. Life expectancy in India had fallen to 23 in 1931. In 1931, 74 per cent of Bombay's population lived in single-room tenements—with one-third living more than 5 to a room. Literacy in British India was only 11%. In the last half of the 19th century, India's income fell by 50%, and in the 190 years prior to independence, the Indian economy was literally stagnant—it experienced zero growth.³

Five decades after independence, the

poverty rate has been reduced dramatically; literacy has gone up six-fold, and in many fields Indian scientists and engineers compete with the world's very best. India now has the capability of building and launching its own satellites, programming and designing advanced computer systems, and is largely self-sufficient in many essentials of the modern economy such as life-saving drugs, steel, cement, plastics and industrial machinery. With very little international aid, and in spite of being heavily dependent on oil imports, the Indian economy has now grown to one of the world's ten largest economies.

But if India represents something progressive in today's world, it must surely puzzle many Westerners as to why the idea of a secular democratic and pluralistic republic should incite such extraordinary hatred from across its western border. How is it that so many Pakistani citizens are willing to die in an unending campaign to destroy the hard-fought unity of India?

The answer to this riddle lies in the very class character of Pakistan which was created not to further the cause of self-determination of the subcontinent's Muslims but to weaken the unity of the oppressed people of the Indian subcontinent, and to create a puppet state that would be permanently beholden to British and American imperial interests. When the British colonized India, they found important allies amongst elements of the decadent feudal aristocracy that, owing to centuries of Islamic conquest was disproportionately made up of Muslims. Many of these elite Muslims practiced their own version of the caste system, particularly those of foreign origin such as Syeds, Sheikhs and Ashrafs. Typically, they spoke Urdu (a hybrid language with much of its vocabulary drawn from Arabic, Persian and Turkish) and kept themselves quite consciously apart from Indian-born Muslims, especially those from the crafts and trade. Generally loyal to British rule and hostile to Indian attempts at gaining independence, many were rewarded with knighthood for their exemplary and unstinting devotion to the British Empire.⁴

Typical of such loyalist agents was Sir Salar Jung, (b. 1829, Prime Minister of the Princely State of Hyderabad in 1853), who successfully employed Arab mercenaries on behalf of the British in crushing the revolt of 1857—India's first war of independence. Salar Jung's timely and brutal actions in suppressing the Hyderabad mutineers was of crucial import to the survival of British rule in India and was duly acknowledged by the Brits as "priceless."

As the British consolidated their rule in India, the scourge of loyalism came to infect the Hindu, Sikh, Parsi and Christian elite no less than the Muslims, with a majority of the landed gentry and money-lending class either actively opposing the national movement or staying aloof from it. But amongst Muslim loyalists, this trend was further aggravated by Islamic sectarian and separatist tendencies eventually culminating in the formation of the Muslim League.

The trend toward religious exclusivity and separatism culminated in the persona of the Aga Khan (Sir Sultan Muhammed Shah, b. 1875, Karachi) who aggressively championed allegiance to the British in all its war efforts (whether in Europe, South Africa or elsewhere), even stating that "If they will only give me the opportunity, I will shed my last drop of blood for the British Empire." Extremely hostile to the Indian freedom movement, the Aga Khan called for the creation of the All India Muslim League as a political counterweight and foil to the Indian National Congress. He also argued for the establishment of a University that would cater exclusively to the nation's Muslims.⁵

Maulana Azad (President of the Indian National Congress during the 1930s) alluded to the pro-colonial character of the Muslim League in his "India Wins Freedom" and wrote: "It was said that one of the objects of the League would be to strengthen and develop a feeling of loyalty to the British government amongst the Muslims of India. The second object was to advance the claims of the Muslims against Hindus and other communities in respect of service under the crown and thus safeguard Muslim interests and rights. The leaders of the League were therefore naturally opposed to the demand for political independence raised by the Congress. They felt that if the Muslims joined in any such demand, the British would not support their claims for special treatment in education and service. In fact, they described the Congress as a disloyal organization of rebels and regarded even moderate leaders like Gokhale and Ferozeshah Mehta as extremists. During this phase the British government always used the Muslim League as a counter to the demands of the Congress."

In connivance with the British, the Muslim League then went about campaigning for the vivisection of India, and the creation of Pakistan as a homeland for the subcontinent's Muslims, even though the majority of India's Muslims were scattered throughout the subcontinent and were closely integrated into the economic

and cultural life of their communities. The right to self-determination is normally advocated only for oppressed people. In the Indian context, the issue of self-determination of Muslims as a separate class would arise only if it could be established that Muslims had been collectively oppressed by Hindus. But prior to British rule, the imperial rulers of India had been Muslims, and it was Hindus who faced discrimination as a class. Moreover, since the primary oppressors of both Hindus and Muslims at that time were the British, and since the Muslim League was founded with the express purpose of collaborating with British rule, it could hardly have been viewed as the legitimate agent for Muslim self-determination. It may also be noted that the demand for partition was vigorously opposed by all the prominent Muslim freedom fighters including Ghaffar Ali of the Communist Party of India.

Recently unsealed British top secret documents indicate how Mohammed Ali Jinnah (leader of the Muslim League) articulated his demand for partition in 1940 only after getting the approval of Lord Zetland, then secretary of state for India. The British encouraged the partition proposal in order to safeguard their interests in a post-colonial world. In 1939, Jinnah had pledged the loyalty of Indian Muslim troops (who comprised over 40% of the British Army in India) and the British expected that this loyal fighting force would come in handy in controlling the oil wealth of the Middle East, and provide the Western powers with a "reliable ally" that could serve as a foil to the former Soviet Union.⁶

The reactionary character of the new state of Pakistan became evident when roughly 8 million Hindus and Sikhs were forcibly expelled in a wave of unprecedented terror, as then-West Pakistan was virtually emptied of its non-Muslim populations.⁷ The expulsion of India's Hindus and Sikhs from what was then British-ruled territory was similar to the expulsion of the Christian and Muslim populations from British-ruled Palestine. In both territories there was an attempt to artificially create client states based on religious exclusivism and intolerance.

Unsurprisingly, the newly constituted Islamic Republic rarely disappointed Britain or its allies. In 1948, Pakistan troops invaded Kashmir where pro-Indian sentiments were strong and the highly popular National Front movement was campaigning for unity with India. Soon after it became an important military ally of the US and Britain by joining the US-led

Baghdad Pact and later CENTO. In 1959, it signed a bilateral military pact allowing the US to set up a military base at Peshawar for American U2 planes to spy over the Soviet Union. Of particular importance is how Pakistan played a leading role

THE REACTIONARY CHARACTER OF THE NEW STATE OF PAKISTAN BECAME EVIDENT WHEN ROUGHLY 8 MILLION HINDUS AND SIKHS WERE FORCIBLY EXPELLED IN A WAVE OF UNPRECEDENTED TERROR, AS THEN-WEST PAKISTAN WAS VIRTUALLY EMPTIED OF ITS NON-MUSLIM POPULATIONS...

in destroying the democratic revolution in Afghanistan and destabilizing the former Soviet Union. To date, Pakistani analysts on Pakistan Television take great pride in "helping" to bring about the disintegration of the USSR, and in putting a brake on the worldwide movement toward socialism.

As Britain's power receded in the post-colonial world, the US stepped in to take its place. Pakistan's role as a potentially disruptive force in the subcontinent was recognized quite early by State Department officials in the late 1950s who feared that democratic India might emerge as a political and economic rival difficult to contain and control once it overcame the legacy of colonization. The US supported Pakistan each time it initiated hostile action against India. US-supplied weapons were employed in the 1965 and 1971 wars against India, and the US repeatedly endorsed Pakistan's position on Kashmir notwithstanding the absurdity of Pakistan's military despots claiming to champion the cause of "Kashmiri self-determination" when in fact, the people of Jammu and Kashmir enjoyed many more rights in India than did the people of Pakistan.⁸

In recent years, as the Indian economy has grown, and the interests of American businesses in Indian ventures increased, the US has adopted a more nuanced policy that has often confused less sophisticated Indian analysts. Publicly, the US has mixed diplomatic pressure with the odd praise for Indian democracy. But at the



February 21, 2002. Policewomen stand guard in front of a polling station at Sunderbani, 70 kilometers from Jammu during by-elections in Jammu and Kashmir.

same time, it has maintained a close relationship with the Pakistani military, and following the collapse of the Soviet Union, the Pakistani military has become emboldened to act more freely against India.

Since 1990, it has kept up a barrage of cross-border fire along Kashmir. K. Subrahmanyam's *Kargil Report to the Indian Parliament* (March 2000) suggests that Pakistan was able to increase its violence against India because it had acquired a credible nuclear capability by 1990. This capability was acquired through the conscious support of other nuclear powers such as the US and China. K. Subrahmanyam also speaks of Pakistan having threatened India with a nuclear attack more than once. As an example, he cites the following: "In 1987, Pakistan conveyed a nuclear threat to India at the time of 'Operation Brasstacks'. This was

officially communicated by Pakistan's Minister of State for Foreign Affairs, Zain Noorani to the Indian Ambassador in Islamabad, S. K. Singh. It was also communicated by the Pakistani nuclear scientist, Dr A. Q. Khan to the Indian journalist Kuldeep Nayar."

It is highly unlikely that Pakistan could have made such threats without the knowledge and connivance of the US security establishment, especially since Pakistan has continued to receive high-tech military supplies such as unarmed aerial reconnaissance aircraft that have been used to assist in its repeated infiltrations into Kashmir.

Some Indian analysts believe that the US has actively intervened to prevent any moves towards rapprochement and reconciliation between the two nations. They suggest that the Kargil invasion may have been instigated by the CIA in order to put a halt

to the growing thaw between the two nations. It may be recalled that the Kargil invasion took place just as Pakistan's former Prime Minister Nawaz Sharif and India's Prime Minister A.B. Vajpayee had concluded a very successful summit in which the issue of Kashmir had been placed on the back-burner, and there were moves to develop normal trade ties and expand cultural exchanges between the two nations.

Since his ascension, General Musharraf has enjoyed an especially warm relationship with the Pentagon and the State Department. Repeatedly described as a "moderate" and "friend" by the CIA and Pentagon establishment, he won a ringing endorsement from Milton Bearden, the former CIA station chief in Sudan and Pakistan. While appearing before the subcommittee of the Senate foreign relations committee for South Asia under Senator

Sam Brownback (Repub.-Kansas), Bearden pleaded on the General's behalf.⁹ He emphasized how the General was trained at Fort Bragg and was an early member of the elite 19th Baloch Regiment, the Pakistani SSG, that trained jointly with US Army Special Forces a decade ago.

But in India, General Musharraf is widely viewed as a hawkish anti-India biter. In a 1998 speech to Pakistan's elite military cadets, the Pakistani General stated that the acquisition of Kashmir by Pakistan could wait. What was more important was to keep the Indian army bleeding in Kashmir just as the Afghan Mujahadeen kept the Soviet troops bleeding in Afghanistan. His unabashed support for terrorist groups fighting to impose an Islamic fundamentalist state in linguistically and religiously diverse Jammu and Kashmir fits in well with that aim. The attack on the Indian Parliament, coming on the heels of the attack on the Jammu and Kashmir legislature, and an earlier attack on the Red Fort in Delhi, also appears to be part of this ceaseless campaign to bleed India.

To a large extent, the fiction of a "liberation struggle" in Kashmir is maintained in the Pakistani media to divert attention from the growing failings of the military government. Just a year ago, the military establishment was facing growing dissent in Sindh, Baluchistan and the Frontier Province, but the military was able to squelch the demands for greater responsiveness to Pakistan's neglected provinces, and divert the attention of its restive population to Kashmir. According to Ahmed Faruqi: *Dissent within the Frontier and Baluchistan provinces is at an all-time high. These provinces have always felt that they have been taken for granted by the Punjabi-dominated Pakistani military. There are signs of protest even in Sindh, where the native Sindhis and Muhajirs have patched up their differences to take on the Punjabis over the allocation of water rights, even prior to the September 11 attacks.*¹⁰

For more than a decade, Pakistan's ruling elites have distracted the attention of the Pakistani population through the trusted maneuver of shifting the spotlight on Kashmir and India's supposed repression of its Muslim population. With no democratic outlet for their aspirations, gullible Pakistani youth have been easily misled by the barrage of anti-India propaganda that is aired daily on Pakistan's state-run radio and television. Pakistani textbooks routinely demonize India's Sikhs and Hindus as cruel enemies of Islam. It is little wonder

that so many youth are taken in by the call for an "Islamic Jihad." Periodically, India's Doordarshan Television channel has aired interviews with Pakistani youth who have surrendered to the Indian army after discovering that they were fed a diet of outright lies and shown doctored videotapes to encourage anti-Indian sentiments amongst them. Such youth have described the many chilling ways in which the Pakistani authorities have stoked the fires

MUSHARRAF'S REFUSAL TO HAND OVER EVEN ONE OF THE 20 ARCH-CRIMINALS DEMAND-ED BY INDIA IS A CLEAR INDICATION THAT WHILE THE PAKISTANI ESTABLISHMENT WILL BE CAREFUL NOT TO CROSS THE US, IT HAS NO COMPUNCTIONS ABOUT CONTINUING TO "BLEED" INDIA THROUGH THE INSTRUMENT OF ISLAMIC FUNDAMENTALISM...

of an Islamic "Jihad" against India.

Post-September 11, there has been a growing concern in the US establishment that this menace which has threatened the peace and tranquility of the Indian people could also turn against the US. This has prompted the calls on Gen. Musharraf to rein in the training camps and the Madrasahs (Islamic schools) that were the breeding ground for Islamic Jihad. Whether such moves will improve matters for India remains to be seen. So far, it does not appear that anti-Indian groups will experience any serious impediments to their activities. The General's refusal to hand over even one of the 20 arch-criminals demanded by India is a clear indicator that while the Pakistani establishment will be careful not to cross the US, it has no compunctions about continuing to "bleed" India through the instrument of Islamic fundamentalism.

The US and Britain, upon realizing that patience with their favorite client state was wearing thin, and that there was tremendous popular pressure on the Indian government to take deterrent and punitive action, have tried to assuage Indian public

opinion with mild condemnations of terrorist activities emanating from Pakistani soil. But aside from such insincere statements, there has been little to suggest that they actually care about the loss of Indian life. The massing of troops along the border was their main worry, as a military defeat at the hands of the Indian army could lead to a possible implosion of the Pakistani state. This fear led to a flurry of diplomatic activity and caused Colin Powell and Tony Blair to embark on a hectic campaign to pressure the Indian government into backing off from any moves that might weaken the Pakistani leadership.

Although at the present time, the Indian government appears to have retreated in the face of such pressure, and most opposition parties have acquiesced to this situation—anger with US and British double standards in the region is palpable amongst India's younger generations who are much less influenced by the Gandhian edict of "turning the other cheek." Younger Indians are particularly furious at how the US went to war in Afghanistan in the name of "fighting terrorism" (bombing the beleaguered nation with little concern for any civilian casualties), yet repeatedly called on the Indian Government to "exercise restraint." Whereas the US has reserved the right to take unilateral military action against any nation it chooses (such as Iraq once again), India has been asked to work with the "international community" in reducing tensions with Pakistan as though it were equally to blame. While the US has abrogated to itself the right to impose sanctions on any nation it deems hostile, it has called on India to refrain from taking firmer diplomatic and other (non-military) punitive measures even in the face of such aggressive provocation. But rather than being an innocent or neutral party to Indo-Pak tensions, one can certainly argue that the US bears considerable responsibility for the prevailing difficulties in the subcontinent on account of its repeated and manipulative support for authoritarian rule in Pakistan, something it has done all too frequently throughout the world. It is therefore quite likely that the pressure to act firmly and decisively against Pakistan's machinations toward India will only increase on future governments, which will inevitably bring the Indian nation into a confrontation with the US which continues to coddle the India-baiting ruling elite of Pakistan.

On the other hand, moves towards greater secularism could bring new hope for the people of the subcontinent. The sudden collapse of the Taliban has had a demoralizing effect on those Muslims in

India who have harbored a soft spot for Pakistan and its brand of Islamic terrorism. Traditional Muslim leaders who have always placed religious demands above secular demands are also being steadily marginalized. A new generation of Muslim leaders is opposing clerically oriented politicians, and is calling on Indian Muslims to integrate more fully into Indian society and join hands with the rest of their Indian brethren in joint struggles on issues that affect the working masses. Such Muslims have also joined hands with Hindus and Sikhs in publicly condemning the Pakistani leadership and its continued sponsorship of terrorist activities in India. These developments could be crucial in liberating the subcontinent's Muslims who are today amongst the poorest and most illiterate people on the planet.

Although India's Muslims have enjoyed remarkable success in India's media and entertainment industries, and Muslim industrialists and traders haven't done too badly, the 2001 census revealed that for the first time since independence, the social indicators for India's Muslims have fallen behind even those for India's traditionally much more oppressed Dalit (low caste) and Adivasi (tribal) communities. This has come about because leaders from all the other oppressed communities have taken full advantage of the political opportunities provided by India's democracy, and have concentrated their battles on secular issues such as better education, better access to credit facilities, more housing grants, improved access to government jobs and services and so on. But too many Muslim politicians have been sidetracked with battles to defend orthodox religious practices. Politicians from some of the most neglected districts have been content with the infrequent grant of land for a new mosque or an improvement in Hajj facilities.

The rise of genuinely secular leadership amongst India's Muslims could finally bring economic issues to the forefront, and perhaps create an environment where anti-India sentiments arising from a narrow and sectarian identification with Islam could be successfully challenged—in both Pakistan and in Bangladesh. Such a denouement could herald a new era of peace and cooperation that is sorely needed for the region to fully recover from the vast and grinding poverty that colonial exploitation and imperialist manipulation have left behind.

NOTES

1. See <www.meadev.nic.in/foreign/evidence-pak.htm>
2. *Kashmir Chronicle*, vol. 1, no. 5, September

- 1, 1998; Human Rights Watch/Asia and Physicians for Human Rights reported in *The Human Rights Crisis in Kashmir: A Pattern of Impunity*; Yusuf Jameel, "Slaughter in Singhpora—A Village Becomes Kashmir's Latest Victim," *Times Asia*, April 3, 2000.

A NEW GENERATION OF MUSLIM LEADERS IS OPPOSING CLERICALLY ORIENTED POLITICIANS, CALLING ON INDIAN MUSLIMS TO INTEGRATE MORE FULLY INTO INDIAN SOCIETY AND JOIN IN JOINT STRUGGLES THAT AFFECT THE WORKING MASSES.

3. Rajni-Palme Dutt, *India Today* (Bombay: People's Publishing House, 1949) pp. 35-44; and Mike Davis, *Late Victorian Holocausts* (New York: Verso, 2000); see also Shishir Thadani, "The Colonial Legacy" <www.members.tripod.com/~INDIA_RESOURCE/colonial.html>
4. Zarina Bhatti, "Social Stratification Among Muslims in India" in M.N. Srinivas, ed., *Caste—Its Twentieth Century Avatar* (New Delhi: Viking, 1996) pp. 249-53.
5. See *Eminent Mussalmans* (Delhi: Neeraj Publishing House, 1981 reprint, first edition 1926): Chapters on Salar Jung and the Aga Khan. Sir Sultan Mohammad Aga Khan was the grandfather of the contemporary Prince Karim Aga Khan, the Swiss-based billionaire and self-proclaimed world diplomat who is the leader of the Islamic cult Ismaili. He was also a close confidant of Ronald Reagan.
6. Narendra Singh Sarela, "Creation of Pakistan—Safeguarding British Strategic Interests," *Times of India*, March 17, 2000.
7. See the 'Transfer of Power Documents' 1942-1947, India Office, London; (also available at the Jawaharlal Nehru Library, New Delhi). These documents describe in quite shocking detail how the British authorities engineered riots between Hindus and Muslims; bribed armed terrorists associated with the Muslim League; deliberately broke up meetings held by pro-unity Muslim leaders of the Congress, and ordered their police forces not to intervene in the wave of terror that led to the expulsion of Hindus and Sikhs from what is now Pakistan.
8. Kaul Maharaj, "Jammu and Kashmir" <members.tripod.com/~INDIA_RESOURCE/kashmir.html>
9. South Asia Analysis Group's *Note 48* <www.saag.org>
10. Ahmad Faruqui, "Musharraf's About Face," (Berkeley, CA: Nautilus Institute, October 22, 2001) <www.nautilus.org/fora/special-policy-forum/31_faruqui.html>

CORRECTION

"Undermining Indian Sovereignty" by Shishir Thadani (CAQ no. 69, p. 42), contains an error of fact. The sentence which reads "...Kargil invasion was entirely India's doing." should read: "But the public posture of neutrality by the State Department made it seem as if the invasion was all Pakistan's doing and the US security agencies had no prior knowledge of it, and played no role in inciting or encouraging it."

(Continued from p. 34.)

papers carried full-page ads like this one in the *Nacional*: "Telcel (BellSouth) celebrates Freedom with all of Venezuela / Freedom to call wherever you want / Free national long distance calls [on Sunday the 14th of April]."

Not everyone was celebrating this newfound "freedom." In the early afternoon, spontaneous demonstrations began all over Venezuela, demanding the return of Chavez. These demonstrations were not being broadcast. Since the junta's inauguration the preceding day, and after days of constant coverage of the general strike and "civil society's" street demonstrations, television viewers were being treated to the "normal" fare of telenovelas and game shows. Thus, censorship of critical events was being accomplished by the same media that, since Chavez's election, had accused Chavez of threatening freedom of expression.

To discover the fast-spreading movement to bring back Chavez, television viewers had to tune in to *CNN en español*. But concrete reality overwhelmed virtual reality. Seeing the extent of the popular upheaval, and possibly displeased by the anti-democratic and authoritarian tendencies that the junta had already demonstrated, an inverse domino effect occurred and factions of the army began to reject the junta and call for Chavez's return. Late in the afternoon, *CNN* informed Venezuelans that Miraflores had been taken over by Caraqueños and a group of paratroopers. In a matter of hours, the coup had been reversed and Chavez was back in office.

Democracy has returned to Venezuela. But the forces that nearly brought an end to the dream of real social progress haven't been disturbed through all of this, and many Venezuelans and democrats around the world can't help asking: what will they do next?

Global Rollback

AFTER COMMUNISM

Michael Parenti

Lately we have been hearing a great deal about "blowback." But the real menace we face today is global rollback. The goal of conservative rulers around the world, led by those who occupy the seats of power in Washington, is the systematic rollback of democratic gains, public services, and common living standards around the world.

In this rabidly anticommunist plutocratic culture, many left intellectuals have learned to mouth denunciations of the demon Soviets, thereby hoping to give proof of their own political virtue and acceptability. For decades they have been fighting the ghost of Josef Stalin, flashing their anticommunist credentials in tireless diatribes or elaborately casual asides, doing fearless battle against imaginary hordes of "doctrinaire" Marxist-Leninists at home and abroad.

The downfall of socialist governments in the Soviet Union and Eastern Europe caused much rejoicing not only in U.S. ruling circles but among those who claim to inhabit the Left. Here now was a window of opportunity, a new beginning, they said. Freed forever from the stigma of "Stalinism," the US Left supposedly would grow in legitimacy and influence. Taken by these notions, they seemed not to have noticed how the destruction of socialism has shifted the center of political gravity in a drastically reactionary direction. Some of us did not join the chorus of liberals, libertarians, leftists, conservatives and reactionaries who hailed the establishment of monopoly capitalist "democracy" in Eastern Europe. We feared that it was a historic defeat for the people of the world. And now we are beginning to see evils coming to full bloom that the Communists and their allies had been holding back.

In some ways, the twentieth century was a period of retreat for Big Capital. In 1900, the United States and most other capitalist nations were part of the "Third World" well before the term had been invented. Within the industrialized nations could be found widespread poverty, high unemployment rates, low wages, child labor, 12-hour workdays, six- and seven-day work weeks, malnutrition, and the dis-

eases of poverty such as tuberculosis and typhoid. In addition, there were no public services, occupational safety regulations, consumer protections, or environmental safeguards to speak of. Only after decades of struggle, mostly in the 1930s and again in the aftermath of World War II, did we see dramatic advances in the conditions of those who had to work for a living.¹

THREAT OF A GOOD EXAMPLE

One of the things that helped workers win concessions was "the threat of communism." The pressure of being in competition with socialist nations for the allegiance of peoples at home and abroad helped to set limits on how thoroughly Western leaders dared to mistreat their own working populations. A social

IN THIS RABIDLY ANTICOMMUNIST PLUTOCRATIC CULTURE, MANY LEFT INTELLECTUALS HAVE LEARNED TO MOUTH DENUNCIATIONS OF THE DEMON SOVIETS, THEREBY HOPING TO GIVE PROOF OF THEIR OWN POLITICAL VIRTUE AND ACCEPTABILITY

contract of a sort was put in place, and despite many bitter struggles and setbacks, working people made historic gains in wages, benefits, and public services.

In the late 1940s and 1950s the U.S. ruling class took great pains to demonstrate that workers under U.S. capitalism enjoyed a higher living standard than their opposite numbers chafing under the "yoke of communism." Statistics were rolled out showing that Soviet proletarians had to toil many more hours than our workers to buy various durable-use consumer goods. Comparisons were never made in regard to medical care, rent, housing, education, transportation, and other services that are

relatively expensive in capitalist countries but heavily subsidized in socialist ones. The point is, the gains made by working people in the West should be seen in the context of capitalism's world competition with communism.

That competition also helped the civil rights struggle. During the 1950s and 1960s, when US leaders were said to be competing with Moscow for the hearts and minds of nonwhites in Asia, Africa, and Latin America, it was considered imperative that we rid ourselves of Jim Crow and grant equality to people of color in the US. Many of the arguments made against segregation were couched in just that opportunistic rhetoric: not racial equality for justice's sake but because it would improve America's image in the Cold War.

With the overthrow of socialism in 1989-91, transnational corporate capitalism now seemed to have its grip on the entire globe. Yet an impatient plaint soon could be detected in conservative publications. It went something like this: "If everywhere socialism is being rolled back by the free market, why is there no rollback here in the United States? Why do we have to continue tolerating all sorts of collectivist regulations and services?" By 1992, it became clear to many conservatives that now was the time to cast off all restraint and sock it to the employee class. The competition for their hearts and minds was over. Having scored a total victory, Big Capital would be able to write its own reactionary ticket at home and abroad. There would be no more accommodation, not with blue-collar workers, nor even white-collar professionals or middle management.

Throughout history there has been only one thing that ruling classes have ever wanted—and that is everything: all the

ABOUT THE AUTHOR

Michael Parenti's most recent books are *The Terrorism Trap* (City Lights), *To Kill a Nation: The Attack on Yugoslavia* (Verso), *History as Mystery* (City Lights), and the 7th edition of *Democracy for the Few* (Wadsworth).



Jeremy Blywood

April 8, 2002, Washington, DC. To see the results of neoliberal orthodoxy in the capital of capital, one need only step out the door of the White House.

choice lands, forests, game, herds, harvests, mineral deposits and precious metals of the earth; all the wealth, riches, and profitable returns; all the productive facilities, gainful inventiveness, and technologies; all the surplus value produced by human labor; all the control positions of the state and other major institutions; all public supports and subsidies, privileges and immunities; all the protections of the law with none of its constraints; all the services, comforts, luxuries, and advantages of civil society with none of the taxes and costs. Every ruling class has wanted only this: all the rewards and none of the burdens.

Instead of worrying about lowering unemployment, as during the Cold War, the plutocrats who preside over this country now seek to sustain a sufficiently high level of joblessness in order to weaken unions, curb workers, and maximize profits. What we are witnessing is the Third Worldization of the United States, the downgrading of a relatively prosperous population. Corporate circles see no reason why millions of working people should enjoy a middle-class living standard, with home ownership, surplus income, and secure long-term employment. They also see no reason why the middle

class itself should be as large as it is.

As the haves would have it, people must work harder ("maximize productivity") and lower their expectations. The more they get, the more they will demand, until we will end up with a social democracy—or worse. It's time to return to nineteenth-century standards, the kind that currently obtain throughout the Third World, the kind that characterized America itself in 1900—specifically, an unorganized working populace that toils for a bare subsistence without benefits, protections, or entitlements; a mass of underemployed, desperate poor who help to depress wages and serve as a target for the misplaced resentment of those just above them; a small, shrinking middle class that hangs on by its bleeding fingers; and a tiny, obscenely rich, tax-free owning class that has it all. For the haves, deregulation, privatization, and rollback are the order of the day. "Capitalism with a human face" has become capitalism in your face. While commentators announce "the end of class struggle" and even "the end of history," in fact, U.S. politico-economic elites are waging class war more determinedly than ever.

SECOND, THIRD, FOURTH WORLDS

The collapse of socialism has abetted a reactionary rollback not only in the United States but throughout much of Western Europe, Scandinavia, Canada, Australia, and New Zealand. Rollback also has accelerated the current economic collapse in many Third World countries. During the Cold War era, U.S. policymakers sought to ensure the economic growth and stability of anticommunist regimes. But Third World development began to threaten U.S. corporate profitability. By the late 1970s, governments in Brazil, Mexico, Taiwan, South Korea, and other nations were closing off key sectors of their economies to U.S. investment. In addition, exports from these countries were competing for overseas markets with U.S. firms, and for markets within the United States itself. At the same time, growing numbers of Third World leaders were calling for more coordinated efforts to control their own communication and media systems, their own resources, markets, air space, and seabeds.

By the 1980s, U.S. policymakers were rejecting the view that a more prosperous, economically independent Third World

would serve the interests of U.S. capitalism. And once there no longer was a competing socialist world to which Third World leaders might threaten to turn, the United States felt freer than ever to undo any kind of autonomous development in Asia, Africa, and Latin America. One rollback weapon is the debt. In order to meet payments and receive new credits from the US-dominated World Bank and International Monetary Fund (IMF), Third World governments have had to agree to merciless "structural adjustment programs," including reductions in social programs, cuts in wages, the elimination of import controls, the removal of restrictions on foreign investments, the privatization of state enterprises, and the elimination of domestic food production in favor of high-profit export crops.

Such measures are ostensibly designed to curb inflation, increase exports, and strengthen the fiscal condition of the debtor nation. By consuming less and producing more, debtors supposedly will be better able to pay off their debts. In fact, these structural adjustments work wonderfully for the transnational corporations by depressing wages, intensifying the level of exploitation, and boosting profit rates. They also leave the economies and peoples of these various countries measurably worse off. Domestic production loses out to foreign investors. There is a general deindustrialization as state enterprises fall by the wayside or are handed over to private owners to be milked for profits. Many small farmers lose their subsidies and import protections and are driven off the land. No wonder that, as western investment in the Third World increases, so does poverty and misery.

In time, Third World countries like the Philippines, Brazil and Mexico slip deeper into the desperately absolute destitution of what has been called the "Fourth World," already inhabited by countries like Haiti the Congo and Afghanistan. Thus, malnutrition in Mexico City has increased six-fold. As many as one-fifth of Mexico's ninety million people are now considered "severely undernourished," while the incidence of cholera, dengue, and other diseases related to malnutrition is nearly ten times higher than in 1990. The Mexican public health system that had begun to improve markedly in recent years is now at the point of complete collapse, with overcrowded, underfinanced, and understaffed hospitals no longer able to provide basic medicines.

As a further blow, the industrial nations began making substantial cuts in nonmilitary foreign aid to poor countries. These



April 8, 2002, Washington, DC. According to economist Istvan Meszaros, capitalism boils down to this: privatization of profits, socialization of losses.

include sharp reductions in funds for education, environmental protection, family planning, and health programs. As noted in the *Los Angeles Times*, "With the decline of the Soviet threat, aid levels fell off."² Measured as a percentage of gross national product, the United States gives the least foreign assistance of all industrialized nations, less than .02 percent.

To make things worse, popular resistance movements that might challenge the takeover of their countries by western global investors no longer have the benefit of material support from socialist countries. Nelson Mandela frequently spoke of the "essential aid" that the African National Congress had received from the Soviet Union. Today, rather than aiding anti-imperialist rebellions, the former socialist countries join NATO and send armed units to participate in US-inspired military interventions. This represents a serious loss for popular forces and a real gain for repressive plutocracy.

Reformist governments are being further undermined by the General

Agreement on Tariffs and Trade (GATT), and other "free trade" agreements that are neither free nor have much to do with trade, allowing transnational corporations to bypass whatever democratic sovereignty might exist within individual nations. Not only are Third World economies now more successfully penetrated but the governments and peoples themselves are being marginalized by the whole process of economic globalization in what amounts to a global coup d'état by the transnational corporate powers. Under the guise of abolishing "restraints of trade," "unfair competition," and "lost market opportunities," corporate-dominated trade councils are wiping out Third World import protections, public services, local industries, and local decision-making.

Finally, it should not go unmentioned that nowhere has global rollback been more thorough than in the former socialist countries themselves. The "Second World" of socialist nations has fallen into Third and Fourth World depths. In the former Soviet Union, Bulgaria, Hungary, Poland,

IN TIME, THIRD WORLD COUNTRIES LIKE THE PHILIPPINES, BRAZIL AND MEXICO SLIP DEEPER INTO THE DESPERATELY ABSOLUTE DESTITUTION OF WHAT HAS BEEN CALLED THE FOURTH WORLD, ALREADY INHABITED BY COUNTRIES LIKE HAITI, CONGO AND AFGHANISTAN

Latvia, and elsewhere, the capitalist paradise has brought massive privatization and deindustrialization, the defunding of public services, rampant inflation, and dramatic increases in poverty, hunger, unemployment, illiteracy, homelessness, crime, prostitution, disease, alcoholism, suicide, and depopulation—along with the emergence of small self-enriched coteries of gangster capitalists.

Reformist governments are attacked not only economically but, if need be, militarily, as has been the fate of more than a dozen nations in the last decade or so. In some cases, they are subjected to dismemberment as with Yugoslavia or complete absorption as with East Germany and South Yemen. Yugoslavia's relatively prosperous industrial base—with an economy that was three-fourths publicly owned—could no longer be tolerated to compete with western capitalist production. Secession and war accomplished the goal of breaking up Yugoslavia into small right-wing client states under the economic suzerainty of transnational corporations.

SUPERPOWER UNLIMITED

The overthrow of the Soviet Union has given the world's only remaining superpower a completely free hand to pursue its diplomacy by violent diktat. The record of US international violence just in the last decade is greater than anything that any socialist nation has ever perpetrated in its entire history. US forces or proxy mercenary forces wreaked massive death and destruction upon Iraq, Mozambique, Angola, Nicaragua, El Salvador, Guatemala, East Timor, Libya, and other countries. In the span of a few months, President Clinton bombed four countries: Sudan, Afghanistan, Iraq repeatedly, and Yugoslavia massively. At the same time, the US national security state was involved in proxy wars in Angola, Mexico (Chiapas), Colombia, East Timor, and various other places. And US forces occupied Macedonia, Bosnia, Kosovo, and Afghanistan, and were deployed across the globe at some 300 major overseas bases—all in the name of peace, democracy, national security, counter-terrorism, and humanitarianism.

Again we might note the connection between the collapse of the Soviet Union and the arrogance and brutality with which the United States has pursued its international agenda throughout the 1990s and early 2000s. Earlier dreams of a US global hegemony—an "American Century"—were frustrated by the constraints imposed by a competing superpower. But today, policymakers in Washington and in academic think tanks all over the country are declaring that the United States has a historically unprecedented opportunity to establish through the use of its unanswerable military and economic power a position of world dominance. Third World economic nationalism will no longer be tolerated in the New World Order. US "leadership" can now remove all barriers to the reorganization of the global economy on the basis of market principles, as interpreted and dominated by the giant transnational corporations.

Given all this, maybe it is time that certain personages on the Left put aside their anticommunism and acknowledge the magnitude of the loss that has been sustained and the real dangers we face with the downfall of Eastern European socialism. The life chances of hundreds of millions of people throughout the world have been seriously and irreparably damaged. It is time to see that our real and urgent enemy is not Stalin (who incidentally is dead) but the Western "democratic" leaders who are running the cruelest scam in history, pursuing policies of concerted rapacity, creating a world totally free for maximizing profits irrespective of the human and environmental costs. With the fall of socialism, we have global rollback, the creation of more wealth for the few and more poverty for the many, the creation of powerlessness by the powerful—a cycle that cannot be effectively opposed by those who remain mired in the class collaborationist rhetoric of anticommunism.

NOTES

1. See the discussion "Toward 1893" in Michael Parenti, *Against Empire* (San Francisco: City Lights, 1995), pp. 168-74.
2. *Los Angeles Times*, June 13, 1995.

Dear CovertActionQuarterly Reader:

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Assassination As Legal Strategy

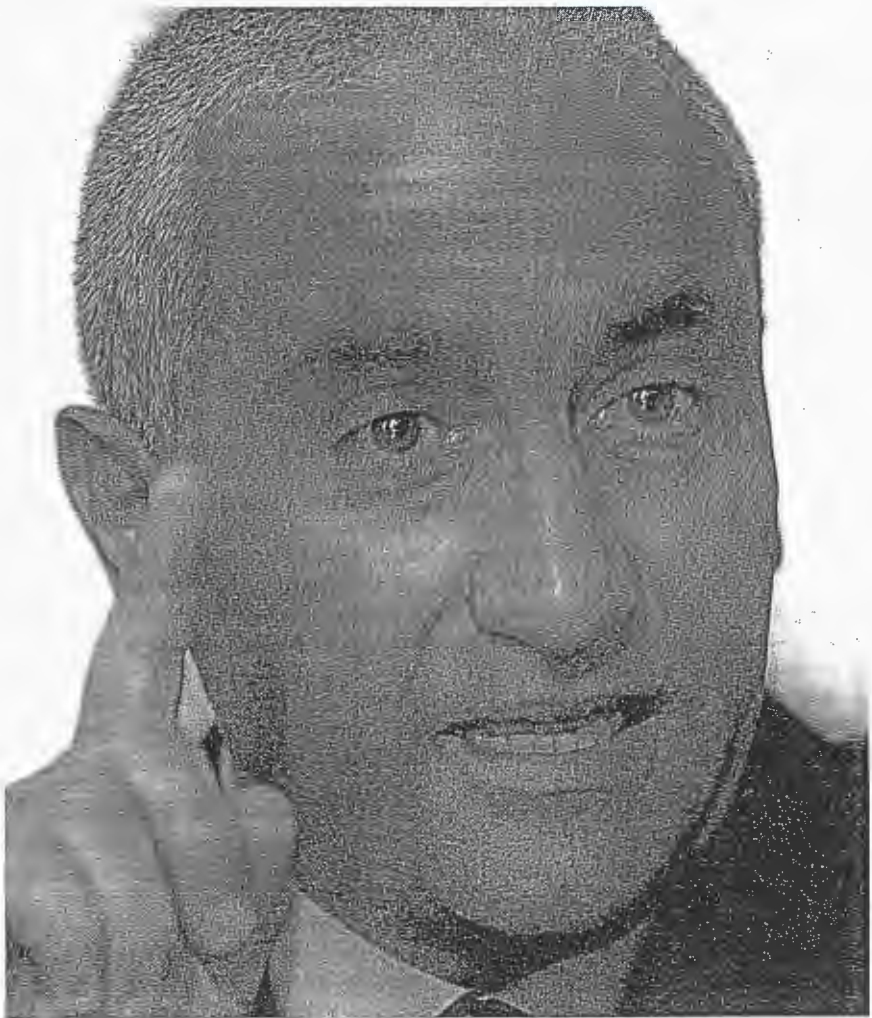
WITNESSES ARE DROPPING LIKE FLIES

Rezeq Faraj

On January 24, 2002 Elie Hobeika, one of the most ruthless political survivors of Lebanon's bloody civil war of 1975-1990, was killed in a massive car-bomb explosion at his house in the Beirut suburb of Hazmiyeh.¹ Robert Fisk, an astute observer of the Middle East, wrote "Last message from Elie was that bottle of champagne: a magnum of Veuve Clicquot La Grande Dame Rosé 1988. I never drank it. I felt it was contaminated. It lay in my fridge here in Beirut last night. I know many in Lebanon would like to drink it in celebration. But I suspect that, if I uncorked it, blood would spurt out."²

Two days before his death, he had met with three visiting Belgian senators from the Sabra and Shatila committee, created after the filing of the complaint in the Court of Appeals in Brussels, Belgium. The senators stressed Hobeika's willingness to testify in the landmark Belgian case against Ariel Sharon, Israeli prime minister, for his role in the September 16-18, 1982 Sabra and Shatila massacres. Mr. Hobeika had several times expressed his wish to assist the Belgian inquiry on the massacres. After Hobeika's assassination, a statement from the lawyers in the case against Sharon said "His determination to do so was reported widely on the eve of his assassination. The elimination of the key protagonist who offered to assist with the inquiry is an obvious attempt to undermine our case." Chibli Mallat, the lawyer, said that Hobeika was a key witness. "We've obviously lost a key character in the story of Sabra and Shatila."³

Speculation about who killed Hobeika started to flow. At last count, there were more than 30 different articles on the subject. They all point the finger at Israel. Four people died in that blast. According to Nasri Lahoud, prosecutor of the military tribunal in Lebanon, and the brother of the Lebanese Prime Minister Emile Lahoud, the bomb had the power of 10kgs of TNT. "The authors wished to destabilize Lebanon, turn world attention from crimes being committed in occupied Palestine and stop Hobeika from testifying in Brussels." "The crime has Israel's signa-



Reuters/Charif Karim

July 5, 2001, Former Lebanese militia leader Elie Hobeika, announces at a news conference that he is ready to submit evidence on the role of Ariel Sharon in the massacre of hundreds of civilians at Sabra and Shatila.

ture and of its agents" added the minister of interior, Elias Murr.⁴ On January 24th, 2002, Ariel Sharon declared, "We have nothing to do with this allegation and it is not worth a reaction from our part."⁵ Israeli denial and deflection of blame toward Syria didn't stick, because Syria had protected Hobeika and helped him to become a minister in Lebanon after the defeat and withdrawal of Israeli forces from Lebanon.⁶

Can one believe Hobeika's willingness to testify against Sharon in Belgium? And

what are the relationships between Sharon and Hobeika? After all Hobeika was tried in Israel, and was found guilty in the same inquiry which said that Ariel Sharon, then

ABOUT THE AUTHOR

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Defense Minister and now Israeli Prime Minister, was "personally responsible" for the slaughter. Hobeika even supervised the massacre according to historians and journalists.⁷ The Israelis themselves had named him as the principal murderer and war criminal in the Kahan Commission Report. Furthermore, knowing his violent past and shifting loyalties, some observers wonder whether his words should be taken seriously, and whether such evidence he claimed to have actually existed.

LIVE BY THE SWORD...

Hobeika knew that he would ultimately be killed, and few days before the explosion, he claimed that his testimony would clearly establish Sharon's guilt. Hobeika also spoke about his growing fears for his own physical safety.⁸ Jean Ghanem, once Hobeika's political deputy, died only four days before Hobeika, two weeks after a mysterious car accident in east Beirut.

Mr. Ghanem, a medical doctor who became a Phalangist party official and served under Hobeika's ruthless command, supposedly held documents that Hobeika intended to present to Belgian lawyers. Mr. Ghanem, who was 56, drove his car into a tree in the suburb of Hazmieh—only a few hundred meters from the spot where Hobeika was killed. He died on January 14, 2002 after lying in a coma for two weeks. Mr. Nabih Berri, the Lebanese parliament speaker, sees a relationship between the two deaths.⁹ Mr. Ghanem's "accident" was a warning to Hobeika. The killing machine didn't stop. On March 12, Michael Nassar, a former associate of Hobeika was shot dead in Brazil by a man firing a pistol equipped with a silencer. His young wife, Marie, was shot down beside him. Who will be next?

What Ariel Sharon's supporters and attorneys were afraid of has come to pass. We now know that on March 7, 2002, the Belgian court decided to pursue the case against Ariel Sharon despite the adverse developments. The Israelis claim that he cannot be tried twice (having been 'tried' first in Israel), and that international law protects criminals with diplomatic immunity. We also know that those who lend support to criminals like Ariel Sharon are guilty of war crimes, are themselves accomplices to those crimes, and must accept the inevitability of accusation and judgment. The example of Nazi collaborators apprehended recently in the US and France suggest that there is no statute of limitations on war crimes and crimes against humanity.

The most important link between

Hobeika and Sharon is clearly expressed in the testimonies of the witnesses and survivors that want to bring criminal indictments against Sharon in the Belgian courts. The testimonies show clearly the involvement of Israeli soldiers and commanders.¹⁰ Ariel Sharon was Chief commander of Israeli armed forces in Lebanon, while Hobeika was chief of intelligence of the Lebanese Phalange militia. Hobeika was the primary liaison between the Israel Defense Forces (IDF) officers and personnel surrounding the camps and the Christian militia members inside in the camps under Israeli control.

On the morning a car bomb killed Elie Hobeika, news reports from Brussels announced that a war crimes case against Sharon and others had moved one step closer to trial. Top Lebanese officials and Syrian state-run radio quickly accused Israel of eliminating a key witness. Hobeika, after all, probably knew more than anyone else about what really happened in Sabra and Shatila. Lebanese militia and Israeli soldiers undertook an orgy of murder, rape and torture from the evening of September 16 until the early afternoon of September 18, 1982. In one infamous instance (recounted by an IDF soldier who gave testimony before Israel's 1983 Kahan Commission inquiry) Hobeika coldly commanded a militia member who had radioed to ask what he should do with 40 women and children his unit had rounded up: "You know exactly what to do with them. Don't ask me a question like that again!"¹¹

WAR CRIMES AND MORE WAR CRIMES

Recent Israeli actions in the occupied Palestinian territories confirm in many ways Ariel Sharon as a war criminal. Sharon recently declared: "The Palestinians must be hit and it must be very painful. We must cause them losses, victims, so that they feel the heavy price." His statement translated into hundreds of Israeli armored vehicles and tanks pushing their way through crowded Palestinian refugee camps in the West Bank and Gaza and into the heart of Bethlehem and Ramallah, F-16s and Apache gun-ships overhead dropping bombs and rockets on largely unarmed Palestinian civilians, and the use of heavy weaponry in intensive strikes on densely populated civilian areas, utterly disproportionate to any perceived or real threats. This has resulted in high numbers of civilian deaths and injuries: from February 28 to March 10 of 2002, more than 113 Palestinians were killed and 368 injured. The vast majority were civilians.

Children, women and refugees have been indiscriminately attacked, in contravention of international law, which provides them with special protection. Particularly striking have been the mass roundups of Palestinian males between the ages of 14 to 50 in late March. Since February 28, about 2,200 people—including children—have been arbitrarily arrested and detained in camps far away from their hometowns. Inhuman and degrading methods routinely used during these arrests and detentions include blindfolding, strip-searching, and writing numbers on detainees' arms.

Palestinians have suffered extensive destruction of civilian property, including houses, workplaces, hospitals, clinics, ambulances, schools and universities, churches and mosques—as well as water and electricity supply lines. Israel also attacked humanitarian agencies, and denies civilian access to medical supplies and treatment. There has been an effective ban on any movement of Palestinian vehicles in the West Bank, including ambulances. They are shot at on sight. This tightens still further restrictions in force since September 2000—including hundreds of checkpoints, unmanned dirt blockades and trenches—making access to work, education, food, water and health services extremely difficult, if not impossible. Since February 28 there has also been an alarming increase in the number of attacks on medical staff, ambulances, hospitals and field clinics, with at least six medical staff killed, 12 injured and five ambulances destroyed. The Israeli attack on the Balata refugee camp in Nablus, which began on February 28, marked a clear turning point. The subsequent military escalation has now spread to civilian areas throughout the occupied territories, including Tulkarm, Nablus, Jenin, Bethlehem, Beit Jala, Ramallah, Qalqilya, Hebron, the Gaza Strip and all refugee camps. These acts are in direct violation of the Fourth Geneva Convention of 1949, which is legally binding on Israel. Several are classed as "grave breaches"—in other words, war crimes—including documented cases of murder and manslaughter, instances of intentionally causing "great suffering or serious injury to body or health" and "extensive destruction of property not justified by military necessity and carried out unlawfully and wantonly." <www.society.com/~geneva/geneva>

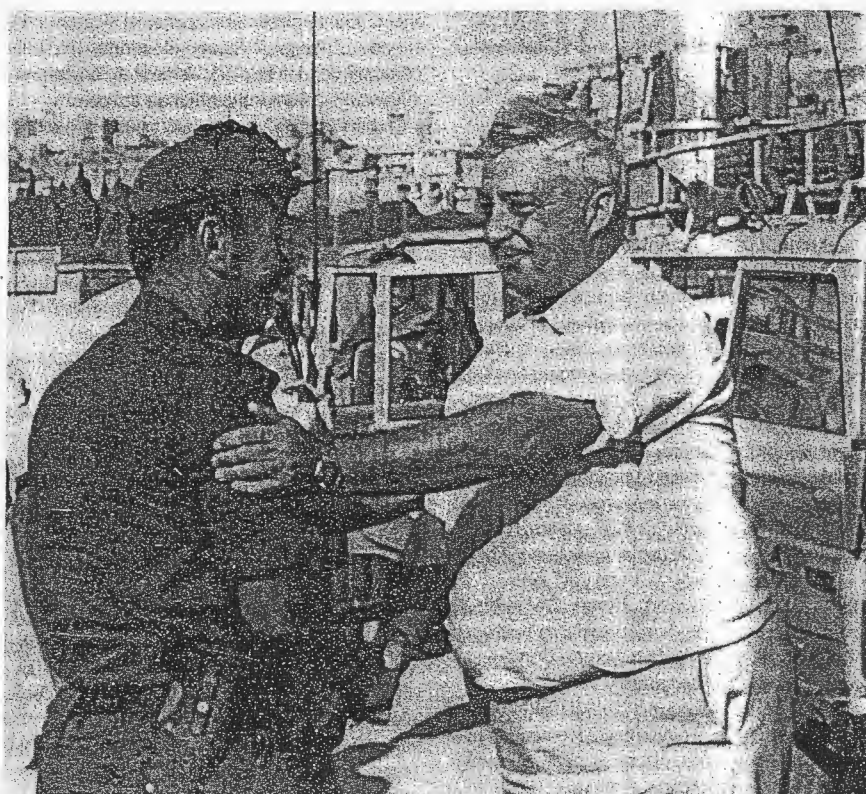
It is clear, quite to the contrary of those supporting Ariel Sharon, that the Israeli Prime Minister is involved, once again, as with Sabra and Shatila, in war crimes

against the Palestinian people. It is abundantly clear that Ariel Sharon has no intention of supporting any attempt to forge a peace process; indeed, it can be assumed that he will continue to do whatever he can to scuttle the possibility. Those who maintain that he is working for peace are either frightfully naive or frightful liars. He used Hobeika and the Phalange then, and he is using General Anthony C. Zinni now with the consent of his friend G.W. Bush, President of the United States.

As a Canadian of Palestinian origin, I demand that Ariel Sharon be indicted for war crimes committed against the Palestinian people in the current conflict, and for crimes against humanity in the case of the 1982 massacres at Sabra and Shatila for which he bears direct responsibility. I call on citizens' groups to bring criminal indictments against Ariel Sharon and his Cabinet as may be permitted under the legal statutes of their respective countries.

NOTES

1. Elie Hobeika, Lebanese militia leader who massacred civilians. A leader of the Christian Maronite Lebanese Forces (Phalange Party) during Lebanon's civil war. Born in Kleiat in 1956, Hobeika joined the Banco do Brasil in 1978; by then, he was already a rising star in the Phalangist movement. He escaped a coup against him by the Phalangist, Samir Geagea, and went to live in Syria. His later notoriety depends heavily on *From Israel To Damascus: The Painful Road To Blood, Betrayal And Deception* (Pride International, 1999) a biography by one of his bodyguards, Robert Hatem, otherwise known as "Cobra." After the civil war ended in 1990, Hobeika became minister for the displaced, ironic given his violent record. He was later given the electricity portfolio. <www.guardian.co.uk/israel/Story/0,2763,638923,00>
2. Robert Fisk, "Elie Hobeika: lady-killer and blood-soaked war criminal," *Independent Digital Ltd*, (UK) January 25, 2002.
3. Joneed Khan, "Le principal témoin contre Sharon meurt dans un attentat," *La Presse*, Montréal, July 25, 2002, Monde A7.
4. Khan, p. A7.
5. Khan, p. A7.
6. Aujourd'hui protégé de la Syrie, Elie Hobeika commandait en 1982 les unités des Forces Libanaises, responsables du carnage dans les camps de Sabra et de Chatila. <www.liberation.com/israel/actu/20010731marg.html>
7. La commission Kahane avait établi la «responsabilité directe» des FL dans cet «abominable pogrom contre des civils sans défense». Présent sur le terrain, Hobeika supervisait lui-même les massacres et donnait les consignes à ses hommes. C'est en tout cas ce qu'affirment historiens et journalistes de tous bords. [The Kahane commission has established "direct responsibility" of the Lebanese Forces for this "abominable pogrom against defenseless civilians." Present on the



Major Saad Haddad, Lebanese militia leader, greets Ariel Sharon in Sidon at the time of the Israeli invasion of Lebanon.

ground, Hobeika personally supervised the massacres and gave the orders to his men. This is in all cases affirmed by historians and journalists alike.] www.liberation.com/israel/actu/20010731marg.html

8. BBC, Friday, January 25, 2002, 14:53 GMT http://news.bbc.co.uk/1/hi/english/world/middle_east/newsid_1782000/1782503.stm

9. Robert Fisk, "Car crash adds to Lebanese suspicion of Israeli cover-up in Beirut," *Independent* (London) February 1, 2002.

10. Witness no. 1, Mr. X: "Wednesday we were at home waiting for visitors. I was at Sabra. The roads were deserted. Arriving at Ali Hender Café, I met young men who called me and asked me if I knew. I said 'No'. They told me that the Israelis and the Phalangists had entered and destroyed. I went directly home, took my wife and left for my brother's place. We told him "Abou Souheil, let's get out of here." He answered, "We are Lebanese. They won't bother us." I went to another relative and told him, "Leave..." He called me a coward. My wife and I started walking until we arrived at the airport bridge. There I saw the Israelis surrounding the area. An Israeli soldier yelled at me. And the Israelis started asking me where I had come from and where I was going. Then they told my spouse and another woman who was passing by to stay where they were and ordered me to follow them. And they put me near a mound. I was directly behind (Harat Horek) and we ran away to Ghobeireh. Saturday, I went back to see my relatives. What can I say? People were lying on their backs with blackened faces. I found my

brother-in-law dead. He had been hit on his head with a hatchet. We found thirty-three other members of the family killed."

11. Laurie King-Irani, "Detonating Lebanon's War Files, The Belgian Court Case and the Beirut Car Bomb" <www.merip.org/pins/pin83.html>

WORDS SELDOM HEARD

On a March 2002 tour of Turkish Kurdistan, Noam Chomsky told his Kurdish audience that "...in the Middle East, the most extreme terrorist act by far was the Israeli invasion of Lebanon—supported, armed, backed by the US—which killed about 20,000 people for political ends." <www.kurdistan.org>

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