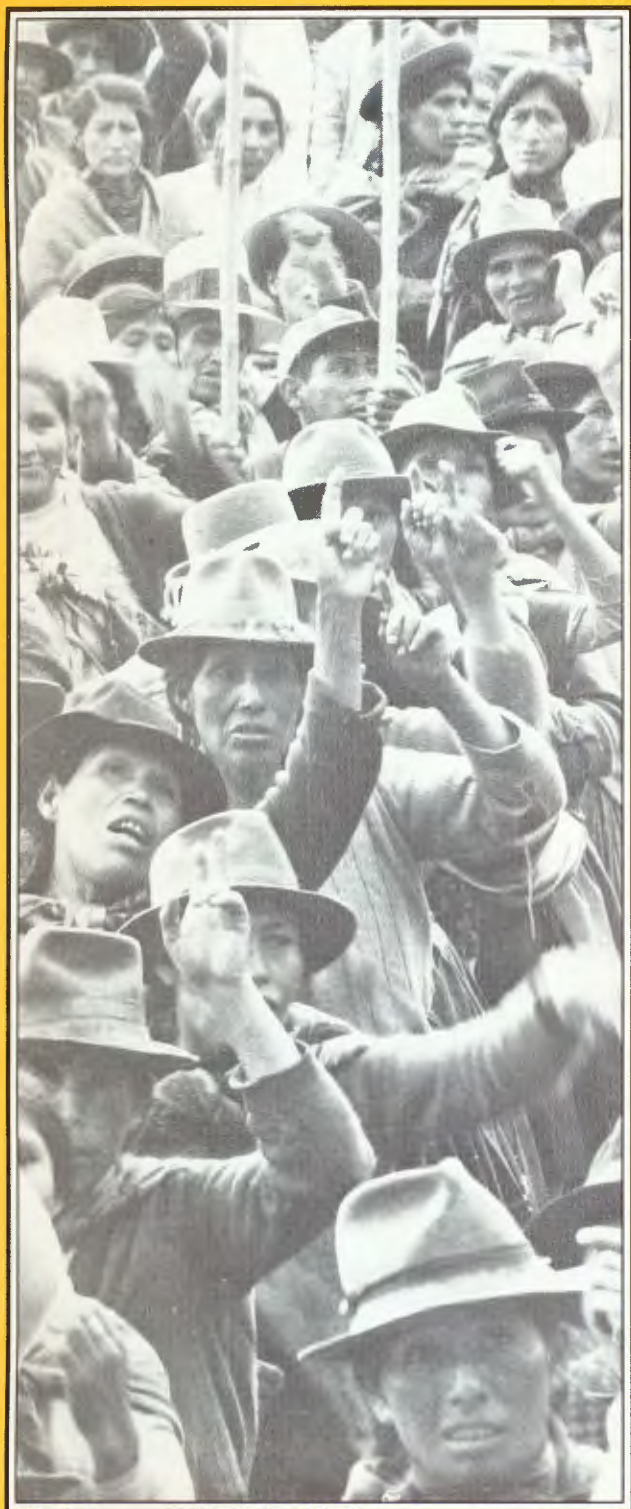


Covert Action

INFORMATION BULLETIN



- **Tracking Covert Actions Into the Future**

Phillip Agee

- **Fluoride: Commie Plot or Capitalist Ploy?**

Joel Griffiths

- **Peru: Inching Toward the Abyss**

Phillip Smith

- **Pinstripe Meets Khaki: U.S. Special Operations**

Louis Wolf

- **Bush Inaugural Speech Leaked & Deconstructed**

Edward S. Herman & Terry Allen

- What Bush Knew And Why *Anthony L. Kimery*
- Bush's Inside Track *Karen Branan*
- Nicaragua: Dependence Blueprint *Peter Mott*
- CIA Stonewalls Iraqgate *Jack Colhoun*
- Militarizing the Drug War *David Isenberg*
- Spooks & Moonies Go to College *Frederick Clarkson*
- LAPD Secret Files *Fred Hoffman*

Editorial: The Value of Values

In these pre-election days, "family values" are smogging the political atmosphere with mindnumbing visions of perfect White, suburban households. Both parties have Willie Hortonized the non-issue and put their wives and children on display, proving, not that they have family values, but only that they have wives and children. The exploitation at the conventions stank. Albert Gore portrayed himself as a great humanitarian because he sat long hours by his severely injured child's bedside. What a father! The Republicans, fresh from eviscerating civil rights legislation, featured an effusive speech by the grandchild George Bush once referred to as the "little brown one."

Meanwhile, real families (13.1 percent live in poverty, 33 percent are female-headed), communities (with crumbling infrastructures and dwindling federal aid), and individuals (increasingly homeless and unemployed) are in real crisis. The cause is not lack of family values and the effect is not moral decay. The complex causes include an economic crisis rivaling the depression of the 1930s; a profound shortage of basic social services such as health and child care; a poisoned environment; and a lack of jobs, job security, and fairly paid, meaningful work. The most obvious effect is the impoverishment of the great majority to benefit the rich—a dynamic played out not only domestically, but enforced on an international level by U.S. policy against the Third World.

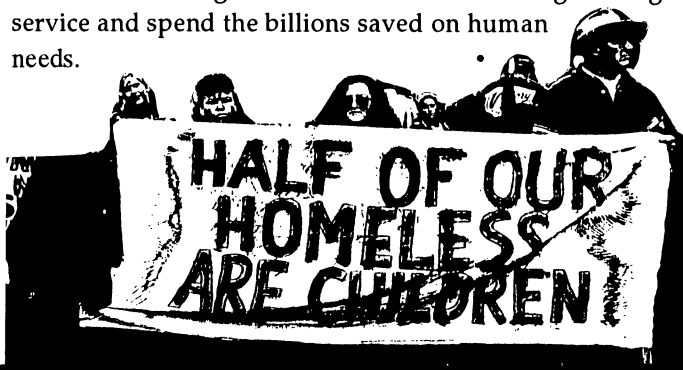
While the Republicans and Democrats alike prattle on about family values, they ignore systematic violation of democratic values and ethical standards. The August mistrial of CIA operations boss Clair George, charged with nine felony counts, was a particularly dramatic rendition of this dirge for democracy. Prosecution witness Alan Fiers wept on the stand because he had to choose between betraying the Agency he loved and covering his butt; George self-righteously wrapped himself in patriotism and stonewalled. Both men, with a precision and irrelevance worthy of medieval theologians, split hairs on the differences among not telling the truth, purposely omitting crucial information, implying falsehood, and actually lying. Neither man lamented a far more serious crime than lying to Congress: secretly implementing—along with Bush, North, Casey, and the whole rotten gang—the murderous Iran-Contra policy in violation of domestic and international law.

And why should they? The Congress, backed up by the courts, supports the basic premise of covert operations and does little more than occasionally readjust its blinders. The brave few who effectively oppose the clandestine institutions and call for meaningful reform are routinely punished. Frank Church's re-election was targeted and he was defeated. Otis Pike received a phone call from the CIA threatening, "We will destroy you." Most recently, Henry Gonzalez (D-Tex.) is being harassed over his Iraqgate investigations, and ex-CIA officer and outspoken Agency critic Philip Agee has been assailed in a series of defamatory articles. The assault weapons in these attacks are disinformation, dirty tricks, and questionable intelligence "leaks."

Fear of repercussions, however, is not what keeps Bush or Clinton from calling for a more democratic political system—one in which agencies such as the CIA could not annex vast powers. Bush, a former head of the CIA is a Company man down to his school tie, and Clinton, an opportunistic political animal, is little better. No wonder then, that the electorate—so desperate for change it considered a harebrained billionaire—see little difference and less hope. The people, no fools they, continue to express their faith in the system by staying home in droves on election day. Nor do they seem to be hoodwinked by the bipartisan family values barrage.

So, how about throwing a different set of values into the campaign hopper: open government and democratic process. There is a fundamental contradiction between democracy and secrecy in government. A political system of, by, and for the people can only work with a fully informed public; the CIA and its ilk can only work under the clandestine cloak. Lying to the people—any way you choose to define or disguise it—is the job of intelligence agencies. Concealed in a bureaucratic maze, and armed with delusional ideological and moral justifications, the CIA is an unchecked and unbalanced institution.

It's time to relegate it to a small information gathering service and spend the billions saved on human needs.



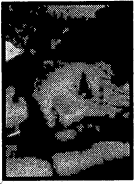
Staff: Terry Allen, Michael Hahn, Margaret Hanzimanolis, Faith Holsaert, Bill Montross, Barbara Neuwirth, Ellen Ray, William Schaap, Jane Teller, Louis Wolf. Photo consultant: Dolores Neuman.

CovertAction Information Bulletin, 1500 Massachusetts Ave., NW, #732, Washington, DC 20005 (202) 331-9763.

CovertAction Information Bulletin, Number 42, Fall 1992. Published quarterly, \$19/year by Covert Action Publications, Inc., copyright ©1992. Indexed by Alternative Press Index, University Microfilms, ISSN 0275-309X. All rights reserved.

In This Issue

Tracking Covert Actions Into the Future



Philip Agee

4

A former CIA officer traces the roots of U.S. foreign policy and covert operations and reveals the grimly logical implications for the global splintering and regional struggles implicit in the New World Order.

Peru: Inching Toward the Abyss

Phillip Smith

10

If Sendero Luminoso is as small and brutal as usually portrayed, how can it command popular support and control large areas? Smith sets a complex context of government terror, racial and economic exploitation, and rational relentless revolutionary strategy.

Bush Inaugural Address Leaked



Edward S. Herman & Terry Allen

17

CovertAction has obtained a leaked copy of George Bush's inaugural speech. Just in case he doesn't get to deliver it in January, you can read it here first. Four more years of the same, only better.

Refurbishing Special Operations



Louis Wolf

20

Special operations and "low-intensity" conflict warriors retool for the New World Order with a dazzling display of murderous intentions and weaponry.

Fluoride: Commie Plot or Capitalist Ploy



Joel Griffiths

26

The debate has raged for decades between the "right-wing loonies" and the "sane voices of science." Missing has been an analysis of who really profits from fluoridating public water supplies.

What Bush Knew and Why He Knew It

Anthony L. Kimery

31

Clever is the man who hides behind the cloud of smoke that curls from the gun in his own hands. Documenting Bush's decades-long involvement in covert operations, crimes, and coverups.

Front cover: Ernest Jimenez/Impact Visuals, Peruvian demonstration
Back cover: Coca Cola advertisement nestles in the countryside near Cuzco, Peru.
Arvind Garg/Impact Visuals.

George Bush's Inside Track



Karen Branen

34

As vice president, George Bush headed a little-known section of the National Security Council. The crisis management system functioned like an intelligence arm and was a virtual clearinghouse for Iran-Contra and other covert operations.

Rev. Moon Buys College, Hires Spooks and Moonies

Frederick Clarkson

39

The newest "moonbeam" is the U. of Bridgeport (Conn.), where the self-proclaimed Second Coming is stacking the board of trustees with earthly spooks and Unification Church lackeys. The promised academic freedom would take a miracle to deliver.

Bush Administration Uses CIA to Stonewall Iraqgate

Jack Colhoun

40

The more Henry Gonzalez (D-Tex.) reveals about how—until only days before the Gulf War—the U.S. supported Saddam and supplied high-tech weaponry, the more vicious the CIA attacks against him.

Militarizing the Drug War



David Isenberg

42

The U.S. drug war failed to curtail narco-trafficking but succeeded brilliantly in shoring up eroding military budgets and in justifying counterinsurgency interventions. The U.S. military role is increasing at home and abroad. "It's the only war we've got."

Nicaragua: U.S. Blueprint for Dependence



Peter Mott

48

Out of the media spotlight, the bloody Contra war continues. So, too, the battle for hearts and minds, where the U.S. has increased pressure and personnel, both official and private. Sound familiar?

Inside the L.A. Secret Police

Fred Hoffman

53

Review of new book by ex-Los Angeles cop reveals a secret information gathering unit within the LAPD that kept thousands of extensive files.

Tracking Covert Actions into the Future

Philip Agee

Over May Day weekend I was one of several thousand people attending an international solidarity conference in Brussels organized by the Belgian Labor Party. Among the participants were representatives of progressive and revolutionary parties and movements from around the world. The atmosphere was a refreshing reminder that the ideal of socialism, and resistance to exploitation and oppression, are very much alive.

My role was to outline U.S. efforts during the Cold War—mainly through the CIA—to suppress Third World national liberation movements. Additionally, I was asked to speculate on what these movements could expect from the U.S. under the Bush-proclaimed New World Order. Inevitably, questions arose about the much televised burning of Los Angeles. Would it affect Bush in the November elections? Could it be only the beginning? Was it another sign of overall U.S. decline?

Los Angeles, I suggested, was the result of the U.S. system working exactly as it is supposed to—the failure being not the existence of poverty, rage, and despair, but the momentary inability of the dominant class and culture to dissuade or distract the “underclass” from taking mass action. The Rodney King beating verdict simply lifted the lid.

The events in L.A. and other cities underlined the domestic system that produces, and is in turn affected by, U.S. foreign policy, including CIA activities. They were also a vivid reminder that the 1990s is a period of transition, with

“Maybe the more you get like us, the more people in your country will start to listen.”

— Third World participant in the Brussels conference

enormous opportunities for change in national priorities—a potential not seen since the late 1940s. The possibilities for positive change in those post-World War II years, not overwhelming to be sure, disappeared when Truman and his team decided in 1950 to start a permanent war economy in the United States. The reason? The U.S. economy, in its traditional trickle-down structure, needed militarism at home and

Philip Agee, author of three books, international public speaker, and outspoken critic of the CIA, was a CIA operations officer (1957-68) in Ecuador, Uruguay, Mexico, and at CIA Headquarters. His passport was revoked in 1979.



Robert Gumpert/Impact Visuals

Manila, Philippines

abroad to generate jobs and exports to avoid a return to the 1930s conditions of depression—toward which the economy was then feared to be moving.

Moreover, we cannot recall too often, the ideologists of that time believed that the Soviet Union was out to conquer the world. At stake, as Paul Nitze, former Dillon Read investment banker, wrote in the secret re-militarization plan known as NSC-68, was “the fulfillment or destruction not only of this Republic but of civilization itself.” Intensification of the Cold War would plant “the seeds of destruction within the Soviet system” resulting in a fundamental change in the system or its collapse. The plan admitted to being “in effect a policy of calculated and gradual coercion.”¹

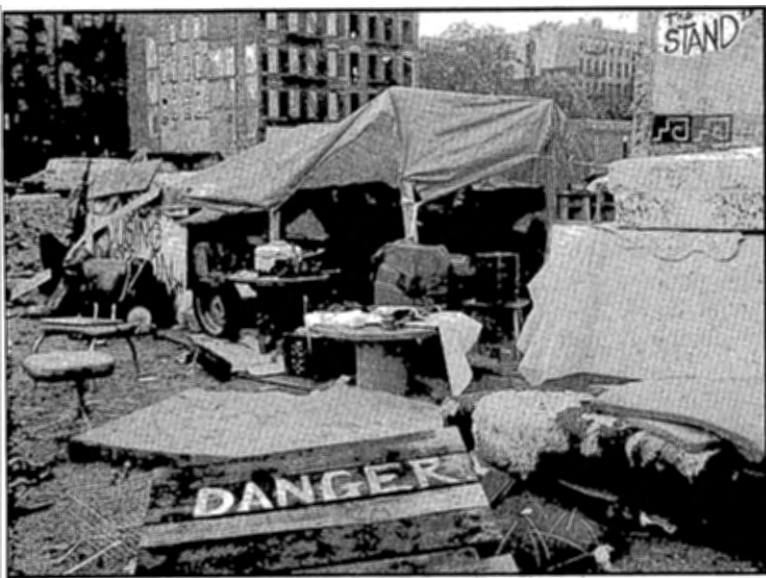
Public and congressional opposition to rearmament (the grand plan was kept secret for 25 years) only broke when China entered the war in Korea in late 1950. By 1952, the military budget had more than tripled to \$44 billion while the services doubled to 3.6 million men and women.² The per-

1. NSC-68 was published in the *Naval War College Review* of May-June 1975. For additional commentary on NSC-68, see Doug Henwood, “U.S. Economy: The Enemy Within,” *CAIB*, Number 41 (Summer 1992), pp. 45-49.

2. See Joyce and Gabriel Kolko, *The Limits of Power* (New York: Harper and Row, 1972), pp. 652-53. This work is also valuable for its analysis of the domestic economic considerations behind the 1950 rearmament program.

manent war economy was a reality. Meanwhile repression of domestic political dissent reached near hysteria.

In the process the CIA's covert operations, already in progress in Europe, expanded worldwide. By 1953, according to the 1970s Senate investigation, there were major covert programs under way in 48 countries, consisting of propaganda, paramilitary, and political action operations. The bureaucracy also grew. In 1949, the Agency's covert action arm had about 300 employees and seven overseas field stations; three years later it had 2,800 employees and 47 field stations.



Catherine D. Smith/Impact Visuals

New York, U.S.A.

In the same period, the budget for these activities grew from \$4.7 million to \$82 million.³

Covert operations became a way of life, or better said, a way of death, for the millions of people abroad who lost their lives in the process. By the Reagan-Bush period in the 1980s, covert operations were costing billions of dollars. CIA Director William Casey would be quoted as saying that covert action was the "keystone" of U.S. policy in the Third World.⁴

Throughout the CIA's 45 years, one president after another has used it to intervene secretly, and sometimes not so secretly, in the domestic affairs of other countries, presuming their affairs were ours. Almost always, money was spent for activities to prop up political forces considered friendly to U.S. interests, or to weaken and destroy those considered unfriendly or threatening.

Friends and Enemies

The friends were easy to define: those who believed and acted like us, took orders, cooperated. Until the collapse of

communism in Eastern Europe, enemies were also readily recognized: the Soviet Union and its allies, with China having ambiguous status since the 1970s. But how to explain covert action taken against others, not associated with the Soviets? Iran in 1953, Guatemala in 1954, Indonesia in 1958, Cuba in 1959, Ecuador in 1963, Brazil in 1964, Chile in 1970, Nicaragua in 1979, and Grenada in 1983—to name a few.

These governments, and others attacked by the U.S., were left, nationalist, reform-minded, populist or simply uncooperative—and U.S. hostility did indeed drive some of them to seek arms and other support from the Soviet Union. But why initially were they seen as threatening?

What U.S. interests needed protection from these governments or from like-minded movements seeking power? The answers to these questions from the past show the need for continuity in the future. Although the Cold War has ended, the covert and overt interventions which characterized it will surely continue undiminished in the post-Soviet era.

The Threat of Self-Determination

Around 100 years ago, U.S. leaders, like their European counterparts before them, recognized a fundamental strategy for enhancing the domestic economy and at the same time increasing international power. Already U.S. production was too great for the domestic market to absorb, and excess capital was looking for investment overseas. It was essential to ensure access to foreign markets, as well as to cheap resources and labor. These goals required an interventionist foreign policy wherein "their" resources were theirs only by accident of geography. Today the U.S. economy is more dependent than ever on access to foreign resources through the operations of transnational corporations, especially in the Third World. But this access is constantly at risk because those countries so often have grossly unjust, and therefore unstable, domestic systems. Some are autocratic, but many are akin to the U.S., with formal democracy and an entrenched elitist ruling minority. The difference, of course, is that their "underclass" is the mass of the population whereas ours, although increasing, is still proportionally much smaller.

Despite brutal repression, people throughout the Third World disputed not only the right of the U.S. to erode their national sovereignty, but they also challenged the legitimacy of their own ruling minorities—often remnants from colonialism. Their nationalist political and economic agendas meant reduced dependence on, and, therefore reduced control by, the North. Government programs to favor peasants, the working class, and the poor violated free market principles, and were a bad example. Agrarian and urban reform programs violated individual property rights, including those of foreigners. And, worst of all, they were seen to breach U.S.-led anticommunist solidarity. Usually, the CIA mounted covert operations to weaken and destroy the the programs—and with no small success. Local elites, whose privileged position was also threatened by movements for social change, were the CIA's natural allies.

3. See Final Report of the Select Committee to Study Governmental Operations with Respect to Intelligence Activities, also known as the Church Report (Washington, D.C.: U.S. Senate, U.S. Government Printing Office, 1976), pp. 141-49. See also Thomas Powers, *The Man Who Kept the Secrets: Richard Helms and the CIA* (New York: Alfred A. Knopf, 1979), p. 48.

4. *The Need to Know* (New York: Twentieth Century Fund Press, 1992), p. 75.

High Stakes

The economics of Cold War domination meant large transfers of wealth from South to North. Consider only the last decade. From 1982—when the debt crisis reached critical mass—to 1990, the net flow of wealth from South to North was \$418 billion.⁵ This net transfer resulted from average monthly payments of interest and principal of nearly \$12.5 billion or a nine-year total of \$1.3 trillion. Such payments, as Susan George points out in her recent book, *The Debt Boomerang*, were only possible through accumulation of new debt by the poor countries, which by the end of 1990 owed 61 percent more than in 1982.⁶ Mass misery and environmental destruction in the South are part and parcel of the continuing net transfer.

While the East-West dimension of the Cold War was a stand-off from the beginning, it was here, within the North-South dynamic, that both the economic battle and the shooting wars raged. As long as the underlying rationale—control of resources, labor and markets—remains, these conflicts are bound to continue irrespective of the disappearance of the East-West conflict. And as long as injustice, exploitation, and repression prevail, whether in the form of “structural adjustments” or death squads, people will resist. The U.S. will react to the resulting “instability” as it has for decades: with covert operations mounted against movements for independence, reform, and social justice, whether they have achieved power, as in Cuba, or whether they are struggling for power. Until U.S. definitions of threats, friends, and enemies change—and they are unlikely to without profound alterations in the U.S. domestic system—its need for covert operations will continue.

Means and Ends

For a hint of covert operations in the 1990s and beyond, it is instructive to reconsider some recent examples from the 1980s with emphasis on means and ends.

Central America was a major focus of U.S. attention during this period. Through CIA covert and semi-covert operations, and overt activities as well, the U.S. tried simultaneously to overthrow the government of Nicaragua and to destroy the movement for revolutionary reform in El Salvador, the Farabundo Marti National Liberation Front (FMLN). In Nicaragua the means were terrorism and destruction through a 10,000-strong surrogate paramilitary force, along with economic blockade, propaganda and diplomatic pressures. About one percent of the population, some 35,000 people, died. In El Salvador, the CIA and U.S. military expanded local military and security forces, and by extension the infamous death squads, to enable the government to fight the FMLN to a standoff. In the effort, the U.S.-backed forces killed over 70,000 people. Although they targeted trade unionists, student activists, human rights advocates and peasant

organizers, the majority of the casualties—randomly selected *campesinos*—were killed or disappeared simply to instill terror. Under the guise of exporting democracy, the CIA and other U.S. agencies in El Salvador promoted “demonstration elections” as public relations exercises to cover their clients’ atrocities.⁷ The military-controlled civilian government could then be renamed a “fledgling democracy.”

In the 1980s, in both Nicaragua and El Salvador, the U.S. introduced a new vehicle for exporting U.S.-style democracy—the National Endowment for Democracy (NED). Its origins go back to the early catastrophic scandal that erupted after Agency covert operations were revealed in 1967. I remember the gloom in the CIA when *Ramparts* magazine revealed the Agency’s control and funding of the U.S. National Student Association’s (NSA) foreign activities program. Suddenly, because of overlapping funding through U.S. foundations and front groups, the links between the Agency and scores of foreign trade unions, student and youth organizations, political institutes, and publications spread in the U.S. and foreign press. Usually the money flow was from the Agency to a real or bogus foundation, then to a U.S. private organization like NSA or a trade union, and from there to the foreign recipient.

Two months after the revelations began, some members of the House of Representatives, led by Dante Fascell (D-Fla.), proposed legislation to create an “open,” government-financed foundation to carry on financing the activities recently revealed as CIA-connected. The idea was to make money available “over-the-table” to foreign political parties, trade unions, student groups and other private organizations—not to eliminate secret CIA money but to provide an alternative, given the perennial problem of recipients in “covering” the CIA money.

The Fascell proposal went nowhere because of the breakdown of the Democratic-Republican “bipartisan” consensus during the Vietnam war. But by 1979, the idea resurfaced with the establishment of the American Political Foundation.



NACLA

Tortilla line

5. *Financing and External Debt of Developing Countries: 1989 and 1990 Surveys*, Organization for Economic Cooperation and Development, Paris, 1990 and 1991, quoted in Susan George, *The Debt Boomerang: How Third World Debt Harms Us All* (London: Pluto Press/TNI, 1992).

6. George, *op. cit.*, pp. xiv-xvi.

7. See Edward S. Herman and Frank Brodhead, *Demonstration Elections* (Boston: South End Press, 1984); see also Edward S. Herman and Terry Allen, “El Salvador Elections,” *CAIB*, Number 33 (Winter 1990), pp. 43-52.

Backed by "internationalist" Republicans and "Cold War" Democrats, this institute set out to study the feasibility of government financing of the foreign activities of private U.S. organizations. Participants came from rightwing think tanks such as the American Enterprise Institute and the Center for Strategic and International Studies.⁸

The West German Model

The study—made through "task forces" set up by the two political parties, the AFL-CIO, and the U.S. Chamber of Commerce—became known as the "Democracy Program." The participants eventually adopted the West German model of government-financed private foundations linked to each of that country's four main political parties. The program was used in the 1950s to channel CIA "democracy-building" money to the West German parties. By the 1960s these foundations were supporting parties and organizations around the world with West German government money—and at the same time they served as conduits for CIA money to third country organizations.

By the 1980s, the German foundations had programs worth about \$150 million in some 60 countries. And they operated in almost total secrecy. Equally appealing was the way the German foundations had been able to sustain like-minded political organizations in countries under dictatorships such as Greece during the "Colonels" regime, Spain under Franco, and Portugal under Salazar and



Rick Reinhard

Bread line

Caetano. The arrangement allowed correct government-to-government relations with simultaneous "private" support to political forces opposed to their governments. These forces, beholden to their donors, would then be in position to fill the political gap on the eventual fall of the dictatorship, excluding communists and others to the left of social democrats.

Ronald Reagan, an early and enthusiastic supporter of the Democracy Program, described it in his speech to the British Parliament in June 1982 as building "an infrastructure of

8. For detailed background on events leading to the establishment of NED, see *The Democracy Program* (Washington, D.C.: American Political Foundation, November 30, 1983). See also articles by leaders of the Republican and Democratic Parties, the AFL-CIO, and the U.S. Chamber of Commerce in *Common Sense*, December 1983.

democracy" around the world. Originally he set up a "Project Democracy" in the U.S. Information Agency (USIA) by secret Executive Order, which included participation by CIA Director Casey. When his connection leaked to the press, the CIA's role was supposedly canceled. An early project under this set-up was a \$170,000 grant to a U.S. public relations firm, MacKenzie, McCheyne, Inc., which had earlier represented the Somoza dictatorship in Nicaragua. In a kind of finishing school, image-improvement course for murderers, it taught "media officials" in El Salvador and similarly besieged client governments how to deal with U.S. media.

Since the whole idea was to "privatize," and USIA was part of government, its role was only a temporary solution. The future pattern of intervention was more clearly filled out when Congress established the private, non-profit foundation, the National Endowment for Democracy, and appropriated \$18.8 million in November 1983. The law appropriating the money gave an idea of how private NED was. It stipulated that NED could have no projects of its own—it is purely a funding channel—and that the U.S. government would have full access to NED's files, papers, and financial records. NED officers would have to testify before Congress whenever called. In practice, the Department of State and other government agencies like the CIA are part and parcel of the formulation and approval process of NED projects.

Monies appropriated by Congress would pass through NED to any of four private foundations, known as "core groups," set up for the purpose by: 1) the AFL-CIO (the Free Trade Union Institute); 2) the U.S. Chamber of Commerce (the Center for International Private Enterprise); 3) the Republican Party (the National Republican Institute for International Affairs); and 4) the Democratic Party (the National Democratic Institute for International Affairs). NED, for its part, encouraged others in the private sector to set up founda-

*In a kind of finishing school
image-improvement course for
murderers, the USIA taught "media
officials" in El Salvador and other
client states to deal with U.S. media.*

tions for getting money into foreign activities, e.g., media, academics, lawyers and clergy.

In the available documentation on NED, I never came across any consideration that these private U.S. organizations might raise funds through public appeals or ask their membership to pay for their foreign programs—i.e., real "privatization." What happened with NED, in fact, was simply a continuation of public funding for intervention in foreign countries using new conduits, with the "private" organizations serving as instruments of U.S. foreign policy. The

means and ends, formerly secret and justified by anticommunism, were transformed into an open agenda devoted to promoting U.S.-style democracy.

Each of the four recipient foundations, in statements of purpose, followed the central theme of the Democracy Program study: political action abroad to meet the Soviet "global ideological challenge." Projected beneficiaries covered the spectrum: governments, political parties, information media, professional associations, universities, cooperatives, trade unions, employers' associations, churches, women, youth, and students—in short, all traditional CIA covert action targets.

As for the Soviet Bloc, NED money would be used to promote anticommunist dissidence through propaganda and support to émigré groups and internal opposition movements. Projected activities included conferences, exchange-of-persons, seminars, training programs, publications, and, above all, financial support. NED as a mega-conduit also expanded possibilities for "open" funding of activities controlled behind the scenes by the Agency, as well as the means for spotting potential recruits as sources of intelligence and agents of influence.

Panama: Just 'Cause the U.S. Wanted Control

Panama was an early example of political intervention through NED. For the 1984 elections, General Manuel Antonio Noriega selected an economist, Nicolas Ardito Barletta, as presidential candidate of the military-controlled Democratic Revolutionary Party (PRD). Barletta was a vice president of the World Bank and former student of Secretary of State George Shultz at the University of Chicago. The other candidate was no friend of the U.S. Arnulfo Arias' long political career had centered on nationalism and populism. The U.S. feared that, if elected, his anti-military platform would bring instability to Panama.

The U.S. interest was to ensure that a new Panamanian president would continue to cooperate with U.S. efforts to overthrow the Sandinista government in Nicaragua and to defeat the insurgency in El Salvador. Noriega, a long-time CIA "asset," was at the time providing services of great importance to the U.S., allowing Panama to be used for Contra training and resupply bases, as well as for training Salvadoran military officers.⁹ Barletta's election would assure untroubled continuation of these activities.

During the election campaign, NED money passed through the AFL-CIO's Free Trade Union Institute to finance Panamanian unions which actively supported Barletta. A vote-count fraud organized by Noriega gave Barletta his election victory, but the Reagan-Bush administration made no protest even though the U.S. Embassy count showed Arias the winner by 4,000-8,000 votes.¹⁰

9. See Robert Matthews, "The Panama Connection: U.S. Addiction to National Security," *CAIB*, Number 34 (Summer 1990), pp. 6-12.

10. See John Dinges, *Our Man in Panama* (New York: Random House, 1990), pp. 265-66.

Reagan received Barletta in the White House and Shultz attended his inauguration. A more thorough study of the 1984 Panamanian elections would probably uncover more NED money and suggest the passage of CIA funds as well. By 1987, Noriega's usefulness to the U.S. was coming to an end. Procedures were under way for his indictment by the Justice Department for drug trafficking, and U.S. agencies, including the CIA, began plotting to remove him from power.



Robert Gumpert/Impact Visuals

Home under the monuments. Families trade living space for caretaking duties at a Manila, Philippines cemetery.

How NED Works

In the spring of 1987, NED financed a trip by the president of the Panamanian Chamber of Commerce, Aurelio Barria, to the Philippines. The purpose was for Barria to learn the operation of a Filipino national civic and political action organization, NAMFREL (National Movement for Free Elections).¹¹ Originally set up by the CIA in 1951 as a vehicle for the presidential election of the Agency's man, Ramon Mag-saysay, NAMFREL had played a key role in monitoring the 1986 Philippine elections.¹¹ Through parallel tabulation, NAMFREL was able to expose the fraudulent "re-election" of Ferdinand Marcos and then help mobilize the "people power" that forced him out. As it happened, the Agency for International Development (AID) gave NAMFREL nearly \$1 million for its work in the 1986 election. The funds were channeled through NED and the Asia Foundation (set up by the CIA in the 1950s as a funding front).¹²

11. On NAMFREL as a CIA creation, see Joseph B. Smith, *Portrait of a Cold Warrior* (New York: G.P. Putnam's Sons, 1976), pp. 108 and 252-53.

12. See Raymond Bonner, *Waltzing with a Dictator* (New York: Vintage Books, 1988), pp. 413-15.

Aurelio Barria's planned role was to set up a NAMFREL-style organization in Panama in preparation for 1989 elections—still almost two years away—in the likelihood that Noriega would again manipulate the count. However, just as Barria returned from Manila, Noriega's number two in the Panamanian Defense Force, Col. Roberto Diaz Herrera, precipitated a national crisis by going public with sensational accusations against Noriega, including political murder and

the rigging of the 1984 election. Spontaneous anti-Noriega demonstrations followed, with thousands rioting against Noriega's police.

Barria moved quickly into the lead of the anti-Noriega movement. On the first day of demonstrations, he launched his Panamanian NAMFREL as the Civic Crusade for Justice and Liberty. Some two hundred professional, business, religious and civic organizations participated.¹³

For a week the demonstrations

continued, with Barria's Civic Crusade leading the call for civil disobedience, a national strike, and Noriega's resignation. Noriega survived that crisis, but the Civic Crusade, which evolved into a minority White, upper-class movement, continued its campaign of agitation through, and beyond, the 1989 election. Noriega eventually nullified that election when the Crusade's (and the U.S.'s) preferred presidential candidate, Guillermo Endara, appeared to be winning.

With the CIA behind the scenes manipulating the Civic Crusade, the events in Panama which culminated in the invasion followed a pattern well-established in many other countries besides the Philippines. One close observer of Panama, the journalist John Dinges, wrote of "at least five covert action plans to get rid of Noriega." In addition, the CIA reportedly had a budget of \$10 million for support to Endara in the 1989 elections.¹⁴ In the end, only U.S. military invasion would end Noriega's rule, and the Civic Crusade, by creating a lynching atmosphere outside the Papal Nuncio's

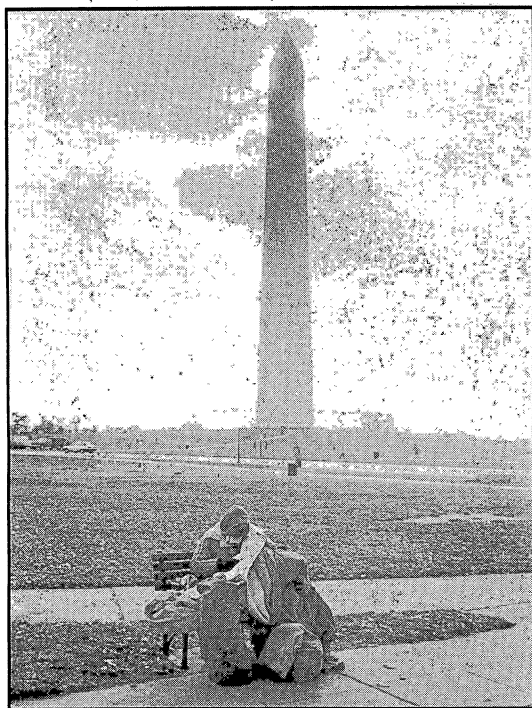
residence, would force the General to surrender. The lessons of the Noriega saga are clear enough. The Bush justification of the invasion—to combat drug trafficking and bring Noriega to justice—could not be the real reason because the CIA and other agencies had known of his drug dealing since the early 1970s.¹⁵ The real reasons were that Noriega was no longer needed for support of U.S. goals in Nicaragua and El Salvador, had become an embarrassment by defying U.S. hegemony, and was himself the source of instability in Panama. Using Noriega as a pretext for invasion, the Bush administration could destroy the Panamanian Defense Forces and reverse the social reforms favoring the poor majority, mostly Black and mulatto, that had been underway since the Torrijos period began in 1968. With the traditional White political elite back in power, the door was open to retaining U.S. military bases and control of the Panama Canal past the 1999 turnover date set by the Carter-Torrijos treaties.

On the night of the invasion, Guillermo Endara, representative of the White upper class, was sworn in as President on a U.S. military base, and democracy was "restored." Within a short time, drug dealing and money laundering in Panama would exceed that of the Noriega period, and poor Panamanians would presumably be back in their place—in poverty and under control.¹⁶ But resistance to U.S.-imposed rule continued, as George Bush could plainly see—through eyes smarting from tear gas—as he was whisked from the speakers' platform in Panama where he stopped in May 1992 on his way to the Rio Earth Summit.

Nicaragua

Military force was also required to "restore democracy" in Nicaragua. In this case, however, the invasion was carried out by a surrogate army of 10,000 Contras built by the CIA around the remnants of the 43-year Somóza dictatorship's National Guard, itself a U.S. creation. Beginning in 1981, through terrorism, atrocity and destruction, this force gradually bled the economy, undermined Sandinista social programs, and demoralized a large sector of the population which had benefited during the revolution's early years. By 1990, faced with nothing but worsening poverty and continuing terror, the Nicaraguan electorate—as if with a loaded pistol to the head—gave victory to the Nicaraguan Opposi-

(continued on p. 55)



Kirk Condyles/Impact Visuals

Home under the Washington Monument.

13. See Frederick Kempe, *Divorcing the Dictator* (New York: G.P. Putnam's Sons, 1990), pp. 213-14.

14. Dinges, *op. cit.*, pp. 302-03.

15. See Matthews, *op. cit.*, and Joe Conason, "When He Knew It," *The Nation*, December 2, 1991.

16. For accounts of the aftermath of the invasion, see Clarence Lusane, "Racism and Resistance in Panama," *CAIB*, Number 36 (Spring 1991), pp. 60-63; "Testimony to an Invasion," *CAIB*, Number 34 (Summer 1990), p. 13; and Jon Reed, "Christmas in Panama," *Z Magazine*, March 1991. According to the State Department, in 1992, "seizures indicate that [Panama] is a major transshipment point for cocaine destined for the U.S. and Europe." (*International Narcotics Control Strategy Report*, U.S. Department of State Bureau of International Narcotics Matters, March 1992. The *Christian Science Monitor* goes further, stating that "Narcotics trafficking and money laundering are exceeding pre-invasion levels.... Actually, without [Noriega's] deft touch in routing narcotics shipments, Panama's drug problems have worsened as local usage soars and the crime rate doubles." (Larry Birns and Larry Malin, "Rid of Noriega, Bush Now Ignores Suffering in Panama," September 16, 1991.)

Peru: Inching Toward the Abyss

Phillip Smith



With each passing month, Peru slips from bad to worse. Already staggering under the twin burdens of prolonged economic collapse and the fierce Sendero Luminoso (Shining Path) insurgency, the country has now been shaken by the end of its 12-year democratic experiment. The *autogolpe* (self-coup), in which President Alberto Fujimori and the military dissolved the government and imposed a dictatorial "Government of Emergency and National Reconstruction" is the latest manifestation of the profound crises facing Peru. As such, it is an expression of political exhaustion, frustration, and desperation; an intensification of a pre-existing authoritarian response to an increasingly ungovernable Peruvian reality. This reality is shaped not only by the ugly legacy of colonial conquest, but also by Peru's position in the contemporary world economic order.

From Fujishock to Fujicoup

When he swept to surprise victory in the 1990 presidential elections, political unknown Alberto Fujimori inherited an economic catastrophe as well as a festering guerrilla war, and increasing U.S. pressure to halt the booming coca and cocaine trade. Fujimori's stunning defeat of the established parties of the left, right, and center reflected a political system sapped not only by its failure to improve economic conditions but also by the increasing separation of the politi-

cal parties from the popular bases. The old elitist party machines had failed to meet the participatory demands of an activated populace.

The contradiction between political form and content was nowhere more acute than in *Izquierda Unida* (IU), the Marxist-socialist coalition of parties that gave up its revolutionary vocation to capture electoral politics. Falling into old elitist patterns and neglecting its mass work, IU was instead captured by electoral politics. Meanwhile, outgoing President Alan Garcia's APRA (American Popular Revolutionary Alliance), which had presided over the dissolution of the economy, was discredited and in disarray. Both IU and APRA candidates failed to survive the first round of the presidential elections.

Instead, Fujimori, backed by evangelical, small business and informal sector money, and supported in the run-off by APRA, IU, and the Catholic base, came from behind to defeat novelist and free marketer Mario Vargas Llosa, another political outsider. The suave, urbane, and very European Vargas Llosa ran up against *cholo* (mestizo-indigenous) resentment of the White elite. More fundamentally, the voters rejected his promise of austerity and free trade. In fact, much of Fujimori's appeal derived from repeated vows *not* to impose such a program.

Fujishock came almost overnight when the "populist" president reversed himself. He embraced the "structural reforms" demanded by the World Bank and IMF if Peru were to return to the good graces of the international financiers and win renewed access to world credit markets. In an effort to

Phillip Smith holds an M.A. from the Institute of Latin American Studies at the University of Texas and writes on Latin American affairs and drug policy. Research assistance for this article was provided by Isolda Ortega Bustamonte. Photo: Jorge Ochoa/Impact Visuals. Villagers are formed into *Ronderos*, 1989.

balance the budget and snuff out inflation, Fujimori instituted mass layoffs of state workers, slashed social spending, and raised energy and public services prices. Finance Minister Carlos Boloña directed the privatization of critical but troubled state enterprises and worked hand in hand with World Bank "technical advisers" to remove barriers to the free movement of trade and capital. By mid-1991, Finance Ministry sources reported that Peru "was in virtual receivership, with IMF functionaries running the day-to-day affairs of several ministries."¹

The austerity program did reduce inflation and allowed the resumption of payments to foreign creditors, but the cost was staggering depression and a huge increase in social misery. More than five million Peruvians fell below the "extreme poverty" level in the last two years, bringing the total to more than half the population. Real per capita income is now below 1970 levels. Fujimori promised but failed to deliver a social emergency spending program. In fact, in the face of widespread misery, social spending has declined to one-fourth the already meager level of ten years ago.²

The president's sudden and unilateral turn to the IMF program pushed APRA and the left, both of which had supported him against Vargas Llosa, into outright opposition in the legislature and led to the unraveling of Fujimori's personal electoral vehicle, *Cambio '90*. With no political machine or organized constituency to fall back on, Fujimori increasingly turned for support to the military, sectors of the business community, and the international financial organizations. He also demonstrated an emerging authoritarian vocation, which was underlined by the press discovery of a secret document detailing plans for a civilian-military junta in early 1991.³ Another indication of his imperial style came two months later when, in violation of political protocol, he presented the legislature with a signed anti-drug treaty with the U.S. Through this 1991 agreement, the U.S. forced Fujimori to accept heightened militarization of the anti-drug campaign and increased U.S. influence and presence in return for desperately needed direct aid and favorable votes on Peruvian loan requests to the IMF and World Bank.

As popular discontent with his economic program grew, Fujimori's isolation and his authoritarian style were underscored by his growing dependence on unilaterally-imposed executive decrees. Last November, he issued a package of 126 decree-laws designed to strengthen his hand against both the increasingly combative legislature and the ever-growing insurgency. The decrees allowed him an almost free rein in deepening his neo-liberal economic program and greatly expanded the powers of the military. The generals could now temporarily expropriate property and financial assets, draft anyone into the counterinsurgency effort, intervene in the prisons and universities, ban the publication of information deemed secret by the state, and subordinate civilian to mili-



Nancy Shia

President Fujimori has increased reliance on the Army.

tary authorities in all "emergency areas," i.e., 60 percent of the national territory.⁴

The decrees, which would be enacted upon the legislature's failure to veto them, ignited a political firestorm, thoroughly poisoning relations between Fujimori and the APRA-dominated legislature. As the political process deteriorated, Fujimori lashed out against the judicial and legislative branches and the parties, laying the public opinion groundwork for the coup that came on April 5th. That evening Fujimori appeared on nationwide radio and TV and read a "Manifesto to the Nation" with which he dissolved the legislature, disempowered the judiciary, and "ordered" the military and police to seize government buildings, media facilities, and union and political party offices. With this act, Peru moved from formal, if dysfunctional democracy, to overt dictatorship. Fujimori then ordered the arrest of dozens of political opponents, primarily in APRA, and fired more than 100 judges. The Manifesto emphasized what Fujimori clearly saw as his primary task: to "reconstruct" government institutions and deepen the "structural reform" of the economy. To that end, Fujimori also declared war on both the drug trade and Sendero to "guarantee a climate of peace and tranquility that will make possible domestic and foreign investments."⁵ Whether he can deliver is another question.

At first, the coup received broad public support. Early polls showed approval ratings of 70 percent and higher.⁶ A public frustrated and frightened by rising violence, a declining standard of living, and the impotence and irrelevance of

1. David Goldman, "Lost Opportunity," *Wall Street Journal*, April 17, 1992.

2. Conferencia Episcopal del Perú, *Compartir* (pamphlet), 1991, p. 1.

3. Hernando Burgos, "Crónica de choques y desencuentros," *Quehacer*, 76, March-April 1992, pp. 11-12.

4. *Latin American Regional Reports—Andean Group*, RA-91-10, December 19, 1991, p. 2.

5. *Resumen Semanal*, 664, April 3-9, 1992, pp. 2-3.

6. *Gestión*, April 7, 1992; April 13, 1992.



Jorge Ochoa/Impact Visuals

Masked police arrest university students.

democratic institutions, grasped at Fujimori's straws. Further support came from the national bourgeoisie, with the association of business organizations, CONFIEP, declaring the coup necessary to "reestablish order and morality in the nation," and asking "friendly countries to not retire their valiant support in order to contribute to the rapid reestablishment of order."⁷

The "coup coalition" which emerged contained a military contemptuous of civilian politics and desirous of a freer hand against guerrilla violence, a private sector determined to fully implement the IMF program, and those atomized and disaffected citizens willing to forsake democracy in exchange for the promise of peace and prosperity. That this alliance can hold together is doubtful; its constituencies have varied and contradictory goals, and in taking on the narcotraffic and Sendero Luminoso, the new Peruvian state may be fighting a losing battle.

U.S. Response

It is against a background of economic crisis, political, and social disintegration, and looming Maoist revolution, that international reaction to the coup must be measured. For the U.S., Peru's neighbors in the Organization of American States (OAS), and the international financial community, the coup forced a delicate balancing act between a public posture of condemnation and fundamental support of Fujimori's objectives, if not his overt resort to dictatorship.

Initial U.S. response to the coup seemed appropriately harsh. The State Department appeared embarrassed and angered that the coup took place while Assistant Secretary of State for Inter-American Affairs Bernard Aronson was actually in Lima, ostensibly to discuss problems in the anti-coca campaign. Within 24 hours Washington condemned

Fujimori, demanded a quick re-turn to constitutionality, and announced that it was suspending \$320 million in economic and military aid and would deliver only humanitarian aid. Secretary of State James Baker similarly enunciated a hard line at the April 12-13 emergency meeting of the OAS, vowing to continue the aid suspension until Peru returned to formal democracy.

U.S. condemnation of the coup and loud support for Peruvian democracy, however, rang hollow. The U.S. had maintained a discreet silence all through the 1980s as the Peruvian military massacred thousands in its "dirty war" against Sendero. Neither did it deem worthy of comment the military's creeping encroachment on civilian political spheres. Even in the months between the dictatorial November decrees and the April coup, the official U.S. silence was deafening. Although both Peruvian commentators and U.S. government analysts had warned that a move was im-

minent, neither the State Department nor Ambassador Anthony Quainton⁸ made any public statements warning Fujimori or the military against seizing power.⁹

Our Man in Lima

There are also indications that the U.S. has an "inside man" at the very top of the post-coup government. Vladimiro Montesinos, a "national security adviser" to Fujimori as well as his personal attorney, has long-term ties to the CIA.¹⁰ These go back before 1977, when as a staff officer in the Velasco junta, Montesinos was expelled from the army and imprisoned for selling state secrets to the Agency. During the 1980s, Montesinos pursued a lucrative career as a lawyer and front-man for Peruvian and Colombian drug dealers. Drug Enforcement Administration (DEA) intelligence reports from 1991 describe him using his position in Fujimori's inner circle to "arrange the appointment of ministers and advisers as well as transfers of army officers...always with the aim of supporting narcotics trafficking."¹¹

Montesinos' relationship with Fujimori dates to the 1990 presidential election campaign, when he successfully defended the candidate against tax evasion charges. Since then he has become the real power at the National Intelligence Service (SIN), the Peruvian equivalent to the FBI and CIA

8. After serving as head of the State Department Office for Combatting Terrorism, Quainton became U.S. ambassador to Nicaragua while the CIA was particularly active mounting such covert activities as the mining of a Nicaraguan harbor and the production and distribution of a terrorism and assassination handbook for the Contras. He went on to become ambassador to Kuwait before his assignment to Peru. (Holly Sklar, *Washington's War on Nicaragua* (Boston: South End Press, 1988)), p. 171.)

9. Collette Youngers, "El autogolpe: una interpretación desde Washington," *Quehacer*, 76, March-April 1992, p. 21.

10. Gustavo Gorriti, "Pieza clave de una investigación militar: el ex-capitán Vladimiro Montesinos," *Caretas*, September 12, 1983, pp. 13-17; Sam Dillon, "Peru Advisor Linked to Drug Cartels," *Miami Herald*, April 18, 1992.

11. Dillon, *op. cit.*

7. "Pronunciamiento del CONFIEP," *El Comercio*, April 9, 1992.

combined.¹² He is also credited with playing a crucial role in pre-coup planning by advising Fujimori on appointments to key military commands and even personally briefing the military chiefs two days before the coup.¹³

In 1991, the CIA invited Montesinos to Washington, after which he obtained fresh foreign assistance for SIN, presumably from the Agency. Now he is even more critically placed. Fujimori has entrusted him with "moralizing" the judicial system, a process that, according to the Andean Commission of Jurists, emphasizes partisan purges, personal vendettas, and caters to military concerns in human rights cases, as much as it does ridding the judiciary of corruption.¹⁴

Montesinos has also centralized control of Peru's antidrug initiatives within SIN's Directorate of Narcotics. The U.S. government may have aided Montesinos in his drug war power grab. The CIA secretly funded and equipped SIN's antidrug special operations unit, and in 1991 transported members of the elite corps to the U.S. for training.¹⁵ Since the coup, the drug trade is booming.¹⁶

Contradictions Within the Three Goals of U.S. Policy

Montesinos' CIA connections raise obvious questions about prior U.S. knowledge of the coup and the CIA's influence in the new regime, questions that cannot yet be definitely answered. They also highlight the contradictions

The CIA secretly funded and equipped SIN's antidrug special operations unit, and transported members of the elite corps to the U.S. for training.

in U.S. policy toward Peru. The rhetoric of democracy aside, U.S. objectives in Peru over the last decade have been three-fold: winning a foreign victory in the domestic "War on Drugs," cementing Peru's submission to free-market, neo-liberal economics and, most recently, preventing Sendero Luminoso from winning its "people's war."

12. Nathaniel Nash, "Fujimori Talks Tough But the Coca Thrives," *New York Times*, April 26, 1992.

13. Dillon, *op. cit.*

14. Dillon, *op. cit.*

15. Sarah Kerr, "Fujimori's Plot: An Interview with Gustavo Gorriti," *New York Review of Books*, June 15, 1992, p. 20. He was the only journalist arrested after the coup. His computer was searched and all the data relating to Montesinos was erased.

16. Sam Dillon, "Dark Paths of Peru's Drug Czar," *Miami Herald*, May 30, 1992.



Jorge Ochoa/Impact Visuals

Ayacucho, Peru. Ronderos deal with two captured men accused of being members of the Sendero Luminoso insurgency.

The contradictions among these goals are by now obvious, even in Washington. The economic "shock treatment" produces mass misery that feeds the insurgency, just as the coca eradication programs push the *cocaleros* toward Sendero. And the military that would fight Sendero is itself corrupted by the drug war. One of Aronson's missions in visiting Lima on April 5, 1992, the day of the coup, was to hand over a list of 170 officers with links to narco-trafficking.¹⁷ Conversely, a full-fledged counterinsurgency, to have even a chance of success, would require an economic policy capable of "winning hearts and minds," a de-escalation of the anti-coca effort, and most probably, a massive, direct, and sustained U.S. involvement.

Despite nettlesome dilemmas, U.S. policy possesses an underlying unity that gives it a substantial identity of interests with Fujimori's authoritarian project: All three policy goals have a profoundly anti-popular thrust and require for their success a passive, demobilized Peruvian nation. Whether in drug war, "dirty war," or the class war of the austerity programs, the only democracy that will serve is that which provides form but not content. Formal democracy, despite its irrelevance to most Peruvians, legitimated the state without endangering either U.S. interests or elite Peruvian privilege. The U.S. will allow itself to be mollified as Fujimori and the military implant a new, more repressive democratic facade; then the U.S. can get back to the pursuit of its deeper interests in Peru.

Although there is keen frustration in drug warrior circles with the failures of the anti-coca efforts, U.S. domestic politics demand that the drug war remain paramount in U.S.-Peruvian relations. Even at the peak of the public offensive against the coup, DEA agents remained in place, and ad-

17. *Resumen Semanal*, No. 670, May 22-28, 1992, p. 1.



Cruel Centuries, Lost Decade

Peru's multiple contemporary crises are played out in a nation fractured by racial, regional, and class divisions. Since the time of the Conquest, national political and economic elites have been drawn overwhelmingly from the European, coastal, "modern" social sectors, while in the Andean highlands *mestizos* hold the reins of local power. Provincial elites traditionally resent domination from the capital, but impose a similar domination on their local populations. At the bottom of the social pyramid are poor *mestizos* and the Quechua- and Aymara-speaking indigenous peoples. In the highlands, these mestizo and indigenous people attempt to survive through subsistence farming, wage labor in agribusiness or more traditional *hacienda* agriculture, or some combination.

In the coastal cities, these ethnic groups form the majority of *pueblo joven* (shantytown) dwellers and marginalized urban masses. Whether as a highlands peasantry or, increasingly, as the urban poor, these dark-skinned people bear the brunt not only of social discrimination but of the economic disaster stalking the nation.

Until barely 25 years ago, Peru remained essentially frozen in colonial-era structures and patterns of domination. A mainly White landed oligarchy, eventually joined by an urban commercial-industrial sector, ruled a nation of dispossessed, ethnically different peasants under more or less dictatorial regimes. Democracy, in its intermittent appearances, was the province of the elites. It was only with the 1968 leftist military coup that the old order was effectively challenged.

The regime of General Juan Velasco Alvarado intentionally mobilized the peasantry and urban poor to counter the power of the oligarchs, inadvertently starting a process of popular organization that has not stopped since. Although Velasco hoped to create a highly controlled mobilization, he instead unleashed popular creativity and organization that escaped the control of the generals. The Peruvian poor became actors in their own behalf.

Under pressure from the peasantry, the Velasco regime broke the power of the landed oligarchy, but its top-down agrarian reform proved unable to improve conditions for the majority of the rural population. When the military retreated to the barracks in the face of the popular mobilization it had helped create, hopes were high that a new, democratic era was finally dawning in Peru. The conservative government of Fernando Belaúnde Terry, elected in 1980, however, sabo-

tagged the agrarian reform projects in the vain hope of re-constituting a modernized *hacienda* system. The result was deepening agrarian crisis manifesting itself both in the decline of export agriculture and as a "crisis of subsistence agriculture."¹ With the loss of credit opportunities and jobs, the highlands peasantry, especially in the south, reacted with a "fight or flight" response. The hardest hit highlands departments (states)—Apurímac, Ayacucho, and Huancavelica—became the first loci of Sendero Luminoso's guerrilla war, which had begun in 1980. Peasants fled the crisis and the spreading violence by migrating to the coastal cities, particularly Lima, which has nearly doubled in population in the last decade to more than seven million inhabitants.

But conditions were no better in the cities. The Belaúnde government's conservative and austere economic program won it the good graces of the International Monetary Fund (IMF), (which extended a credit package in 1982), but wreaked disaster on Peruvian workers and peasants. Real wages plummeted an average 25 percent annually as 400,000 jobs vanished under the impact of "stabilization."² When the populist APRA (American Popular Revolutionary Alliance) party swept into power in 1985—the first time in its long, oppositional history—new president Alan García attempted to redress workers' losses through a program of demand expansion and price freezes. After 1987 and the lifting of price controls, inflation climbed to record levels and real wages once again plummeted. By the end of 1988, real wages had fallen to 1960 levels as a million people slipped into the ranks of the under- and unemployed in a severe stagflation.³

García has been harshly criticized for his "heterodox" or populist economic policies, but the disaster after 1988 was aggravated by the reaction of international lenders to García's limit on debt repayments and—worse yet—his attempt to challenge the power of capital by forming a Third World movement to contest the inequities of the economic order. García had reason to complain: From 1984 to 1989, Peru's foreign indebtedness increased from \$13 billion to \$20 billion, never falling below two-thirds of the annual Gross National Product, while over the same period the nation saw a net outflow of interest, profits, and dividends of \$5 billion.⁴ Peru was being pauperized to feed the coffers of the North. Nonetheless, the international financial community punished García's intransigence by making Peru a pariah. García left office with his career and the country's economy in ruins. If the 1980s was the "lost decade" in Latin America as an increasingly rabid neo-liberalism savaged the continent, nowhere was this more true than in Peru. •

Photo: Ernesto Jimenez/Impact Visuals. Farmers protest, 1989.

1. Cynthia McClintock, "Why Peasants Rebel," *World Politics*, 37, October 1984, pp. 48-84.

2. Economic Intelligence Unit, *Peru Country Profile*, 1991, p. 13.

3. *Ibid.*, p. 12.

4. *Ibid.*, pp. 33-34.

ministration officials emphasized that anti-drug cooperation should continue.¹⁸

This well-orchestrated anti-Sendero hysteria, so useful to the U.S. for blaming domestic poverty and crime on imported drugs—not more systemic problems—also gives rise to contradiction. It may lead to demands that the U.S. *do something*. But the mountainous terrain, sheer physical size of Peru (the Upper Huallaga Valley alone is larger than El Salvador), and the advanced state of the insurgency relegate to only marginal impact anything less than a full-scale invasion. Dire parallels with Vietnam are drawn all too loosely, but Peru is a case where the scale and scope of involvement, and very possibly the outcome, merit such comparisons. The word “quagmire” cannot be avoided and perceptive pessimists like RAND Institute analyst Gordon McCormick advise that Peru simply be written off.¹⁹

That decision, however, would be a bitter political pill for U.S. leaders to swallow. Another possibility is a multilateral “peacekeeping” force, perhaps under the OAS, which could intervene if Sendero appeared close to victory. Such a force, already discussed in relation to Haiti, would allow the U.S. to pursue its goals in Peru under the cover of a hemispheric response, much as it did in Iraq under the fig leaf of the U.N. Still, while multilateral sponsorship would reduce U.S. exposure, prospects for success would be no better than those of a unilateral military intervention.

Finally, whatever the U.S. attempts will be limited by the fact that, unlike Central America, Peru is not “the backyard.” It is largely outside the U.S. cultural sphere and is much bigger and more populous than the Central American republics. Barring a Vietnam-scale intervention, the U.S. has the ability only to influence the margins in Peru.

International Response

The international financial community’s response to the coup echoed that of the U.S.: in the beginning, speedy official condemnation and economic sanctions. Without the ability to pay its debt arrears to the international agencies or to obtain new loans to reactivate the economy, not only the stabilization plan but the existence of the Fujimori regime would be in imminent danger.

The international financial community understands and is loath to jeopardize the “progress” Peru has made during two years of Fujishock. Nor are the World Bank and IMF, as the vanguard of capitalism, likely to allow democratic niceties to get in the way of their mission. Furthermore, lenders are paradoxically over a barrel: Most of the monies being held up would have been used to pay off old loans.

Thus it is expected that, like the U.S. sanctions, the international financial siege will be quietly lifted within a few months, especially if Finance Minister Boloña, who is him-

self a creature of the lending organizations, can withstand popular pressures to ease up on the austerity program. There will certainly be pressure from commercial lenders on the international organizations to reschedule negotiations quickly. Commercial lenders hold nearly \$11 billion of Peru’s foreign debt and are eager to obtain agreements that would allow them to start collecting.

The OAS, too, has reasons to pursue a softer line than that suggested by its condemnatory April resolution, and by the end of May had already backed away even from that. At a May 18-23 meeting to discuss Peru, the OAS, with the approval of the U.S., accepted a Peruvian timetable for a series of plebiscites and constituent assembly elections that would restore constitutionality by year’s end. With acceptance of the Peruvian proposal, pressures for international sanctions in the OAS have effectively vanished.²⁰

*Within the confines of its orthodoxy,
Sendero displays a most undogmatic
tactical acuity and flexibility,
even brilliance.*

The reasons for the rapid retreat from condemnation of the coup by other Latin American nations are two-fold. Brazil, Bolivia, Chile, and Ecuador all border on Peru, and their governments expressed fears of taking any action that could weaken the regime and result in Sendero’s rise to power.²¹ Also, with the entire continent under the sway of neo-liberal economic “reforms,” other governing elites could well face popular unrest themselves. The failed coup in Venezuela and the successful Fujicoup, both of which had surprising popular support, suggest that the resort to repressive solutions may not be as discredited as was thought only a few months ago. The governments of Latin America, as a rule, are structurally similar to that of Peru and share a sympathetic understanding of Fujimori’s actions. Meanwhile, in what is being termed “neo-colonialism—Asian-style,” Japanese and South Korean capital and corporations are flowing into Peru.

Coca and Cocaine

Coloring the background and distorting the shape of Peru’s international and domestic profile is the drug trade. Peruvian coca production, roughly two-thirds of the global total, provides incomes for an estimated 300,000 to 500,000 peasant families in the Upper Huallaga River valley, and for additional tens or even hundreds of thousands of others who

18. Christopher Marquis, “Officials Argue Against Stopping Drug War in Peru,” *Miami Herald*, May 8, 1992; and Gen. George Joulwan, Prepared Statement Before the House Foreign Affairs Committee, May 7, 1992, pp. 6-10.

19. Gordon McCormick, *The Shining Path and the Future of Peru*, R-3781 (Santa Monica, Calif.: RAND, March 1990).

20. And in related business, an OAS Human Rights Commission report on the military attacks against Senderista prisoners in the Canto Grande and Lurigancho prisons, which left dozens dead, ended in a resolution calling for the organization to investigate rights violations by guerrillas.

21. Thomas Friedman, “U.S. Is Shunning Sanctions Against Peru,” *New York Times*, April 16, 1992.

profit indirectly from the industry. The coca leaf is grown by peasants, processed into coca paste or refined cocaine, bought by mainly Colombian distribution networks, and smuggled to the consumer markets of the developed world. The industry is a magnet for highlands peasants fleeing violence and poverty, and also attracts city-dwellers who have seen wages slip beneath subsistence levels. The narcotraffic complex is one of the few dynamic sectors of the national economy.

The significance of the drug trade reaches far beyond the remote valleys of the eastern Andes. While the illicit status of the business precludes reliable statistics, it is widely acknowledged that cocaine accounts for a huge portion of Peru's export earnings. (For example, a self-described "conservative" estimate is \$600-800 million in annual receipts, compared to \$2 billion from legal exports.)²² As recently as this spring, according to Central Bank sources, the bank purchased \$5-6 million *per day* in U.S. currency from Lima moneychangers, the vast bulk of it assumed to be cocadolars.²³ Clearly, narcotraffic is a pillar of the economy.

And its impact transcends the purely economic to reach the heart and health of the state itself. The huge dollar flows have made corruption so commonplace as to be banal, and unceasing scandals have corroded the integrity of every sector of the state—even, as we have seen, reaching into the presidential palace itself.

Second, Peru's role in the drug trade has provided the impetus for increasingly direct U.S. involvement in Peruvian affairs. Using aid promised under the anti-drug Andean Initiative as leverage, the U.S. was able to impose its terms on Fujimori in the 1991 anti-drug pact, emphasizing eradication and militarization over Peru's crop substitution and infrastructure development approach. Tensions between the U.S. and Peru have increased, as the Peruvian leader's open criticism of the U.S. policy at this year's San Antonio drug summit made clear. On the eve of the coup, however, 30 Green Beret "advisers" and 25 DEA agents were in the field in Peru, U.S. aircraft were flying routine reconnaissance missions over the Huallaga, and \$58 million in military assistance for anti-drug activities had been allocated for the current fiscal year. The trend until the coup was toward steadily increasing U.S. involvement.

The Panama-based U.S. Southern Command now has 35,000 troops including reserve units at its disposal. Its head, Gen. George Joulwan, insists that drugs are his highest priority and recently detailed the extent of U.S. militarization of the drug war. He described a support structure "to provide support and assistance to host nation forces" that includes a civic action component, ground-based radar systems, a high-tech communication system, special intelligence teams in regional embassies, and ongoing joint operations by U.S. and regional militaries.²⁴ Although "[P]ersistent reports of secret

special warfare units in the jungle are denied at every level ... Pentagon documents show authorization for 78 counter-drug 'deployments for special training' this year for Army Special Forces, psychological operations units and Naval Special Warfare teams."²⁵

While the deployments and the military upgrading were ostensibly part of the "war on drugs," they also serve as the infrastructure for an integrated regional counterinsurgency effort. Indeed, since RAND analyst McCormick compiled his grim analysis of Sendero Luminoso's prospects for success—an effort commissioned for the State and Defense Departments in 1990—the U.S. has increasingly focused on the guerrillas.²⁶

The Upper Huallaga has emerged as one of Sendero's key bases—paradoxically because of the drug war. Sendero cadres came with the peasant migration into the region in the early 1980s, and by the end of the decade the insurgency dominated *cocalandia*. U.S. efforts at crop eradication and suppression of the trade, which simplistically portrayed the peasants as "narcocriminals," made the region fertile ground for Senderista activity. Since the mid-1980s, the party has expanded and consolidated its influence through its characteristic mix of painstaking analysis and support of the interests of the peasant base as well as the unhesitating use of violence against its foes. Sendero ensures good prices for the coca crop by outgunning Colombian drug mafias that had forced growers to accept whatever they offered. It also imposed order on the "Wild West" atmosphere prevailing in the region, much to the pleasure of the growers. The guerrillas also "tax" the Colombians, taking in perhaps tens of millions of dollars in "protection" fees annually.²⁷

Sendero also protects the growers from the security forces, having effectively cornered the army and anti-drug police in their garrisons and replaced the state as *the* power on the ground. Even the infamous DEA's regional headquarters at Santa Lucia is under virtual siege, having come under direct attack on several occasions. Sendero's presence in the Upper Huallaga has made "success" for the anti-drug campaign impossible; in one of the cruel dilemmas that the party is so good at exploiting, the U.S. and Peruvian governments are forced to choose between ignoring the narcotraffic to concentrate on counterinsurgency or attempting to suppress the trade, thereby pushing the local population into a closer relationship with Sendero Luminoso.

This dilemma has proved divisive both in U.S.-Peruvian relations and within the Peruvian government itself. The U.S.'s manufactured domestic drug hysteria impels it to emphasize the drug war, without however, allocating to Peru sufficient financial support to develop alternatives to the coca economy. Successive Peruvian administrations, pushed to

(continued on p. 60)

22. Economic Intelligence Unit, *op. cit.*, p. 32.

23. Nash, *op. cit.*

24. Joulwan, *op. cit.*, pp. 10-12.

25. Peter Copeland and Andrew Schneider, "When civilians call the shots," *Washington Times*, July 7, 1992, p. 1.

26. McCormick, *op. cit.*

27. Raul González, "Coca's Shining Path," *NACLA Report on the Americas*, March 1989, pp. 14-16.

Bush Inaugural Address Leaked to *CovertAction*

Edward S. Herman and Terry Allen



Dolores Neuman

Hard at work on the 1993 inaugural speech.

*W*ading through the stack of presidential documents recently leaked to CovertAction by a secret source deep within the White House, we found what appears to be a draft of George Bush's 1993 inaugural address. Sources close to the president reveal that he has spent increasing amounts of time in seclusion working on this document, in anticipation of victory in November. Our handwriting expert has authenticated this draft and is "100 percent certain that it probably was written by George Bush himself."

CovertAction has asked Edward S. Herman to interpret this preview look inside the soul of the president, illuminate its deepest meaning, and give us some idea what to expect in the next four years.

The definitions in the footnotes to the address that follows are taken from the "Doublespeak Dictionary" in *Beyond Hypocrisy: Decoding the News in an Age of Propaganda*, a new book by economist and media analyst Edward S. Herman (Boston: South End Press, 1992), \$13.00. Terry Allen is co-editor of CAIB.

My fellow Americans,¹ I stand here before you proud to accept the honor and challenge of my second term as President of the greatest nation on earth and leader of the **Free World**.² In the first four years, we completed our policy of **containment**,³ engineered a peaceful displacement of **communism**,⁴ and ushered in a **New World Order**.⁵

In Central America, we helped install **fledgling democracies**⁶ whose governments regularly hold **free elections**.⁷ In Panama, we rid the hemisphere of a dangerous **demagogue**;⁸ in Nicaragua, which fell under the control of **radical-nationalists**,⁹ we restored democracy; and in nearby Cuba, we continue to work toward **neutralizing**¹⁰ Fidel Castro.

Around the globe, especially in Eastern Europe, we helped newly liberated peoples to see the benefits of the **market**¹¹ and **privatization**.¹²

1. The opening words of a political speech, meaning "Ignorant children, for whom my contempt is about to be shown by a stream of contradictory banalities."

2. The group of countries that maintains a door open to private foreign investment.

3. The exclusion of lesser powers from areas in which we intend to establish hegemony. Synonym—Expansion, Attack.

4. The totalitarianism of countries outside the Free World.

5. The Old World Order stripped of any major obstructions to helping our "Little Brown Brothers" enter the Free World.

6. A regime which has our imprimatur and goes through the motions of a democratic electoral process; democratic *substance* is not relevant to the designation.

7. A post-pacification election, in which the "hearts and minds" of the survivors are shown to have been won over by the force of pure reason.

8. A foreign political or military leader who refuses to play ball with us.

9. Groups, parties, and nations in the Third World that are not on the U.S. payroll, are unwilling to take orders, and propose an independent line of development. Radical nationalism generates instability.

10. Killing.

11. A Western totem, according to which life is best and perhaps exclusively organized around the private search for gain.

12. Disposing of public sector assets at low prices and high sales commissions to powerful groups.... A means of making valuable assets available to First World creditors and investors at fire sale prices in a situation of virtual state bankruptcy.

In the Middle East, I advanced the **peace process**¹³ by leading America to a spectacular victory in the **Persian Gulf War**.¹⁴ With few **casualties**,¹⁵ we were able to **save**¹⁶ Kuwait and uphold the principle of opposing **aggression**.¹⁷ Now, Kuwait, and Saudi Arabia, are **independent**¹⁸ and both nations can pursue their evolution toward democracy at their own pace.

Our task, however, is not finished. Saddam remains **defiant**¹⁹ despite the pummeling we gave him in **Operation Desert Storm**.²⁰ Even now, he is rebuilding his army, only a short time ago the third largest in the world, and making threats and thus requiring us to exercise our right to **self-defense**.²¹ In short, our **national security**²² still requires vigilance and a prudent level of **defense expenditures**.²³

Although we must prepare for all eventualities, we will look first to **negotiations**²⁴ and

13. Whatever the U.S. happens to be doing or supporting in an area of conflict at the moment. It need not result in a termination of the conflict or in ongoing pacification operations in the short or long term.

14. The greatest show on earth, with a cast of thousands, shown on TV screens in living color, and funded by tax donations and foreign donations.

15. Our casualties.

16. Destroy. As in "It became necessary to destroy the town in order to save it."

17. Invasion of a country by someone other than ourselves without our approval; also, providing aid and comfort to the side that we oppose in a civil conflict; also, resisting a U.S. attack.

18. Allied with us.

19. Stubborn, unyielding, or uncompromising, applied to the leader of an enemy state.

20. The label for the open war against Iraq, designed to suggest that impersonal forces rather than human agencies were leveling that Third World country.

21. Our and our closest allies' right to attack anybody at discretion for any reason satisfactory to ourselves.

22. Perceived interests abroad, large or small.

23. Outlays which, no matter how large, speculative or mismanaged, are rendered sacred by the nobility of their purpose.

24. The process of accepting the surrender of the ill-gotten gains of the enemy. Negotiations, in its archaic meaning, referred to arriving at an agreement by mutual concessions. This is now recognized to be appeasement.

diplomacy²⁵ to restore stability²⁶ around the globe. If, however, we are challenged by bullies, we will not shrink from using force.²⁷

Here at home, I will continue to be president to all the people. I pledge²⁸ never to bow to special interests,²⁹ but instead, to always seek and ever serve our national interest.³⁰ For we are a compassionate³¹ nation and, in this time of temporary economic malaise, we must reach out to the poor³² and encourage them to free themselves from the burden of food stamps, Medicare, and the dole.³³ We must end dependency on these ensnaring safety nets³⁴ and replace them with economic trampolines to propel the homeless³⁵ and the unemployed to new heights of self-esteem and success.

25. Restating to the enemy the terms of our ultimatum.

26. Political and economic conditions that satisfy our interests.

27. The principal language of the stronger; by a process of transference, said to be the only language they understand.

28. A solemn political promise, whose common use is dependent on reciprocity of abuse, plus the public's short memory.

29. Workers, women, students, farmers, the aged and infirm, the unemployed, and blacks and other minorities; the general population; unimportant people.

30. Demands and needs of the corporate community.

31. Regretting what must be done to the unfortunate in the interest of reestablishing and maintaining self-reliance and the work ethic.

32. Those lacking in get-up-and-go.

33. A government handout to insubstantial citizens; detrimental to efficiency.

34. A porous net made from the guts of the deceased welfare state through which will fall the undeserving poor.

35. The millions of citizens who, through free choice and preference, demonstrate a renewed U.S. devotion to the great outdoors.



But I want to make it perfectly clear,³⁶ that if we are to reduce inequality,³⁷ eliminate the deficit,³⁸ win the war on drugs,³⁹ and rebuild our cities, our first step must be to cut the capital gains tax so that those most able to help the less fortunate will be able to do just that.

My fellow Americans, as we enter this, my second term as president, and march together, bound by common values,⁴⁰ the United States of America will once again be an example to all the world. With God's help, we will internationalize the thousand points of light and we will make them millions of glowing embers of democracy.⁴¹

In closing, my fellow Americans, I pledge four more years of the same, only better. •

36. Somewhat murkier now than previously.

37. The I-word. Ordinarily not discussed because inequality is part of the natural order. Its naturalness and beneficence are very much on the minds of owners of, and advertisers in, the mass media, along with PAC-managers and other funders of elections.

38. An excess of government expenditures over receipts, horrifying when liberal Democrats are in power, but only slightly troubling under right-wing Republicans. Along with the urgency of defense expenditures, it provides the rationale for curbing outlays that serve special interests.

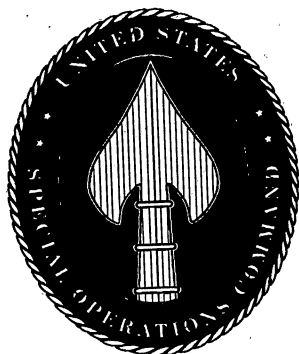
39. Replaced the ill-conceived war on poverty by substituting

Third World police tactics and suspension of civil rights for bleeding heart social programs in an effort to keep a lid on the inner cities.

40. My moral judgment.

41. A system that allows people to vote for their leaders from a set cleared by the political investment community. In application to the Third World, it means rule by an elite that understands our interests and needs.

Refurbishing Special Operations for the 1990s



Louis Wolf

The netherworld of covert operations contrasted ironically with the bland pastel and chrome suburban hotel which hosted a joint military-industrial conference on special operations, low-intensity conflict (SO/LIC), and drug interdiction.¹ The tone of the meeting was set by the Navy's director of special warfare, Capt. Thomas Steffens. "The unconventional wars of the past," he told the attentive audience, "are the conventional wars of the future." The conference was evidence that SO/LIC, born under President Kennedy and discredited by the war in Indochina, had been refurbished to fit the New World Order, as well as the needs of the military men and arms salesmen who

countries. Currently, the Army, Navy, and Air Force deploy special operations forces in 32 to 35 countries on every continent. There are now some 46,000 active-duty, and National Guard and Reserve special operations personnel.³

"Permanent [special operations] force deployments" (SOF) from the Army, Navy, and Marines are based in the United Kingdom (including Scotland), Germany, Italy, Japan, South Korea, the Philippines, and Panama, and stateside at installations in Alaska, California, Washington state, New Mexico, Colorado, Puerto Rico, Florida, Louisiana, Georgia, Kentucky, Virginia, Pennsylvania, and Massachusetts.

"Low-intensity conflict [LIC] is increasing throughout the Third World," wrote a group of analysts, "and it threatens to

A DYSPEPTIC MENU: SO/LIC INTELLIGENCE ALPHABET SOUP

• AABNCP = Advanced Airborne National Command Post • ACOUSTINT = Acoustical Intelligence • AESOP = Airborne Electro-optical Special Operations Payload • AFRIMP = Air Force Reconnaissance and Intelligence Master Plan • AN/PAQ-4 = Infrared arming light • APERS = Anti-personnel fragmentation warhead • ASDS = Advanced SEAL Delivery System • BECONET = Beam Control Experimental Technology • BEEHIVE = Flechette-loaded fragmentation shells • BETA = Battlefield Exploitation and Target Acquisition • BLU-28/B SADEYE = One-pound fragmentation bomb containing 600 lethal steel shards • BLU-42 WAAPM = Wide-area anti-personnel bomb • BYEMAN = Clearance category for highly secret signals intelligence and satellite imaging data • C3CM = Command, Control, and Communications Countermeasures • CATIS = Computer-Aided Tactical Information System • CEB = Combined Effects Bomblet • CEOI = Communications-Electronic Operating Instructions • CEP = Circular Error Probable • CHALET = Reconnaissance satellite (National Security Agency) • CHIP = Communications Handbook for Intelligence Planners • CIPHERONY = Enciphered Telephone • CIRIS = Consolidated Intelligence Resources Information System • COIN = Counterinsurgency • COINS = Community On-Line Intelligence System • COMIREX = Committee on Imagery Requirements and Exploitation • COPERNICUS = Navy C-1 Architecture • CRIMP = Crisis Management Plan • CRITCOMM = Critical Intelligence Communications (National Security Agency's world network for top military/civilian leaders)

mingled like old friends at the two-day proceedings.

Ever since the glaring military defeat in Vietnam, SO/LIC adherents have limited their objectives, adapted their strategies, and prospered. Recent mobilizations include the 1983 invasion of Grenada, the 1985 mid-air force-down of the plane carrying the *Achille Lauro* hijackers,² the 1986 bombing of Libya, the 1990 invasion of Panama, and the massive 1991 war in the Gulf, as well as the deployment of U.S. Army Special Forces to Honduras, Peru, Colombia, Cuba (Guantanamo), Pakistan, Afghanistan, Bangladesh, Iraq, Kuwait, Liberia, Somalia, Zaire, Botswana, the Philippines, and on and on. Between October 1990 and December 31, 1991, there were more than 2,000 special operations teams (from one to thousands of persons each) in 75

implicate the West."⁴ The West, particularly the U.S., is already more than amply implicated, and with the end of the Cold War, its reliance on SO/LIC is escalating. "[T]imely action by the United States to identify the causes of LIC early on would allow the preventive application of U.S. government nonmilitary and military resources in conjunction with host countries and neighbors," wrote enthusiast Eugene N. Russell. "Thus, the U.S. government would engage the emerging forces of the new world order as much as possible in their embryonic status. In so doing, the government would be a proactive international participant in the formulation of a new, multipolar world before the cement of the new relations, forces, and dynamics has set.... The U.S. policy could harvest the good will of countless citizens of the globe who

Louis Wolf is co-editor of *CAIB*.

1. Sponsored by the Technical Marketing Association of America, the conference was held in Arlington, Virginia, within walking distance of the Pentagon, on May 7-8, 1992.

2. A joint operation involving both special operations personnel and the CIA, working out of Egypt and collaborating with Italian counterparts.

3. Telephone interviews by author with Chet Justice, U.S. Special Operations Command (USSOCOM), MacDill Air Force Base, Florida, July 8, 1992, and George Grimes, USSOCOM, July 21, 1992.

4. Stephen Blank, Lawrence E. Grinter, Karl P. Magyar, Lewis B. Ware and Bynum E. Weathers, *Responding to Low-Intensity Conflict Challenges* (Maxwell Air Force Base, Alabama: Air University Press, 1990), p. xiii.



USSOCOM

U.S. Special Forces in action in one of almost three dozen countries.

would experience the protective attributes of a global giant that fulfills the promise of its revolutionary credo to the rights of mankind.”⁵ Rather heady stuff.

increased emphasis on SO/LIC with pleasant anticipation. The 15-year old company designs intelligence, counterintelligence, and communications architectures, special operations, and low-intensity conflict options, command and control systems, tactical deception programs, and security engineering which it sells to the Pentagon and to the huge military-civilian intelligence community.

Staking Out Turf

The executive branch has initiated and the Congress has acquiesced to the formal bureaucratization of a whole new structure at the Pentagon to promote SO/LIC. This agenda was launched in April 1987 by the creation of the U.S. Special Operations Command (USSOCOM) based at MacDill Air Force Base, Tampa, Florida, and by the October 1989 appointment of an Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict—now

James R. Locher, III. Since August 1991, Locher’s “special assistant” has been Robert “Gene” Gately, who joined the CIA in 1955 and worked in Japan and Thailand.⁸

• CUBIC = Common User Baseline for Intelligence Community • DEFSMAC = Defense Special Missile and Astronautics Center • DIANE = Digital Integrated Attack Navigator Equipment (Navy) • DIIP = Defense Intelligence Interoperability Panel • DOCKLAMP = Defense Attache System • DRSP = Defense Reconnaissance Support Center • DRUID = Secret information from a third party intercept • DTM = Data Transfer Module • ECCM = Electronic Counter-Countermeasures • ECM = Electronic Countermeasures • EFLS = Electronic Filmless Camera System • EMERALD = Counternarcotics database (Defense Intelligence Agency) • ENSCE = Enemy Situation Correlation Element (Air Force) • EOCCM = Electro-Optical Countermeasures • ESI = Extremely Sensitive Information • FID = Foreign Internal Defense (Special Forces, SEALs overseas training) • FIRMS = Foreign Intelligence Relations Management System • FISINT = Foreign Instrumentation Signals Intelligence • FLEETSAT = Fleet Satellite • FLIR = Forward Looking Infrared Radar • GDIP = General Defense Intelligence Program • GOLDFINGER = Ocean surveillance data management system • HITS = Human Intelligence Tasking System • HOMERUN = Tactical electronic jamming system • HOTPHOTOREP = Hot Photo Interpretation Report • HOTSIT = Hot Situation Message • HTKP = Hard Target Kill Potential • IDHS = Intelligence Data Handling System • ILSP = Integrated Logistics Support Plans • IMAAP = Intelligence Mission Area Analysis Plan (Air Force) • IMD = Intelligence Management Document • INCA = Intelligence Communications Architecture (Defense Intelligence Agency) • INEWS = Integrated Electronic Warfare System (AF) • INSCOM = Intelligence and Security Command (Army) • IPSP = Intelligence Priorities for Strategic Planning (forecasts covering years 1-10 in a 20-year span) • ISSMS = Special Operations Signal Intelligence Manpack System

An internal discussion document circulated within the Betac Corporation⁷ is more graphic. “The planned and crisis action role of U.S. defense forces of the 1990s and beyond will be focused on direct action, LIC, other special operations, and short-term regional intervention with light, conventional forces whenever critical U.S. security interests are threatened.”⁷

Betac, like many of the corporations which sent representatives to the May conference, had reason to look on the

This increased power of the military in the SO/LIC operational sphere has not gone unnoticed by the CIA, which considers such activities part of its turf. In a 1991 speech to CIA employees, “The Future of American Intelligence,” Director of Central Intelligence Robert Gates staked his territorial claim. “[A] task force is addressing how to improve CIA support for military operations, coordination of certain military intelligence activities, and overall CIA-military working relationships. This could involve appointment of a flag rank officer as a second Associate Deputy Director of

5. Eugene N. Russell, “Low Intensity Conflict in a Changed and Changing World,” in *National Security: Papers Prepared for GAO Conference on Worldwide Threats* (GAO/NSIAD-92-104S) (Washington, D.C.: General Accounting Office), April 1992, pp. 127, 136. See also *National Security: Perspectives on Worldwide Threats and Implications for U.S. Forces* (GAO/NSIAD-92-104). Both reports derived from the General Accounting Office-sponsored conference on October 31, 1991.

6. Based in Arlington, Virginia, equidistant to the Pentagon and CIA, Betac also has offices in Hampton, Vir.; Boston; Atlanta; Tampa; St. Louis; Omaha; San Antonio; Colorado Springs; Honolulu; and Stuttgart, Germany. Two of its paid consultants were Clair Elroy George, former CIA Deputy Director for Operations (1984-87), and the former chief of the U.S. Southern Command, Gen. Paul Gorman. Some 92 percent of Betac’s 200-plus employees have top-secret clearances, and 45 percent have the higher, special access clearances.

7. “Betac SETA Support to DARPA/TTO (1990-1993),” June 20, 1990.

8. During the 1970s, Gately was the CIA’s control officer in Forum World Features (FWF), a proprietary media operation established by the Agency in 1965 as an offshoot of the infamous, CIA-controlled Congress for Cultural Freedom and its magazine, *Encounter*. FWF was “run with the knowledge and cooperation of British Intelligence” by British cold warrior Brian Crozier alongside his Institute for the Study of Conflict (ISC), for which the CIA had also provided the seed money until the phony “commercial news service” was exposed in 1975. FWF closed down abruptly, while ISC today still grinds out its Cold War monographs. Steve Weissman, “The CIA Makes the News,” in Philip Agee and Louis Wolf, *Dirty Work: The CIA in Western Europe* (Secaucus, N.J.: Lyle Stuart, 1978), pp. 204-210, 457.

Operations." On March 5, 1992, Gates named Army Maj. Gen. Roland Lajoie to the new post, and a parallel Office of Military Affairs was created concurrently.⁹

The Pentagon has traditionally filled a handful of high executive slots at the CIA, as well as the directorship of the National Security Agency. Gates's appointment of Maj. Gen. Lajoie as immediate deputy to 31-year CIA veteran Deputy Director for Operations Thomas Alan Twetten, however, indicates that the progression of military involvement in and direction of special operations is already far advanced. One of the CIA's own elite components under the Directorate of Operations is the Special Operations Group (SOG).¹⁰ The ascension of Lajoie at this time also underlines the fact that Gates is seeking to assuage both the Pentagon special operations brass, and their allies in Congress, while trying to keep the CIA in charge of the unfolding process.

Big Bucks for Special Ops

And that will cost money—at a time when the end of the Cold War and a devastated economy have meant budget cuts. The White House has continued to rely on covert operations and regional warfare. Bush increased his request to Congress from \$3.1 to \$3.4 billion for Fiscal Year 1993 to fund

special reconnaissance, intelligence gathering systems, and making "interoperable" the ballooning inventory of special operations hardware. Aircraft, especially helicopters, have always been a favorite component of SO/LIC aggression and Pentagon spending reflects that priority. In addition to the Army's existing MC-130H and the Air Force's MC-AC-130U gunship and Combat Talon II aircraft, there are the MH-47E, MH-53J, and MH-60K "Black Hawk" helicopters, the newly-unveiled Sikorsky S-92 for Marine Corps lift-assault and Navy "vertical replenishment" missions, and advanced delivery systems for the Navy's special operations forces, the SEALs.¹² Another modified helicopter, the precursor of which reportedly is already used in special warfare by SEALs, is the Boeing UH-46D "Sea Knight."¹³

In order to ensure that the newly-invigorated special operations and low-intensity warfare infrastructure is fully empowered and integrated into the immense Pentagon apparatus, SO/LIC C⁴I (Command, Control, Communications, Computers, and Intelligence) leaders are hard at work constructing an "architecture" to bolster "C⁴I for the warrior ...[and to] snap forces together." Acknowledging endemic secrecy and compartmentalization, Col. Bryan complained about a "stovepipe environment," wherein data generated by

• IUG = Intelligence User's Guide (Defense Intelligence Agency) • JASORS = Joint Advanced Special Operations Radio System • JCSP/Annex E = Joint Strategic Capabilities Plan/Special Operations • JILE = Joint Intelligence Liaison Element (CIA) • JIRC = Joint Interoperability Test Center (Army Intelligence Center and School, Fort Huachuca, Arizona) • JOPES = Joint Operations Planning and Execution System • JSOE = Joint Special Operations Support Element • JSPS = Joint Strategic Planning System • JTIDS = Joint Tactical Information Distribution System • KISS = Korean Intelligence Support System • LAAT = Laser-Augmented Airborne TOW (helicopter-mounted anti-tank missile sight) • LAMPS = Light Airborne Multipurpose System • LOROP = Long-Range Oblique Photography • LPI/LPD = Low Probability Intercept/Low Probability Detection • LRRP = Long-Range Reconnaissance Patrol • LTD/LRP = Laser Target Designator/Laser Range Finder • MAD = Magnetic Anomaly Detection (Navy) • MASINT = Measurement and Signature Intelligence • MAU(SOC) = Marine Amphibious Unit (Special Ops. Capable) • MDCI = Multidisciplinary Counterintelligence • MEBE = Middle East Basic Encyclopedia • MERIT = Military Exploitation of Reconnaissance and Intelligence Technology • MILSTAR = Military Strategic Tactical and Relay (for satellite communications) • MISREP = Joint Tactical Air Reconnaissance/Surveillance Mission Report • MLS = Microwave Landing System • MOUT = Military Operations in Urban Terrain • MRASM = Medium-Range Air-to-Surface Missile • MTT = Mobile Training Teams (Special Forces, overseas) • MUTES = Multiple Threat Emitter System • NARCOG = Narcotics Coordination Group • NAVSPECWARCOM = Naval Special Warfare Command • NETCAP = Tactical Exploitation of National Space Capabilities • NIPS = Naval Intelligence Processing System • NITF = National Imagery Transmission Format

USSOCOM research, development, testing and evaluation, systems procurement, intelligence, naval and aviation programs, and classified activities.¹¹ Smiling broadly, Army Col. Dave Bryan, of Gen. Colin Powell's Joint Chiefs of Staff J-6 support element, told those attending the SO/LIC conference, "Our budget is being slashed. But after all it's still a lot of money, isn't it?"

Among the areas undergoing major expansion are naval special warfare, aircrew training, avionics procurement, spe-

cial reconnaissance, intelligence gathering systems, and making "interoperable" the ballooning inventory of special operations hardware. Aircraft, especially helicopters, have always been a favorite component of SO/LIC aggression and Pentagon spending reflects that priority. In addition to the Army's existing MC-130H and the Air Force's MC-AC-130U gunship and Combat Talon II aircraft, there are the MH-47E, MH-53J, and MH-60K "Black Hawk" helicopters, the newly-unveiled Sikorsky S-92 for Marine Corps lift-assault and Navy "vertical replenishment" missions, and advanced delivery systems for the Navy's special operations forces, the SEALs.¹² Another modified helicopter, the precursor of which reportedly is already used in special warfare by SEALs, is the Boeing UH-46D "Sea Knight."¹³

In order to ensure that the newly-invigorated special operations and low-intensity warfare infrastructure is fully empowered and integrated into the immense Pentagon apparatus, SO/LIC C⁴I (Command, Control, Communications, Computers, and Intelligence) leaders are hard at work constructing an "architecture" to bolster "C⁴I for the warrior ...[and to] snap forces together." Acknowledging endemic secrecy and compartmentalization, Col. Bryan complained about a "stovepipe environment," wherein data generated by the SO/LIC apparatus is too narrowly shared. Sounding like Marshall McLuhan in full-dress fatigues, Col. Bryan called for a "global infosphere [which would]...make the individual SOF soldier an information engineer."

The centrality of intelligence in the special operations landscape has precipitated "a policy dispute," acknowledges the General Accounting Office, "over which organization should have responsibility for oversight of all special operations intelligence activities."¹⁴ "An option being looked at" to ameliorate the territorial squabbling is a joint intelligence center located at MacDill Air Force Base, which would include all services and military intelligence agencies as well as liaison with the civilian agencies.¹⁵

9. Robert Gates, "The Future of American Intelligence," speech to the intelligence community, CIA Headquarters Auditorium, December 4, 1991, from printed text, *Employee Bulletin* (EB No. 2158), p. 7. Lajoie's actual title is Associate Deputy Director for Operations for Military Affairs, and he is "responsible for improving CIA's support to military planning, exercises and operations." Robert Gates, "Statement on Change in CIA and the Intelligence Community" (testimony before a joint hearing of the House and Senate Intelligence Committees), April 1, 1992, pp. 30-31.

10. CIA memorandum, "Subject: Felix Rodriguez," 1986, Government Exhibit 119, Tab H, p. 1, released during trial of ex-CIA Deputy Director for Operations, Clair George.

11. *Armed Forces Journal International*, March 1992, p. 23. USSOCOM has more than 300 separate programs and systems.

12. *Tactical Technology*, April 29, 1992, p. 4.

13. *Tactical Technology*, op. cit., pp. 4-5.

14. General Accounting Office, *Special Operations Command: Progress Made in Completing Needed Agreements*, GAO/NSIAD-92-109, June 1992, p. 3; see also "United States Special Operations Forces: Posture Statement" (Washington, D.C.: ASD-SO/LIC and USSOCOM), June 1992.

15. Interview by author with George Grimes of USSOCOM, August 12, 1992.

Going for the Hits

Although the "architecture" is being updated, the foundation remains sunk in the dirt of covert operations. Even the selective assassination projects, like the CIA's Operation Phoenix in Vietnam (headed by William Colby, Theodore Shackley, and Robert Komer), continue to be supported and supplied in violation of presidential orders outlawing assassination. The Army, Navy, and Marine Corps are each busily augmenting their standing arsenals of offensive long-range sniper guns. The weapons being upgraded include the Army's Remington M-24 sniper rifle, now with flash suppression and silencer features, night-vision scopes, and a new touch—a "companion spotting scope" for a sniper's assistant.

Since 1988, the Army has taken delivery of 2,500 M-24s at \$4,000 each. The Army, which used them "effectively" in Operations Just Cause (Panama) and Desert Storm (the Gulf), "is a satisfied customer," boasts Remington's Bill Forson.¹⁶ The Navy, under its new Sniper Security Program, and the Air Force both plan to use a modified M-14 rifle that



Target of SO/LIC. Sentry stands watch at entrance of Colombia Revolutionary Army Force (FARC) base camp.

It seems to be a never ending and grossly expensive quest which includes personnel as well as materiel. High on USSOCOM's priority list is increasing the number and geo-

• NMSD = National Military Strategy Document • NOD = Night Observation Device • NOIAN = National Operations and Intelligence Analysis Net • NRO = National Reconnaissance Office • NSOC = National Signals Intelligence Operations Center (National Security Agency) • OPSEC = Operations Security • OTAU = Over The Air Updating • PAVE PAWS = Phased-array radar system • PFADS = Psychological Operations Foreign Area Data Subsystem • PKO = Peacekeeping Operation • PLSS = Precision Location Strike System • POE = Plan of Execution • PPBS = Planning, Programming, and Budgeting System (produces a 2-year budget for the Pentagon) • PSYOP or PSYOPS = Psychological Operations • RATSCAT = Radar Target Scatter System • RAWSI = Raw Statement of Intelligence Interest • RECCEXREP = Reconnaissance Exploitation Report • RPV = Remotely Piloted Vehicle • SAGE = Semi-Automatic Ground Environment • SCRAP = Super Caliber Rocket-Assisted Projectile (Army) • SEALS = Sea/Air/Land commando teams (Navy) • SENTINEL BRIGHT = Signals intelligence cryptology training program (Air Force) • SERE = Survival, Evasion, Resistance to Interrogation (Army training program) • SIGVOICE = Special Interest Group on Voice (NSA) • SIPS = Secondary Imagery Processing System (Defense Intelligence Agency) • SKYMASTER = OV-2A reconnaissance aircraft • SLAR = Side-Looking Aircraft Radar (used in reconnaissance aircraft and satellites) • SLQ-33 = Cover and Deception Hardware (Navy) • SOADS = Special Operations Automated Data Base • SOCRATES = Special Operations Research, Analysis, and Threat Evaluation System (CIA Intelligence Directorate "umbrella program") • SOF-ATS = Special Operations Forces Aircrew

USSOCOM's Major "Hawk" Holloway says "will be a lot more user-friendly,"¹⁷ while the SEALs also employ the Remington 700 and the MacMillan M-86 on antipersonnel missions, and are considering the Heckler and Koch MSG-90 rifle for urban sniping. Also in the works for SOF applications is a new offensive handgun by Colt and by Heckler and Koch, equipped with a silencer and laser aiming mechanism. This new weapon will supplement the 300,000 Beretta M-9 pistols (with 100,000 more in the pipeline) bought by the Pentagon since 1985.¹⁸ The Special Operations Research, Development, and Acquisition Center (SORDAC) is tasked continually by the various military services, as one Navy source told CAIB, to "get us the best."¹⁹

16. James C. Hyde, "Army and Navy to Upgrade Sniper Rifles; Offensive Pistol Could Replace SOF M-9," *Armed Forces Journal*, May 1992, p. 14.

17. *Ibid.*

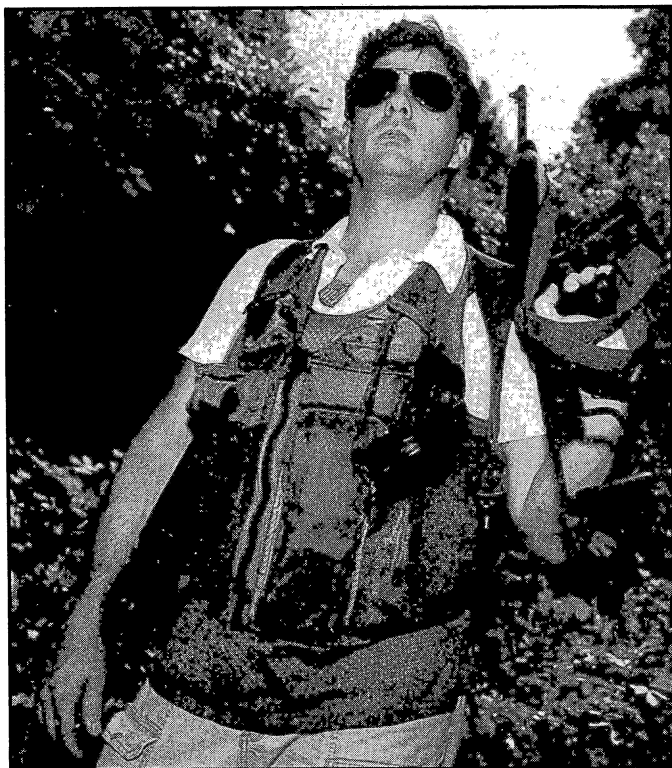
18. *Op. cit.*, pp. 15-16. See also Nick Steadman, "Special Operators Keeping International Gunmakers Busy," *Armed Forces Journal International*, July 1992, p. 17.

19. Comment to author by Col. Douglas J. Richardson, Deputy Director, SORDAC, USSOCOM.

graphic range of special operations contingents in "forward presence" overseas. They work with the host military to establish "foreign internal defense." Presently, there are 2,000 SEALs including 60 16-person SEAL platoons, and 5,000 total naval special warfare personnel. SEAL units are now stationed abroad in Scotland, Panama, Guam, and until recently, the Philippines, as well as at home in Coronado, California; Puerto Rico; and Norfolk, Virginia.

The dark-suited corporate salesmen at the May conference busily peddled SO/LIC technology to their khaki counterparts. Both groups seemed pleased at the degree to which elite special operators have been integrated into battle deployments. Capt. Thomas Steffens told listeners there were Navy SEALs aboard 39 ships during "Operation Desert Storm."²⁰ Meanwhile, Bryan made the unsubstantiated claim that Saddam Hussein had seven million Italian-made mines.

20. More than 9,400 USSOCOM forces were deployed during "Desert Shield" and "Desert Storm," while 2,700 more USSOCOM personnel set up and ran Iraqi refugee camps in northern Iraq. "Command History: United States Special Operations Command," MacDill Air Force Base, Tampa, Florida, April 1992, p. 1.



Nigel Dickson

Andy Messing, a "private ally" of Col. Oliver North.

extension of Nancy Reagan's advice to "just say no." Lollipop-sucking, self-styled warrior Andy Messing's opening remark to the gathered brass and corporate vendors went to the core of a convenient mesh between SO/LIC and counter-narcotics agendas. "You're in a growth industry. It's the only damn war going on." At first, the military was reluctant to become enmeshed in drug interdiction. When, however, the White House began to throw money at the problem, "Everyone wanted a piece of the action," Messing reminded the audience. Everyone, as it turned out, ran the gamut—civilian to military—and included the different services, DEA, CIA, FBI, Customs, INS, IRS, Secret Service, and state and local agencies.

The sheer volume and growth of new drug detection and interdiction technology has created a "narco-industrial complex." The occasional large, high-profile drug bust in New York, Miami, or Los Angeles, or a much-publicized "hit" on a drug kingpin in Colombia, is good for easy publicity and political gain. They have not, however, ameliorated "the drug problem." Rather, the fight against narcotrafficking has more often been a useful mechanism to control recalcitrant foreign governments, shore up repressive regimes, and mask counterinsurgency campaigns.

Training System • SOFPARS = Special Operations Forces Planning and Rehearsal System • SPICECOM = Special Purpose Integrated Communications Equipment • SPINTCOMM = Special Intelligence Communications (Defense Intelligence Agency) • SPIREP = Spot Intelligence Report • STOC = Special Technical Operations Center (Pentagon command and communications center for supersecret "black operations") • TACAMO = Tactical Airborne Command Communications Aircraft • TAGINT = Tagging Intelligence • T-AGOS = Ocean surveillance ship • TECRAS = Technical Reconnaissance and Surveillance • TIAP = Theater Intelligence Architecture Program • TIARA = Tactical Intelligence and Related Activities • TIGERSHARK = F-20 jet fighter aircraft • TIP = Target Intelligence Package • TMIP = The Military Industrial Impact Program • TPFDL = Time, Phased Force, and Deployment List • TR-1 = Current generation of the U-2 reconnaissance aircraft • TRADOC = Training and Doctrine Command (Army) • TRAM = Target Recognition and Attack Multisensor • TRINE = one of hundreds of self-contained, compartmented "special access" programs requiring clearance beyond Top Secret for the most sensitive intelligence • TRSSCOMM = Technical Research Ship Special Communications • UDT = Underwater Demolition Teams (Navy) • USAJFKSWCS = John F. Kennedy Special Warfare Center and School, Fort Bragg, North Carolina (Army) • USALWL = U.S. Army Limited War Laboratory • USSOCOM = U.S. Special Operations Command • UWOA = Unconventional Warfare Operational Area • VIGILANTE = A-5 jet reconnaissance aircraft • VOODOO = F-101 interceptor aircraft • WAAM = Wide-Arm Anti-armor Munitions • WAR = Weekly Activity Report (National Security Agency) • WETEYE = 750-pound chemical bomb with 403 pounds of deadly GB (Sarin) gas • WICS = Worldwide Intelligence Communications System • WTM = World Target Mosaic • XPLT = Exploitation • YG = Garbage Transport Disposal Craft (Navy)

Mixed with the high-profile high-tech was a good dose of hype. Air Force Capt. Conrad Morgiewicz told the conference that the 1986 U.S. bombing raid against Libya "used World War II technology, a lot of coffee, and a lot of cigarette butts.... We cut and pasted charts and graphs [with other data] to determine the bombing targets."²¹ The Special Operations Forces Planning and Rehearsal System (SOFPARS) initially included 62 separate systems, Morgiewicz said, but then admitted that 35 of them "didn't exist." From the perspective of a special operations pilot analyzing potential threats facing an airborne mission, "You never really know what the threat is until you fly into it," he told his listeners.

Counterinsurgency: The Bottom Line

Much of the new thrust in and justification for SO/LIC is its application to the drug war. This policy is a crude military

High-Intensity Devastation

This barely veiled delight in the manly adventure of war pervaded the conference and gave it a surreal air. The cold absurdity of the term "low-intensity conflict" lay grim and unremarkable like a corpse in a morgue. Certainly, the intensity was not "low" for those caught in the sights of this

CovertAction

Complete
back-issue set
(# 1-41)

\$175 (plus postage/handling. See inside back cover.)

21. Author's telephone interview with Capt. Morgiewicz, SOFPARS program manager, Hanscom Air Force Base, Massachusetts, August 5, 1992.

Where They're Going From Here

Perhaps the most extraordinary revelations of the May 1992 conference came from Col. Gary Weber, the director of combat developments at the Army's John F. Kennedy Special Warfare Center and School at Fort Bragg, North Carolina. He listed the special operations and low-intensity conflict future battlefield technologies under development and scheduled for completion between now and the year 2020, including:

- Multi-spectral invisibility
- Genetically-engineered biological electromagnetic obscurant
- Human sensory enhancement
- Mechanical voice translator of other languages to English and vice versa (the Army studies 23 different languages)
- Soft tissue regeneration
- Whole blood replacement
- Synthetic telepathy
- Soft-kill weapons
- Robotic weapons and mine systems
- Directional explosive charges
- High energy electromagnetic launchers
- Directed energy weapons
- Unmanned aerial resupply
- Thermal imaging
- Small lightweight tactical colorfax device
- Miniaturized tactical radios
- Hand-held laser radar to distinguish between men, women, and children
- High-altitude cornucopia
- Powered exoskeleton fitted brace to enable a parachutist to jump with 100 pounds of gear and protect their lower extremities from injury
- Chameleonic battle dress to reduce U.S. signature

**They beg,
they plead,
they threaten,
but CovertAction
just says NO!**

We never share our subscriber or mailing list, ever.

strategy which cost the lives of millions, from Vietnam to Nicaragua, the Philippines to Angola. Unnoticed, too, by those eagerly feeding at the LIC trough was the irony that when a new low-intensity warfare "master plan" was being fashioned in 1986, both the Secretary of Defense and the Joint Chiefs of Staff expressed objections. They knew that in order to get the U.S. public to swallow the policy, they would have to sanitize it.

To this end, LIC proponents have offered a series of imaginative definitions incorporating military doublespeak and jargon-choked psychobabble. "Low-intensity conflict," intoned the Joint Chiefs of Staff, tiptoeing through the propaganda mine field, "is a limited politico-military struggle to achieve political, social, economic, or psychological motives....[It] is often protracted and ranges from diplomatic, economic, and psycho-social pressures through terrorism and insurgency,is often characterized by constraints on the weaponry, tactics, and level of violence... [and is] first, an environment in which conflict occurs and, second, a series of diverse civil-military activities and operations which are conducted in that environment. While low-intensity conflict may be ambiguous, the special activities are not."²² Right.

"The main objective," declaims another fan, "of both sides in low-intensity conflict is to influence the perceptions and loyalties of the civilian population. This may be achieved through persuasion or coercion but always with the goal of depriving the opponent of popular support."²³

"Low-intensity wars are all different," effused Edward Luttwak, an ardent hawk consultant to the Pentagon and State Department, "and each requires an *ad hoc* set of operational procedures...[and] one-time/one-place adaptive doctrines and methods."²⁴

Missing from the definitions, and indeed from the conference itself, was any mention of the high human costs or the inherent cowardice of a policy that seeks to blame its targets for the devastation it wreaks.

The corporate salesmen and beribboned brass alike were unconcerned about these ethical niceties. Rather, they saw the disappearance of the other superpower from the radar screen as an economic and military opportunity. It was their fervid and unified hope that the burgeoning SO/LIC apparatus would quickly become a SO/LIC empire. That hope is fast becoming reality.



22. Joint [Army-Air Force] Low-Intensity Conflict Project Final Report, U.S. Army Training and Doctrine Command, August 1986, Executive Summary, p. 3.

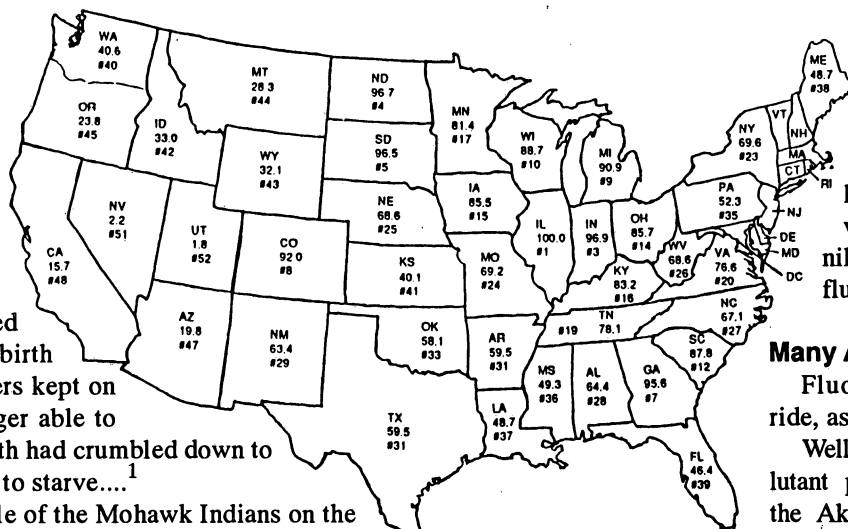
23. Charles Maechling, Jr., "Counterinsurgency: The First Ordeal by Fire," in Michael T. Klare and Peter Kornbluh, eds., *Low-Intensity Warfare* (New York: Pantheon, 1988), p. 23.

24. Edward N. Luttwak, "Notes on Low-Intensity Warfare," in William A. Buckingham, Jr., ed., *Defense Planning for the 1990s* (Washington, D.C.: National Defense University Press, 1984), p. 206.

Fluoride: Commie Plot or Capitalist Ploy

Joel Griffiths

PERCENT OF PUBLIC WATER SUPPLY POPULATION USING FLUORIDATED WATER AND STATE RANKING



Cows crawled around the pasture on their bellies, inching along like giant snails. So crippled by bone disease they could not stand up, this was the only way they could graze. Some died kneeling, after giving birth to stunted calves. Others kept on crawling until, no longer able to chew because their teeth had crumbled down to the nerves, they began to starve....¹

These were the cattle of the Mohawk Indians on the New York-Canadian St. Regis Reservation during the period 1960-75, when industrial pollution devastated the herd—and along with it, the Mohawks' way of life. Crops and trees withered, birds and bees fled from this remnant of land the Mohawk still call Akwesasne, "the land where the partridge drums." Today, nets cast into the St. Lawrence River by Mohawk fishers bring up ulcerated fish with spinal deformities. Mohawk children, too, have shown signs of damage to bones and teeth.²

In 1980, the Mohawks filed a \$150 million lawsuit for damage to themselves and their property against the companies responsible for the pollution: the Reynolds Metals Co. and the Aluminum Co. of America (ALCOA). But five years of legal costs bankrupted the tribe and they settled for \$650,000 in damages to their cows;³ the court, however, left the door open for a future Mohawk suit for damage to their

own health. After all, commented human rights lawyer Robert Pritchard, "What judge wants to go down in history as being the judge who approved the annihilation of the Indians by fluoride emissions?"⁴

Many Akwesasnes

Fluoride emissions? Fluoride, as in toothpaste?

Well, yes. Fluoride was the pollutant primarily responsible for the Akwesasne devastation.⁵

For nearly 50 years, the U.S. government and media have been telling the public that fluoride is safe and beneficial—it is supposed to reduce cavities, especially in children. Manufacturers add it to toothpaste, municipalities put it in the public's drinking water. The only people who question the safety of fluoride, says the government, are quacks and lunatics—particularly of the far-right-wing variety.

But fluoride has another side the government never mentions. It is a toxic industrial pollutant—one of the oldest and biggest of them all. For decades, U.S. industrial plants have rained heavy doses of waste fluoride on people, such as the Mohawks. The nation, however, has been successfully conditioned to think of fluoride solely as a benevolent substance and to dismiss as a crackpot, anyone who claims otherwise.

In recent years, because of rampant environmental damage, some of the worst fluoride pollution plants—such as those at Akwesasne—have been forced to reduce their emissions, but not terminate them. At Akwesasne, cows still live only half their normal lifespan.⁶ Nationwide, fluoride remains one of industry's largest pollutants. By the Environmental Protection Agency's (EPA) last estimate, at least 155,000 tons a year were being released into the air by U.S. industrial plants.⁷

Joel Griffiths is a medical writer who lives in New York City. Map: Department of Health and Human Services, "Fluoridation Census 1980, Summary," February 1990. Additional states' rankings: AK 88.3 #11, CT 86.7 #13, DE 70.5 #22, DC 100.0 #1, HI 13.0 #50, MA 80.7 #18, MD 95.7 #6, NH 21.1 #46, NJ 15.2 #49, PR 62.6 #30, RI 74.0 #21, VT 54.4 #34.

1. Janet Raloff, "The St. Regis Syndrome," *Science News*, July 19, 1980, pp. 42-43. The account was verified by F. Henry Lickers, director, environmental division, Mohawk Council of Akwesasne, Cornwall, Ontario, Canada. For primary data on cattle damage at Akwesasne, see Krook, L. and Maylin, G. A., "Industrial Fluoride Pollution," *The Cornell Veterinarian*, Vol. 69, Supplement 8, April 1979.

2. The pollution continues today, but at reduced levels; cows survive to about half their normal lifespans.

3. Robert Tomsho, "Dumping Grounds," *Wall Street Journal*, November 29, 1990.

4. Karen St. Hilaire, "St. Regis Indians to Settle Fluoride Dispute," *Syracuse Post-Standard*, January 8, 1985.

5. See also accounts cited above for further documentation.

6. Author's 1992 interview with F. Henry Lickers, *op. cit.*

7. "Summary Review of Health Effects Associated with Hydrogen Fluoride and Related Compounds," EPA Report Number 600/8-29/002F, December 1988, p. I-1.

Emissions into water—lakes, rivers, and oceans—have been estimated to be as high as 500,000 tons a year.⁸

While people living near and/or working in heavy fluoride-emitting industrial plants have received the highest doses, the general population has not been spared either. Fluoride is not biodegradable; whatever comes around stays around, gradually accumulating in the environment, in the food chain, and in people's bodies, where it settles in bones and teeth.

If this general increase in fluoride dose were proved harmful to humans, the impact on industry which pollutes both air and water would be major. The nation's air is contaminated by fluoride emissions from the production of iron, steel, aluminum, copper, lead and zinc; phosphates (essential for the manufacture of all agricultural fertilizers); plastics; gasoline; brick, cement, glass, ceramics, and the multitudinous other products made from clay; electrical power generation and all other coal combustion; and uranium processing.⁹

As for water, the leading industrial fluoride polluters are the producers and processors of glass, pesticides and fertilizers, steel and aluminum, chemicals, and metals.¹⁰ The metal processing industries include copper and brass, as well as titanium, superalloys, and refractory metals for military use.¹¹

The list of polluters extends across industry from basic to strategic. Industry and government have long had a powerful motive for claiming an increased dose of fluoride is safe for the population. Maintaining this position has not been easy because, of industry's largest pollutants, fluoride is by far the most toxic to vegetation, animals, and humans.¹² In fact, it's one of the most toxic substances known.¹³

"Airborne fluorides," reports the U.S. Department of Agriculture, "have caused more worldwide damage to domestic animals than any other air pollutant."¹⁴ As for vegetation, as early as 1901, studies "found that fluoride compounds are much more toxic than the other compounds that are of significance in the industrial smoke problem."¹⁵

8. John Yiamouyiannis, *Lifesaver's Guide to Fluoridation* (Delaware, Ohio: Safe Water Foundation, 1983), p. 1; see also D. Rose and J.R. Marier, "Environmental Fluoride," National Research Council of Canada Publication Number NRCC 16081, 1977.

9. *Engineering and Cost Effectiveness Study of Fluoride Emissions Control*, U.S. EPA report, Volume I, Number SN 16893.000, January 1972, p. I-3, et seq.

10. *Final Draft for the Drinking Water Criteria Document on Fluoride*, EPA Report Number PB85-199321, April 1985, p. II-5.

11. "Treatment and Recovery of Fluoride Industrial Wastes," EPA Report Number PB-234 447, March 1974, p. 5.

12. E. Jerard and J.B. Patrick, "The Summing of Fluoride Exposures," *International Journal of Environmental Studies*, Volume 3, 1973, p. 143.

13. G.J. Cox, "New Knowledge of Fluorine in Relation to Dental Caries," *Journal of American Water Works Association*, Volume 31:1926-30, 1939; see also standard toxicology manuals. The terms "fluorine" and "fluoride" were used interchangeably in early literature.

14. *Air Pollutants Affecting the Performance of Domestic Animals*, U.S. Department of Agriculture Handbook No. 380, August 1970, p. 41.

15. Kaj Roholm, *Fluorine Intoxication* (London: H.K. Lewis & Co., 1937), pp. 64-65.

16. Jerard and Patrick, *op. cit.*, pp. 149-50.

17. *USDA Handbook*, *op. cit.*, p. 46. Around industrial plants, however, grazing animals such as cows get the highest doses.

18. Author's 1992 interview.

19. Roholm, *op. cit.*, p. 46.



Everett Collection

In *Dr. Strangelove*, Capt. Jack D. Ripper (l.), classic anti-fluoride nut, asks his aide, "Have you ever seen a commie drink a glass of water?"

Fluoride pollution has caused aquatic damage of similar magnitude.¹⁶ In other words, there have been many Akwesasnes.

"Man [sic] is much more sensitive than domestic animals to fluoride intoxication [the medical term for poisoning]."¹⁷

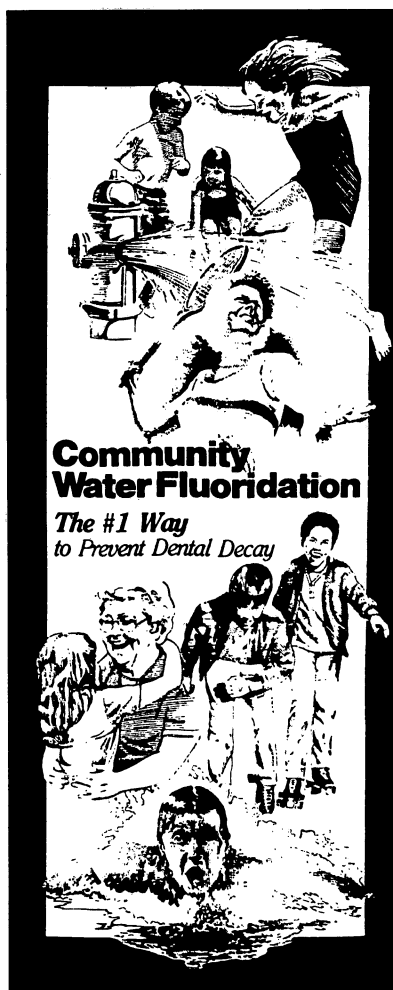
Evidence that industrial fluoride has been killing and crippling not only cows but human beings has existed at least since the 1930s. The government has not only dismissed the danger and left industry free to pollute, but it has promoted the intentional addition of fluoride—most of which is recycled industrial waste—to the nation's drinking water.

"It might be economically feasible to reduce industrial fluoride emissions further," says Fred L. Metz of the EPA's Office of Toxic Substances, "but eliminating them would probably be impossible."¹⁸

Primal Poison Threatens Industry

Of the highly toxic elements that are naturally present throughout the earth's crust—such as arsenic, mercury, and lead—fluoride is by far the largest in quantity.¹⁹ Normally, only minute amounts of these elements are found on the earth's surface, but industry mines its basic raw materials from deep in the earth and brings up vast tonnages—none in greater quantity than fluoride.

Historically, perhaps no other pollutant has posed a greater threat to industrial expansion. As early as 1850, fluoride emissions from the iron and copper industries poisoned crops, livestock, and people. By the turn of the century, consequent lawsuits and burdensome regulations threatened



Pro-fluoride pamphlet, American Assoc. of Public Health Dentistry.

the existence of these industries in Germany and England.²⁰ They saved themselves by introducing the tall smokestacks which reduced damage by dispersing the fluorides and other toxins into the upper air.

In twentieth century America, however, enormous industrial plants and new technologies increased fluoride emissions so that even tall stacks could not prevent gross damage for miles around. Following the period of explosive industrial expansion known as "industry's roaring 20s," the magnitude of industry's fluoride dilemma became starkly apparent.

International reports of fluoride damage mushroomed in 1933 when the world's first major air pollution disaster struck Belgium's Meuse Valley: several thousand people be-

came violently ill and 60 died. The cause was disputed, but investigations by prominent scientists, including Kaj Roholm, the world's leading authority on fluoride hazards, placed the blame on fluoride.²¹

Here and abroad, health scientists were beginning to regard fluoride as a poison, pure and simple. The trend toward its removal from the environment was potentially disastrous from industry's point of view. "Only recently, that is, within the last ten years, has the serious nature of fluoride toxicity been realized," wrote Lloyd DeEds, senior toxicologist with the U.S. Department of Agriculture (USDA) in 1933. "It is a well-established fact that chronic intoxication [poisoning] may manifest itself in man as recognized abnormalities only after constant, or at least frequent, exposure over many years....The possibility of fluoride hazard should...be recognized in industry...where this element is discharged into the air as an apparently worthless by-product."²²

20. H. Ost, "The Fight Against Injurious Industrial Gases," *Z. Angew. Chem.*, Volume 20, 1907, pp. 1689-93. Also Roholm, *op. cit.*, pp. 36-41.

21. Kaj Roholm, "The Fog Disaster in the Meuse Valley: A Fluorine Intoxication," *Journal of Industrial Toxicology*, Vol. 19, 1937, pp. 126-37.

22. Lloyd DeEds, "Chronic Fluorine Intoxication," *Medicine*, Vol. 12, 1933, pp. 1-60.

It was abundantly clear to both industry and government that spectacular U.S. industrial expansion—and the economic and military power and vast profits it promised—would necessitate releasing millions of tons of waste fluoride into the environment. Furthermore, two large new industries would be adding to the dose: fluorocarbon chemicals (the aerosol propellants and refrigerants now depleting the ozone layer) and aluminum, slated for a crucial economic and military role during the upcoming Second World War. By 1938 the aluminum industry, which then consisted solely of ALCOA, had been placed on a wartime schedule. And fluoride was the aluminum industry's most devastating pollutant.²³

U.S. future industrial expansion, then, would be accompanied by complaints and lawsuits over fluoride damage on an unprecedented scale—the most threatening aspect of which was harm to human health. Damage to animals and the environment might be tolerated and easily paid off; if, however, serious injury to people were established, lawsuits alone could prove devastating to companies, while public outcry could force industry-wide government regulations, billions in pollution-control costs, and even mandatory changes in high-fluoride raw materials and profitable technologies.

Liability Into Asset

This inter-war period saw the birth of the military-industrial complex, with its concomitant public disinformation campaigns. It also saw a federal blitz campaign to convince the public fluoride was safe and good for them. The kick-off was the 1939 announcement by ALCOA-funded scientist Gerald J. Cox: "The present trend toward complete removal of fluoride from water and food may need some reversal."²⁴

The government has not only dismissed the danger and left industry free to pollute; but it has promoted the intentional addition of fluoride—most of which is recycled industrial waste—to the nation's drinking water.

New evidence of fluoride's safety began emerging from research centers plied with industry's largess. Notable among these was the University of Cincinnati's Kettering Laboratory, whose specialty was investigating the hazards of industrial chemicals. Funded largely by top fluoride-emitters such as ALCOA, the Kettering Lab quickly dominated fluoride safety research. A book by Kettering scientist and Reynolds Metals consultant E.J. Largent, for example, written in part to "aid industry in lawsuits arising from fluoride damage," became a basic international reference work.²⁵

23. R. Berk, et al., *Aluminum: Profile of the Industry* (New York: McGraw-Hill, 1985), p. 5.

24. Cox, *op. cit.*

25. G.L. Waldbott, et al., *Fluoridation: The Great Dilemma* (Lawrence,

The big news in Cox's announcement was that this "apparently worthless by-product" had not only been proved safe (in low doses), but actually beneficial: it might reduce cavities in children. A proposal was in the air to add fluoride to the entire nation's drinking water. While the dose to each individual would be low, "fluoridation" on a national scale would require the annual addition of hundreds of thousands of tons of fluoride to the country's drinking water.

Government and industry—especially ALCOA—strongly supported intentional water fluoridation. Undoubtedly, most proponents were sincere in their belief that the procedure was safe and beneficial. At the same time, it might be noted that fluoridation made possible a master public relations stroke—one that could keep scientists and the public off fluoride's case for years to come. If the leaders of dentistry, medicine, and public health could be persuaded to endorse fluoride in the public's drinking water, proclaiming to the nation that there was a "wide margin of safety," how were they going to turn around later and say industry's fluoride pollution was dangerous?

As for the public, if fluoride could be introduced as a health-enhancing substance that *should* be added to the environment for the children's sake, those opposing it would look like quacks and lunatics. The public would question attempts to point out its toxicity or its unsavory industrial connections.

ALCOA Fails Accountability

With such a powerful spin operating, fluoride might become a virtually "protected pollutant," as writer Elise Jerard later termed it.²⁶ One thing is certain, the name of the company with the biggest stake in fluoride's safety was ALCOA—whose name is stamped all over the early history of water fluoridation.

Throughout industry's "roaring 20s," the U.S. Public Health Service was under the jurisdiction of Treasury Secretary Andrew W. Mellon, a founder and major stockholder of ALCOA. In 1931, the year Mellon stepped down, a Public Health Service dentist named H. Trendley Dean was dispatched to certain remote towns in the West where drinking-water wells contained high concentrations of natural fluoride from deep in the earth's crust. Dean's mission was to determine how much fluoride people could tolerate without obvious damage to their teeth—a matter of considerable concern to ALCOA. Dean found that teeth in these high-fluoride towns were often discolored and eroded, but he also reported that they appeared to have fewer cavities than average. He cautiously recommended further studies to determine whether a lower level of fluoride in drinking water might reduce cavities without simultaneously damaging bones and teeth, where fluoride settles in humans and other animals.

Kans.: Coronado Press, 1978), pp. 304-05; and F.B. Exner, *Economic Motives Behind Fluoridation* (monograph) (Toronto: Westlakes Press, 1966), pp. 1-2.

26. Elise Jerard, ed., *The Case of the Protected Pollutant* (New York: Independent Phi Beta Kappa Study Group, privately printed, 1969).

Back at the Mellon Institute, ALCOA's Pittsburgh industrial research lab, this news was galvanic. ALCOA-sponsored biochemist Gerald J. Cox²⁷ immediately fluoridated some lab rats in a study and concluded that fluoride reduced cavities and that: "The case should be regarded as proved."²⁸ In a historic moment in 1939, the first public proposal that the U.S. should fluoridate its water supplies was made—not by a doctor, or dentist, but by Cox, an industry scientist working for a company threatened by fluoride damage claims.²⁹ Cox began touring the country, stumping for fluoridation.

Initially, many doctors, dentists, and scientists were cautious and skeptical, but then came World War II, during which industry's fluoride pollution increased sharply because of stepped-up production and the extensive use of ALCOA aluminum in aircraft manufacture.

Following the war, as expected, hundreds of fluoride damage suits were filed around the country against producers of aluminum, iron and steel, phosphates, chemicals, and other major polluters.³⁰ The cases settled in court involved only damage to livestock or vegetation.

"Friends" of Children

Many others were settled out of court, including those claiming damage to human health, thus avoiding legal precedents. In one case, for the first time in the U.S. an Oregon federal court found in *Paul M. and Verla Martin v. Reynolds Metals* (1955) that the couple had sustained "serious injury to their livers, kidneys and digestive functions" from eating "farm produce contaminated by [fluoride] fumes" from a nearby Reynolds aluminum plant.³¹ Soon thereafter, no less than the Aluminum Company of America (ALCOA) and six other metals and chemical companies joined with Reynolds as "friends of the court" to get the decision reversed. According to a local paper, a Reynolds attorney "contended that if allowed to stand, the verdict would become a ruling case, making every aluminum and chemical plant liable to damage claims *simply by operating* [emphasis added]."³² Despite extensive medical testimony for Reynolds from Kettering Lab scientists, the Martins kept on winning. Finally, in a time-honored corporate solution, Reynolds mooted the case by buying the Martins' ranch for a hefty price.

The postwar casualties of industrial fluoride pollution were many—from forests to livestock to farmers to smog-stricken urban residents—but they received little more than local notice. National attention had been diverted by fluoride's heavily publicized new image. In 1945, shortly before

27. ALCOA's sponsorship was verified in a 1992 interview by the author with a Mellon Institute public information spokesperson.

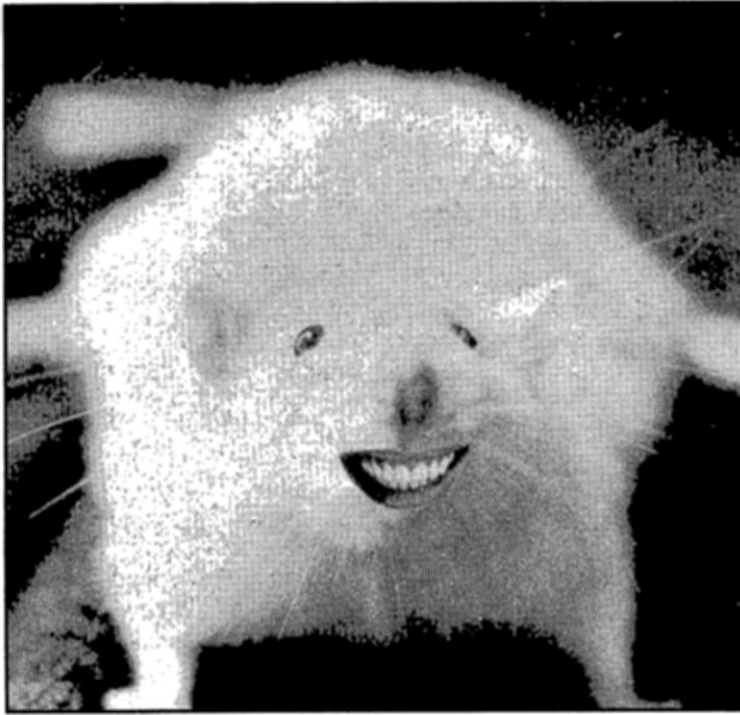
28. G.J. Cox, "Discussion," *Journal of the American Medical Association*, Vol. 113, 1938, p. 1753.

29. In his 1939 public address in Johnstown, Pennsylvania, before any safety studies had been conducted, Cox urged that city to fluoridate its water supplies immediately. They turned him down. See Waldbott, *op. cit.*, p. 304.

30. Waldbott, *op. cit.*, pp. 296-301; Exner, *op. cit.*, p. 4. Fluoride has also been the worst pollutant in the phosphate and iron industries (Exner, pp. 3, 6); re: iron and steel see, *Engineering and Cost*, EPA, *op. cit.*, pp. III 59-60.

31. "Three Win in Fume Suit," *The Oregonian* (Portland), September 17, 1955.

32. "Seven Enter Fluoride Case," *The Oregonian*, October 15, 1957.



Nancy Shia

After limited animal and human testing, the risks from fluoridation are cancer and bone disease; the possible benefit is a pretty smile.

the war's end, water fluoridation abruptly emerged with the full force of the federal government behind it. In that year, two Michigan cities were selected for an official "15-year" comparison study to determine if fluoride could safely reduce cavities in children, and fluoride was pumped into the drinking water of Grand Rapids.

Other early experiments were performed, not only without publicity, but without the knowledge of the subjects. The scientific value of these experiments—and their ethics—were dubious in the extreme. In Massachusetts and Connecticut, for example, the first fluoridation experiments (1945-46) were conducted on indigent, mentally retarded children at state-run schools. According to the 1954 congressional testimony of Florence Birmingham, a trustee of the Wrentham (Massachusetts) State School for Feebleminded Children, her school's administration learned only by accident that fluoride was being put in the drinking water.³³

The trustees immediately voted to stop the fluoridation, Birmingham testified, "but to my shocked surprise, we were told by the [Massachusetts Department of Health] that it was not an experiment and the fluoridation continued on.... I found in the files a letter revealing that [a health department representative] had come to the institution school and in a conference with administration officials warned them that there should be no publicity on the fluoride program there..."

The federally sanctioned experimenters did not seem concerned that these children might accidentally receive a toxic

33. Hearings before the Committee on Interstate and Foreign Commerce, U.S. House of Representatives, 83rd Congress, Second Session on H.R. 2341, May 25-27, 1954, pp. 46-48.

overdose of fluoride. "The method used in putting fluoride in the water," said the president of the school employees' union, "...is enough to cause panic at the institution.... A boy patient does it...He knows what it is for he said, 'Come up with me and I can show you how I can take care of you if I get mad at you.'"³⁴

Meanwhile, in 1946, despite the fact that the official 15-year experiment in Michigan had barely begun, six more U.S. cities were allowed to fluoridate their water. The fluoridation bandwagon had begun to roll.

At this juncture, Oscar R. Ewing, a long-time ALCOA lawyer who had recently been named the company's chief counsel—with fees in the then-astronomical range of \$750,000 a year³⁵—arrived in Washington. Ewing was presumably well aware of ALCOA's fluoride litigation problem. He had handled the company's negotiations with the government for the building of its wartime plants.³⁶

In 1947, Ewing was appointed head of the Federal Security Agency (later HEW), a position that placed him in charge of the Public Health Service (PHS). Under him, a national water fluoridation campaign rapidly materialized, spearheaded by the PHS. Over the next three years, 87 additional cities were fluoridated including the control city in the original two-city Michigan experiment, thus wiping out the most scientifically objective test of safety and benefit before it was half over.

Under Bernays' mass mind-molding, fluoride was portrayed as safe while opponents were permanently engraved on the public mind as crackpots and right-wing loonies.

The Father of All Spin Doctors

The government's official reason for this unscientific haste was "popular demand." And indeed, these 87 cities had become so wild for fluoridation that the government claimed it wasn't fair to deny them the benefits. By then, in fact, much of the nation was clamoring for fluoridation. This enthusiasm was not really surprising, considering Oscar Ewing's public relations strategist for the water fluoridation campaign was none other than Sigmund Freud's nephew Edward L. Ber-

(continued on p. 63)

34. *Ibid.* The accuracy of Birmingham's testimony concerning the Wrentham school was confirmed by John Small, Information Specialist, Fluorides and Health, National Institute of Dental Research. Interview with author, 1992.

35. Birmingham testimony, *op. cit.*, p. 51. Newspaper accounts from the period also refer to Ewing as ALCOA's "chief counsel." Later ALCOA, responding to charges that it had been behind the fluoridation scheme, claimed that Ewing was just another of its many lawyers and that his fees had been much lower. Undisputed, however, is that Ewing was an extremely wealthy corporate lawyer and that his major client was ALCOA.

36. *Time*, "Aluminum," November 10, 1941.

What Vice President Bush Knew and Why He Knew It

Anthony L. Kimery

"What is striking about George Bush's role as Vice President is that he was much more than has ever been suspected. [In the Iran-Contra operation, he]...actually helped execute the dirty-tricks schemes that hijacked Congress's prerogatives in the 1980s," wrote Frank Snepp and Jonathan Marshall.¹ Bush was in the big middle of the Reagan administration's covert operations; not just as a yes man to Reagan, but as an ardent supporter of, and facilitator for, the CIA and the covert operations crowd at Langley and the Old Executive Office Building.² That involvement buttresses emerging evidence that Bush has been connected to the clandestine services for nearly four decades.³

From his early days at Yale in the 1940s, when he was a member of the Agency-linked Skull and Bones Society, to his career as a moderately successful Texas businessman in the 1950s and early 1960s, to his stint as a political player in the 1960s and 1970s, Bush has been unofficially linked to the CIA in one way or another. In 1976, when Bush became head of the Agency, the connection came into the open and stayed unusually close through his term as Vice President. Bush orchestrated CIA covert activities employed by the Reagan administration to achieve its foreign policy objectives—the same ones Bush had a heavy hand in designing.⁴



Bush: An unusually hands-on VP.

In 1981, when CIA Director William Casey first laid out his plan to launch a secret war against the Sandinista government, Bush eagerly supported the scheme. And for good reason: It was drafted by his longtime friend, CIA career officer Donald Gregg, who was the Agency's man on the National Security Council (NSC) and who arranged for an expansion of Bush's role in the planning and approval of covert operations.⁵ Shortly after Casey's plan was adopted by the White House, Bush appointed Gregg his National Security Adviser. Resigning from the Agency in 1979 to sever the official link, Gregg began in 1981 to manage the Contra supply effort that Oliver North was running from the NSC.⁶ By this time, Bush was a member of the NSC, the National Security Planning Group, the Task Force on Combatting Terrorism, and chair of the White House Special Situations Group.

From then on, Bush attended nearly every key meeting concerning Iran-Contra, signed off on early deliveries of arms to the Contras, helped organize a resupply bridge to Contra bases in Honduras, sent members of his staff into the field to write progress reports, and helped stage-manage the Israelis' central role in arming the Contras and brokering the initial arms sales to Iran.⁷

Given his hands-on approach, institutional centrality, and personal involvement, Bush's contention that he was out of "the loop" is elementally ludicrous. In a recently surfaced 1987 memo, then-Secretary of State George Shultz and then-

Anthony L. Kimery is a free-lance investigative journalist. He is currently writing a book on George Bush and the CIA. Graphics portraits in this article are from *Iran-Contra Scandal Trading Cards*, Eclipse Enterprises, P.O. Box 1099, Forestville, CA. Set: \$11. Tel. (800)468-6828. ©1988 Salim Yaqub.

1. Frank Snepp and Jonathan King, "George Bush: Spymaster General," *Penthouse*, January 1991.

2. A good general synopsis of Bush's involvement can be found in: Frank Snepp and Jonathan King, "George Bush..." *op. cit.*; Howard Kohn and Vicki Monks, "The Dirty Secrets of George Bush," *Rolling Stone*, November 3, 1988, pp. 42-50, 120; Scott Armstrong and Jeff Nason, "Company Man," *Mother Jones*, October 1988, p. 47; Tom Blanton, "Where George Was," *Washington Post*, June 10, 1990, p. C1; and George Lardner and Walter Pincus, "Notebook Reveals North-Bush Meeting," *Washington Post*, May 9, 1990, p. A1.

3. Anthony L. Kimery, "In the Company of Friends," *CAIB*, Number 41 (Spring 1992), pp. 60-66.

4. Author's interviews with Reagan administration officials in policy-level

positions and congressional officials who dealt with policy issues, 1990-91.

5. Snepp and King, "George Bush..." *op. cit.*

6. *Ibid.*

7. White House, National Security Council, State Department, and other documents declassified for the Iran-Contra investigation and for the trials of Oliver North and John Poindexter. The Israeli deal was a 1985 swap for hostages in Lebanon that was first broached to the Reagan administration by Theodore George "Ted" Shackley. A legendary former ranking CIA official with whom Bush is well acquainted, Shackley was the architect of the privatized "off the shelf" methods for arming U.S.-supported counterinsurgency forces. (Kimery, *op. cit.*, pp. 65-66.)

Secretary of Defense Caspar Weinberger expressed incredulity at Bush's assertion that he was unaware that the two cabinet members had opposed the Iran arms sales to fund the Contras. "He [Bush] was on the other side [of the debate]. Its on the Record," the memo noted recording Shultz's anger. "Why did he say that."⁸

Why indeed. The nature of Bush's involvement and that of his office in the Contra war was so intimate, that a coverup was bound to fail, but not without buying Bush enough time to be elected once, and possibly twice to the presidency.

A key link was Donald Gregg, Bush's national security adviser. Gregg oversaw the operation through his trusted friend Félix Rodríguez, a Cuban-American career CIA operative who first linked up with the Agency during its war against Fidel Castro.⁹ According to some accounts, Gregg specifically pitched the idea of putting Rodríguez in charge on the ground in Central America, to which Bush replied: "This sounds like a good idea. See if you can arrange it."¹⁰

Since Rodríguez reported to Gregg and met on several occasions with Bush,¹¹ it is not surprising that Bush's office was one of the first places notified when, on October 5, 1986, Nicaraguan soldiers shot down a cargo plane trying to drop weapons to the Contras.¹² Onboard were ex-CIA operatives working for the White House, including Eugene Hasenfus, the sole survivor of the shoot-down. Orchestrated denials, particularly by Bush's office, and frenetic high-level "spin controls" began immediately. Until forced to recant by the weight of incontrovertible evidence, the White House stonewalled. "There is no government connection with that plane at all," Reagan declared;¹³ the

aircraft was part of a private Contra supply operation, Shultz and Assistant Secretary Elliot Abrams claimed.¹⁴

Indictments and More Lies

The extent and nature of that protection involved an elaborate fabric of both legal lies to the public and illegal lies to the Congress. This screen served to distance Vice President Bush from the mess—until Tuesday, July 9, 1991. That morning, the first of many indictments against former CIA officials was handed down by Independent Counsel Lawrence Walsh who was conducting what would become a five-and-a-half year investigation.

It was then that Alan D. Fiers, chief of the CIA's Central America Task Force (1984-88), pleaded guilty to lying to Congress when he testified that "we do not know" whose airplane was shot down or "who was behind the flights."¹⁵ Fiers told Congress that the CIA, like Bush, had been out of the loop. Significantly, Fiers stated he was ordered to lie by Clair George, his superior at the Agency. He also admitted knowing that George planned to lie in his testimony to Congress. When Fiers presented George with a suggested opening statement explaining the Hasenfus flight as an unfortunate aberration from the legal "humanitarian" aid flights, George rejected admitting any administration connection to the downed flight. "No," testified Fiers quoting George's response, "I [George] don't want that....It puts the spotlight on the White House, Ollie North or the administration....I don't want to be the first person to do that," a weeping Fiers testified in George's trial. (Emphasis added.)¹⁶ Nearly a

year earlier, Fiers had testified that George had told him "this was a State [Department]-White House operation."¹⁷

This high-level coverup is important not only because it hid facts, but because it disguised the trail that might—had the truth been impossible for congressional investigators to dismiss—have led to George Bush.



Rick Reinhard

While Reagan kept busy, Bush's office was the center for Iran-Contra activities.

8. George Lardner and Walter Pincus, "Phone Note Puts Bush Claim on Iran-Contra Into Dispute," *Washington Post*, August 26, 1992, pp. A1, 28.

9. Sneed and King, "George Bush..." *op. cit.* Kohn and Monks, "Dirty Secrets..." *op. cit.*; and from an overview of numerous books containing relevant information about Iran-Contra; The National Security Archive, *The Chronology: The Documented Day-by-Day Account of the Secret Military Assistance to Iran and the Contras* (New York, Warner Books, 1987).

10. Knut Royce and Miguel Acoca, "Contra Plane Linked to Bush," *San Francisco Examiner*, October 10, 1986, back page.

11. Testimony of Félix Rodríguez, May 27, 1987, Iran-Contra hearings; Cable from Gen. Paul Gorman to Ambassador Thomas Pickering and Gen. James Steele, February 8, 1985, *Iran-contra Affair*, Appendix B, Vol. 12, pp. 941-42; Ben Cramer, "Did He Know?" *Washington Post Magazine*, August 16, 1992, pp. 29-31; *Washington's War on Nicaragua* (Boston: South End Press, 1988), p. 343.

12. White House, CIA, and National Security Council documents declassified for congressional investigation of Iran-Contra and for the trial of former CIA deputy director for operations, Clair George.

13. Doyle McManus, "Elaborate System Supplies Contras," *Los Angeles Times*, October 9, 1986, p. 1.

14. Ben Bradlee, Jr., *Guts and Glory: The Rise and Fall of Oliver North* (New York: Donald Fine, 1988), p. 446; and McManus, *op. cit.*

15. George Lardner and Walter Pincus, "Iran-Contra Prosecutors Concentrate on a Former CIA Task Force Chief," *Washington Post*, July 7, 1991, p. A4; George Lardner and Walter Pincus, "Ex-CIA Aide Admits Iran-Contra Role," *Washington Post*, July 10, 1991, p. A1.

16. Walter Pincus, "Witness Weeps About Scandal's Impact on CIA Career," *Washington Post*, July 30, 1992, p. A3.

17. George Lardner and Walter Pincus, "CIA Ex-Official Testifies He Told George Of Aid," *Washington Post*, July 29, 1992, p. A8.

Following the Trail to Bush

That trail is dotted with the intersecting footprints of Donald Gregg, Félix Rodríguez, a.k.a. Max Gomez, G. Philip Hughes (the vice president's deputy national security adviser), and George Bush. From 1984 to 1986, Fiers dealt directly with Gregg, notably in matters concerning Rodríguez—a key manager of the Contra operation. Fiers' testimony strongly contradicts Gregg's claim that he did not know what North was up to.¹⁸ The connection between Bush and Rodríguez is less intimate, but also long-standing. Having earned Bush's loyalty somewhere along the line, perhaps during the Agency's anti-Castro exploits, Rodríguez met with the vice president several times at the White House and received his blessing for the anticommunist quest.¹⁹ In a January 6, 1986, entry in his personal notebook, Oliver North reported that Fiers had expressed concern that "Félix [was] talking too much about VP connection...."

Rodríguez's part in the Contra supply operation was truly an explosive matter that the CIA and the White House were particularly intent on keeping secret. As Fiers' former legislative and legal adviser Louis Dupart has testified, the CIA hid Rodríguez's role in resupplying the Contras. The CIA even continued to conceal what it knew about Rodríguez after Fiers and George acknowledged to Congress that Max Gomez and Félix Rodríguez were one and the same.²⁰ Meanwhile, Bush and Gregg have stonewalled all along, maintaining their ignorance of North's network until it was publicly acknowledged by Attorney General Edwin Meese in November 1986.

In fact, the vice president knew precisely what was going on with the Contras. His office was the central command post and he, Gregg, and Hughes were deeply involved.²¹ Fiers has testified that he met with Gregg to discuss Rodríguez's charges that the resupply network was raking off considerable profits.²² A nearly identical charge had been made by another Contra supply operative, former

Air Force Col. Richard B. Gadd in sworn testimony on behalf of a damage lawsuit brought by Eugene Hasenfus. Gadd stated that Robert Dutton, another key participant in the supply operation who worked closely with Richard Secord, told him in 1986 that Bush had discussed supply problems with Rodríguez, including selling "cheap parts or inadequate ammunition" to the Contras.²³ Included in Dutton's testimony before the House Select Committee to Investigate Covert Arms Transactions with Iran, were NSC memos containing Rodríguez's alias.²⁴

Throughout 1985 and 1986, Hughes also met with North and his name turns up in the North notebooks as early as July 1984. Hughes was also involved in a 1985 incident in which Bush put an allegedly CIA-tied Contra supporter in touch with North.²⁵

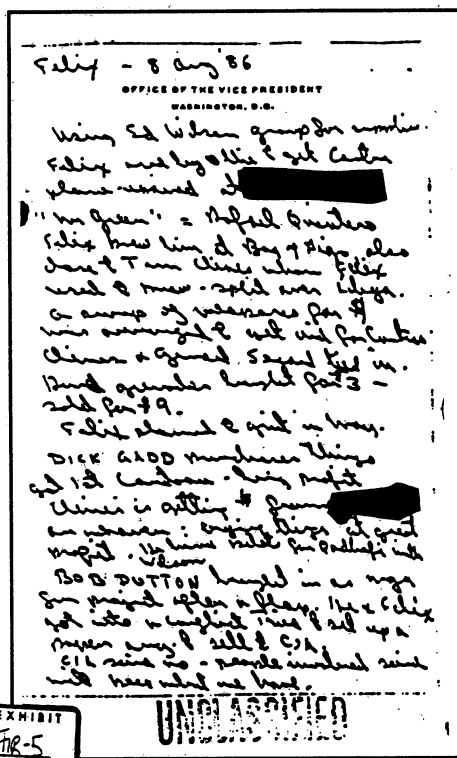
George and Twetten Fudge the Truth

In his summer 1992 mistrial for nine felony counts of lying and obstructing congressional and grand jury investigations, George charged the Senate investigators with "hypocrisy." And there is some truth to his claim that it was an "open secret in Washington," and a well-documented truism in the left media, that the resupply effort was an official (albeit covert), illegal U.S. operation.

Rodríguez's role, for example, was well understood. George, however, stonewalled the Senate Foreign Relations Committee by denying the centrality of the CIA connection—through Rodríguez—to the White House operation in Central America. His lawyers presented scores of cables identifying Rodríguez—including several that had arrived at the CIA headquarters just days before the hearing—and exposing

George's and Fiers' lies to the committee. Even George's CIA briefing book, prepared for his Senate testimony by Fiers, contained two pages on Rodríguez and incorporated information from a CIA cable that came the night before he appeared in front of the lawmakers. The denial nevertheless served to placate the nervous congresspeople.

Six years after the Senate Foreign Relations Committee hearing, Sen. John Kerry (D-Mass.) testified at George's trial, and accused George of lying to the committee. At the time, Kerry said, all that was known was that Hasenfus was claim-



Iran-Contra Committee

Notes taken by Gregg at August 8, 1986, meeting with Rodríguez on status of the Contra resupply operation.

18. *Ibid.*; declassified National Security Council documents; and notebooks of Oliver North, available from National Security Archive, Washington, D.C.

19. National Security Council documents declassified for the congressional investigation of Iran-Contra; notebooks of Oliver North; David Johnson, "North's Notes Show He Met Bush Soon After Lying to Congress in '86," *New York Times*, May 9, 1990, p. A14; Tom Blanton, "Where George Was," *op. cit.*

20. George Lardner and Walter Pincus, "Ex-Aide Says CIA Delayed Correcting Hill Testimony," *Washington Post*, August 8, 1992, p. A10.

21. "Bush Ex-Aide Testifies at Contra Probe," (Associated Press), *Washington Post*, August 10, 1990.

22. Walter Pincus and George Lardner, "Covert CIA Operation Via Church Outlined," *Washington Post*, August 1, 1992, p. A4.

23. James LeMoyne, "Testimony That Bush Was Told in 1986 of Contra Supply Scheme," *New York Times*, July 30, 1990.

24. Deposition by Robert Dutton, May 4, 1987.

25. "Bush Ex-Aide Testifies at the Contra Probe," *Washington Post*, August 10, 1990; and Jim McGee and James Savage, "Bush Sent Doctor to North Network," *Miami Herald*, March 15, 1987, pp. A1, 14.



Salim Yaqub

Donald Gregg, one of Reagan's national security advisers.

ing to work for the CIA and that "Max Gomez" was in charge. If the CIA had come clean about Rodríguez and his connection to Bush, Kerry told the jury, "you would have had a totally different attitude in the Congress" toward the \$100 million Contra aid package then being debated. The bill was passed by Senate and House conferees the same day George testified.

Fiers and George aren't the only ones implicated in not being truthful with Congress. Thomas Twetten, 31-year CIA veteran, appointed by Bush in 1990, is still CIA Deputy Director for Operations. During Iran-Contra, he was chief of the Near East Division and handled the Agency's end of financing and logistics for the arms transfers to Iran.²⁶ Despite having been North's case officer at the CIA from 1985 to 1986, Twetten swore to Congress that he knew nothing about the diversion of profits from arms sales in Iran to the Contras. This claim was repeated by his boss, Clair George. Twetten, who is also under investigation by Walsh,²⁷ testified that although the circumstances of the arms sales were unusual, his suspicions were not roused. Despite the gaping disparity between what the Iranians were charged for certain weapons and the CIA's cost, "It never occurred to me," Twetten said, "...that North was raking it off [for the Contras]. That was beyond the pale."²⁸

More important than what Twetten knew about the diversion of profits to the Contras, is what he knew about and whether he helped conceal the Bush-linked arms shipments to Iran prior to the initial officially-acknowledged delivery. Intelligence provided by a high-level Iranian in Teheran (recruited by FBI counterintelligence to report on illegal arms shipments to

26. Author's interview with former senior CIA official who worked under Twetten; George Lardner and Walter Pincus, "CIA Deputy Director Linked to Iran Arms, Testimony Shows," *Washington Post*, October 10, 1991, A21; and Michael Wines, "After 30 Years in Shadows, a Spymaster Emerges," *New York Times*, November 20, 1990, p. A18.

27. Author's interview with former senior CIA official who worked under Twetten; and George Lardner and Walter Pincus, "Senate Panel Questions Gates's CIA Ex-Associates," *Washington Post*, July 15, 1991, p. A4.

28. Twetten's 1987 testimony to congressional Iran-Contra committees, Tower Commission; Lardner and Pincus, "CIA Deputy Director..." *op. cit.*; and Walter Pincus, "Senate Role in More CIA Postings Urged," *Washington Post*, October 11, 1991, p. A21.

Vice President Bush's

Karen B

Bush's pale image — as a traditional vice president who attended foreign funerals — served him well. Behind this bland facade, the former head of the CIA, was a hands-on VP. He actively headed a powerful, little-known institution which was key in shaping U.S. policy. While others around him were called to testify in the Iran-Contra scandal, and some were tried and indicted, Bush walked easily into the White House on a pathway of unchallenged denials. "I was not aware of and I oppose any diversion of funds, any ransom payments, or any circumvention of the will of Congress," he said.¹

"The evidence that was before the [Iran-Contra] Committee," wrote Maine Senators George Mitchell and William Cohen, "gave no indication that the Vice President was aware of the diversion of funds."²

Most efforts to link Bush to the Iran-Contra affair failed because they focused on Bush as adviser to the President ("What did he tell Reagan?"). They ignored this particular vice president's unique and central position within the National Security Council and, in particular, his relationship to Adm. John Poindexter, Lt. Col. Oliver North, and the cabal of special operations officers who carried out the activities that became known as Iran-Contra. Unlike many of the others, Bush never testified under oath, and therefore remained invulnerable to perjury and coverup charges.

Given Bush's institutional role, that omission, his own denials, and the whitewash investigations, are incredible. Bush was not only one of four statutory members of the National Security Council where foreign policy was formulated; he chaired a little known back channel called the crisis management system.

In November 1984 Robert McFarlane, then National Security Adviser, explained the two-track system at the NSC. First there was Track 1, called SIG/IG (Senior Interagency/Interagency Group), providing for careful study and thoughtful debate. Then there was Track 2, the crisis management system, strongly resembling an intelligence unit.

Track 2 had two major elements: the Special Situations Group (SSG), chaired by George Bush; and the

Karen Branan is a free-lance reporter based in Washington, D.C.

1. Associated Press, December 4, 1986.

2. *Men of Zeal* (New York: Viking Press, 1988).

s Inside Track to Power

n Branan

Crisis Pre-Planning Group (CPPG), led by the Deputy Assistant to the President for National Security Affairs. The CPPG provided "to the SSG, recommended security, cover and media plans that will enhance the likelihood of successful execution."³

"The principal difference between the crisis management system and the SIG/IG system," wrote McFarlane, "...is that the former is controlled more directly by the White House for reasons of policy responsiveness. While the SIG/IG system is able to ensure that policy proposals receive thorough study and analysis before coming to the president for decision, the system is *too slow moving* to be used for crisis management." [Emphasis added.]⁴

Their failure to look at Track 2 could explain why Congress's Iran-Contra Report found the August 6, 1985, draft Finding signed by Reagan authorizing arms sales to Iran "unusual in that it has been drafted without inter-agency participation." In his autobiography, *Looking Forward*, Bush agreed: "The NSC advisory apparatus was there, but it wasn't used. Instead, it was bypassed...."⁵ He failed to note that it was detoured straight into the crisis management system—which he chaired.

The official \$4.6 million NSC budget was supplemented by another \$25 million from the Pentagon and intelligence agencies. Much of that went to an entity within Bush's back channel, the Crisis Management Center, staffed by a platoon of military special operations officers active in Iran and Contra operations.

The crisis management channel spun off numerous sub-groups, task forces, compartments, and bureaucratic boxes. Most Iran-Contra players, large and small, such as William Casey, Dewey Clarridge, Donald Gregg, Oliver North, John Poindexter, and Terrell Arnold, participated in one or more of these sub-groups. According to depositions taken by Congress, there were boxes marked Contra, hostage, and Iran, but often these boxes broke open and spilled into one another. Key, of course, is the fact that all the boxes were inside a big one marked Crisis Management, and that was Track 2, presided over by George Bush. •

3. National Security Decision Directive #3, December 14, 1981

4. Robert McFarlane, *et al.*, "The National Security Council: Organization for Policy Making," *Proceedings*, Center for the Study of the Presidency, 1984.

5. New York: Doubleday, 1987, p. 241.



Salim Yaqub

John Poindexter, another Reagan National Security Adviser.

Iran), clearly shows that arms were arriving in early September 1985,²⁹ two months before the CIA acknowledged involvement. At that time, the FBI began to receive accurate intelligence from its Iranian agent on U.S. arms shipments to Iran.³⁰

In 1985, when the Iranian began reporting that the arms were being flown into Teheran on U.S. registered aircraft, his FBI handler was bewildered. He turned for an explanation to his CIA liaison, a ranking officer in the Iranian branch of Twetten's operations division. Twetten told the CIA officer that it was "a White House operation," exactly what Fiers testified he had been told by George. The Agency man was ordered to tell his FBI counterpart not to report the Iranian's information to anyone in the FBI. "In other words, I was being told to cover it up," the ex-CIA officer says. Allegedly, Twetten gave the order to suppress the affair and alter all related memos prepared by the CIA liaison.³¹

Classified CIA documents later confirmed that "high quality intelligence on U.S. arms shipments to Iran," prior to those which have officially been acknowledged, were provided by "a Tel Aviv Station and a source at the arms delivery site in Teheran."³² This "high-level source [even] continued to report to the FBI" accurate information on the subsequent deliveries of arms that the Reagan White House later admitted to having sanctioned, the documents state. Some of the earlier arms, the source told the FBI, were delivered by Arrow Air, a charter airline with strong ties to the CIA that not only made half-a-dozen deliveries of arms to the Contras, but also flew for AmeriCares, a shadowy disaster relief organization founded by Robert McCauley, a lifelong close friend of George Bush and Prescott Bush, Jr., George's brother.³³

29. Author's interview with former CIA officer who worked under Twetten, 1989; classified CIA information obtained by author in 1990.

30. Classified CIA information provided to author, 1989.

31. Author's interview with former CIA officer who worked under Twetten, 1989.

32. Classified information provided to author, 1989.

33. *Ibid.*; classified CIA information; testimonies of Richard L. Gadd, Robert C. Dutton and David P. Mullighan before congressional Iran-Contra committees; Air Force Lt. Col. Richard Gadd (Ret.) testimony before House Select Committee to Investigate Covert Arms Transactions with Iran, May 1, 1987.

AmeriCares, Contras, and the Knights of Malta

AmeriCares may have been even more intimately implicated in the resupply effort by Fiers' August 1992 testimony. In his testimony at the George trial, former Central American Task Force Chief Fiers admitted helping late CIA Director William Casey defy congressional restrictions by funneling money to the Contras through Nicaraguan Archbishop Miguel Obando y Bravo. The pro-Contra cleric received the funds, said Fiers, through a company that "did a great deal of work for us [the CIA] in lots of different ways."³⁴

Circumstantial evidence points to AmeriCares as a probable suspect. In 1985 and 1986, AmeriCares flew shipments of "humanitarian" aid to both the archbishop and to the Contra organization run by Mario Calero, brother of Adolfo Calero. In 1988, the Nicaraguan government halted some AmeriCares shipments backed by Vice President Bush. AmeriCares, Managua said, was a CIA front working with the North network.³⁵

An "informed source" at the *Washington Post* reported that W.R. Grace and Co.—which hired Fiers as a lobbyist when he resigned from the CIA—"was involved" in the plan to funnel aid to the church. Both Fiers, who still works there, and Grace officials vehemently denied the allegation.³⁶ Nevertheless, AmeriCares *did* receive assistance from Casey's longtime friend, J. Peter Grace, chair of W.R. Grace and Co. Grace, along with Prescott Bush, Jr., were AmeriCares founders. It was Grace whom Archbishop Obando y Bravo reportedly asked for help in the early 1980s to "thwart the Marxist-Leninist policies of the Sandinistas."³⁷

Grace's support would certainly have made a difference. Not only does he have long-standing ties to the CIA—not to mention major business interests in Central America—but he is president of the American Chapter of the Sovereign Military

Order of Malta, a powerful Catholic organization, ostensibly devoted to charitable works. In fact, it has a foreign policy and is accorded full diplomatic recognition by many countries. William Casey also was a member, as were and are many other CIA officials, past and present.³⁸ Its Central American CIA links include Knights co-chair, Guatemalan businessman Roberto Alejos. In 1960, he had let the CIA use his plantations to train anti-Castro Cubans for the Bay of Pigs invasion; in the 1980s, he helped with AmeriCares' deliveries.³⁹

Quid Pro Quo Foreign Policy

Elaborately covered tracks, webs of plausible deniability,

false trails, and sturdy facades of misinformation are endemic hazards of efforts to disentangle CIA connections and operations. The ultimately futile stalling effort to distance Bush from the loop, and the carefully orchestrated campaign to downplay his Agency connections are in themselves revealing.

The weak links, however, show increasing strain. In November 1989, yet another CIA

official, CIA Costa Rica Station Chief Joseph Fernandez, a.k.a. Tomas Castillo, was indicted by Iran-Contra Independent Counsel Walsh for lying to the CIA inspector general and the Tower Commission about his role in the CIA's illegal arms conduit to the Contras. Fernandez was intimately involved in the White House's Contra operation and dealt directly with Rodríguez in Rodríguez's capacity as its manager on the ground. Rodríguez also dealt with North. George knew all about Fernandez's dealings with the White House and apparently went to great lengths to protect them.⁴⁰

After a federal judge ruled that the Fernandez defense could use top secret CIA records, the Justice Department, at the urging of the White House, and, especially, the CIA, invoked, for the first time, the decade-old Classified Infor-



Salim Yaqub

William Casey, the unholy ghost.



Salim Yaqub

Theodore Shackley, in the shadows.

34. Pincus and Lardner, "Covert CIA Operation Via Church...," *op. cit.*

35. Julia Preston, "Nicaragua Cuts Off American Airlift of Paper to La Prensa," *Washington Post*, April 14, 1988.

36. Pincus and Lardner, "Covert Operation...," *op. cit.*

37. Russ Baker, "A Thousand Points of Light: AmeriCares, George Bush's Favorite Charity Dispenses Bitter Medicine Around the World," *Village Voice*, January 8, 1991; and Francoise Hervet, "Knights of Darkness: The Sovereign Military Order of Malta," *CAIB*, Number 25 (Winter 1986), pp. 27-38.

38. Martin A. Lee, "Who Are the Knights of Malta," *National Catholic Reporter*, October 14, 1983, p. 1.

39. Joanne Omang, "\$14 Million in Medical Aid Funnelled to Central America," *Washington Post*, December 27, 1984.

40. George Lardner and Walter Pincus, "Ex-Aide Says CIA Delayed Correcting Hill Testimony," August 4, 1992, p. A10.

mation Procedures Act (CIPA).⁴¹ Under CIPA, the U.S. Attorney General—then Richard Thornburgh—is the final arbiter of what classified information can be disclosed at trial. After the Reagan appointee blocked release of the secret material, the court dismissed all charges against Fernandez, ruling that he could not fairly defend himself without it.⁴²

Privately, CIA sources and aides to Walsh said the White House blockade had nothing to do with the Agency's claim that the information could cause "serious damage to the national security."⁴³ Rather, the administration feared embarrassing new disclosures that, if backtracked, would lead through Gregg and Rodríguez to Bush, revealing the Vice President's and the CIA's illegally organized effort to keep the Contras in arms.⁴⁴ "It was Bush that was being protected," said ex-CIA officer, "not national security."⁴⁵

Oliver North's indictment provoked another attempt to block information potentially damaging to Bush. As his droning trial neared its end in April 1989, the young Marine's attorneys presented surprise documents. They indicated that Bush's participation in Iran-Contra had constituted an impeachable offense—the violation of the Boland Amendment prohibiting indirect aid to the Contras. More than just a smoking gun, these once "top secret" documents seemed to offer conclusive proof of a crime—the first in the whole sordid scandal which appeared to catch Bush red-handed. The documents showed that the VP participated in an illegal White House-sanctioned extortion scheme: In exchange for becoming a staging ground for the Contra war, Honduras got U.S. military aid and more than \$4 million in CIA assistance.



Salim Yaqub

Hasenfus, shot down over Nicaragua.



Salim Yaqub

McFarlane, a National Security Adviser.

a secret memo in August 1988 "that Honduran Commander-In-Chief Regalado refused on August 26 to release military supplies for the reinfiltration into Nicaragua of 3,000 insurgents" needed "to prevent the Sandinistas from establishing control in areas previously dominated by the rebels.... Without the ammunition," they warned, "...[the Contras] cannot rearm more than the 1,000 insur-

gents it planned to reinfiltrate during August."

A month later, senior U.S. administration officials warned in a TOP SECRET Morning Summary that "Honduras would soon have to press publicly for direct U.S.-Sandinista negotiations" because it "may not be able to wait for a new U.S. administration to begin addressing" the matter. By the end of October, the situation had worsened, and State Department analysts expressed their growing apprehension in an explosive October 28 Morning Summary.

"Honduras: The Ante Grows," the tenth item on the summary began. "Armed forces [Commander-In-Chief Humberto] Regalado [Hernandez] told a U.S. military official on October 25 [1988] that the United States could forget about continued Honduran support for the Nicaraguan resistance if U.S. military assistance is cut from US Dols 60 million to US Dols 39 million, as 'word' has it from Washington."

41. Walter Pincus, "Fernandez Iran-Contra Case Dismissed," *Washington Post*, November 25, 1989, p. A12.

42. Walter Pincus, "Fernandez Iran-Contra....," *op. cit.*; Joe Pichirallo, "Court Halts Iran-Contra Trial of Ex-CIA Official," *Washington Post*, July 25, 1989, p. A10.

43. Author's interviews with former senior CIA officials and sources close to Walsh's investigation, 1989; Joe Pichirallo, "Walsh Asks to Open Hearing on Secrets," *Washington Post*, August 11, 1989.

44. Author's interviews with former senior CIA officials, 1989; *Costa Rican Prosecutor's Office Report on the La Penca Bombing*, San José, Costa Rica, December 26, 1989; and Walter Pincus and Joe Pichirallo, "Trial Could Expose CIA's Knowledge of Contra Resupply," *Washington Post*, November 23, 1989, p. A12.

45. Author's interview with former senior CIA officials, 1990-91.

46. Formerly Top Secret memo to Secretaries of State, Treasury and Defense, Director of Central Intelligence and chair of Joint Chiefs of Staff, from William P. Clark, Reagan's national security adviser, May 14, 1982.

47. Classified State Department documents provided to the author in 1988.

Then, in a "comment" on the matter, the analysts wrote what was to cause the White House, and particularly Bush, so much worry: "Honduras is moving towards disengagement from the Nicaraguan resistance...*a reduction in the [U.S.] security assistance that the Hondurans see as a quid pro quo for their cooperation could hasten the policy shift.*" (Emphasis added). It wasn't a complete surprise. From the outset, the Hondurans had demanded \$1.377 billion through 1990 as their reward for secretly assisting the White House.⁴⁸

Clearly, both sides understood that Honduran support of the Contras hinged on a *quid pro quo* arrangement. The White House was unquestionably cognizant of the fact that if crossed, the Hondurans would curtail Contra support at a particularly inopportune time—only days before the U.S. election.

Precisely what kind of crisis management was employed isn't known. The more than \$200 million in military and other aid authorized to Honduras for 1990, its biggest increase in overall assistance, must have helped. "Even at this late date, it appears the White House was continuing to break the law," said a House Foreign Affairs subcommittee investigator.⁴⁹

These and other missing documents which later surfaced during former National Security Adviser John Poindexter's trial offered powerful proof that the congressional investigation ignored a fundamental constitutional violation: the diversion of U.S. tax dollars into foreign coffers to garner congressionally prohibited support of the Contras from third countries.⁵⁰

48. Formerly secret NSC memo from North and Raymond Burghardt to Robert McFarlane, May 21, 1985.

49. Author's interviews, 1989-1990.

50. Formerly Top Secret White House memo from Robert McFarlane to

As in many other cases, the denials of illegal activity were eventually eroded by the revelation of lies. At first, the Honduras deal was completely denied. When the documents surfaced, the administration fell back on plan B. It admitted discussions had taken place, but denied that the scheme was ever implemented. The plan, said acting Assistant Secretary of State for Inter-American Affairs Michael Kozak, who participated in the discussions, was simply another one of North's foolish ideas killed by the State Department. It could "wind up compromising us," Shultz expanded.⁵¹ For the most part, Congress and the press not only accepted the denial, but also the Bush White House's assurance that no documents were deliberately concealed. One disgruntled House Foreign Affairs Committee investigator protested: "This thing has been swept under the carpet."⁵²

And there it lies, along with the large, ominous lump of Bush's lies and coverups. Bush's direct involvement with, and close proximity to, these documented covert operations while Reagan's vice president, provoke

legitimate concerns about the growing evidence that he has been a loyal secret member of the intelligence establishment for nearly 40 years. Inevitably, more people will trip over the mess under the carpet. The significant question is: Will they point at George Bush as they fall? •



Salim Yaqub

Félix Rodríguez, the man on the ground.

President Ronald Reagan, February 19, 1985; undated formerly secret memo to Secretary of State George Shultz; and formerly Secret memo from Oliver North and Raymond Burghardt to McFarlane, February 20, 1985.

51. Formerly secret NSC memo from Constantine Menges to Robert McFarlane, July 11, 1984; and Walter Pincus and Joe Pichirallo, "North Questions Embroil Foreign Aid," *Washington Post*, May 4, 1989, pp. A1, A8.

52. Author's interview, 1990.

**Help CovertAction celebrate its 15th year
by giving a gift subscription.**

**Send now, and receive the Winter issue
in time for the holiday season.**

(See back inside cover for details.)

Rev. Moon Buys a College, Hires Spooks & Moonies

Frederick Clarkson

The empire of Reverend Sun Myung Moon's Unification Church (UC) may have acquired a new colony. A Moon front group and the University of Bridgeport (UB) in Bridgeport, Connecticut, signed a deal which cedes majority control of the UB board to Moon's Professors World Peace Academy (PWPA) in exchange for an infusion of as much as \$50 million into the financially troubled institution.

PWPA, while acknowledging Moon's Unification Church (UC) as the source of almost all its funding, professes autonomy. This claim is belied by a secret agreement between UB and PWPA. Once in control, PWPA plans to integrate the University's programs into the "broader Unification Movement." PWPA, the agreement reveals, with its world-wide links, will also help fund UB by spearheading "[r]ecruitment [which] initially will focus on students from the Soviet Union and the Far East." Before coming to the U.S., however, students may have to undergo a 30-day Moon indoctrination.¹

That infusion of Moon values will not be necessary for many new members of the recently announced UB board of trustees. Many are PWPA leaders and most have a long involvement with Moon academic and political fronts; at least one is an ex-spook.

- **Jack Thomas** served 30 years in the Air Force, with the last six years as the Assistant Chief of Staff for Intelligence. After retiring with the rank of major general, he spent nine years as the Special Assistant to the Director of Central Intelligence and "was then a consultant on intelligence matters in the Office of the Secretary of Defense."²
- **Richard Ichord** is a former Congressperson (D-Mo.) who chaired the House Committee on Internal Security (1969-75). Currently he is a lobbyist for defense contractors, and since 1987, co-chair of Moon's main political front, the American Freedom Coalition.
- **Neil Salonen** was president of the Unification Church (U.S.) in the 1970s, and figured prominently in the Koreagate scandal. He was also President of the Freedom Leadership Foundation (an affiliate of the World Anti-

Communist League), which carried out covert political operations on behalf of the Nixon White House and the Korean Central Intelligence Agency.³ Salonen is Vice-Chair of PWPA, and President of its parent group, the International Cultural Foundation, where he also oversees Paragon House, the Washington Institute for Values in Public Policy, and the International Conference on the Unity of the Sciences.

- **Phillip V. Sanchez** was U.S. Ambassador to Honduras under Nixon, and to Colombia under Ford and Carter. He is currently publisher of Moon's Spanish language daily in New York, *Noticias del Mundo*, as well as Vice President of the American Freedom Coalition.

Also on the board are several Moon-linked academics who lobbied heavily for the UB takeover, notably PWPA leaders Morton Kaplan of the University of Chicago, and Richard Rubinstein of Florida State University.

The high-profile, Moon-loyal composition of the board is typical of UC operations. "Moon's *modus operandi*," charged former Moon leader Steven Hassan,⁴ "has always been to establish a front group, get some legitimate names attached to it, then use the names to establish its own credibility."

Democracy 101

Trying to block finalization of the deal is the Coalition of Concerned Citizens. This strong group of alumni and civic leaders charges that UB ignored other, more attractive options for bailing out UB. The UB-UC association, they argue, will compromise academic and religious freedom and pose serious, ongoing problems for the city of Bridgeport.

Ultimately the courts may decide. A lawsuit is being filed against the university to stop the deal, and the Connecticut Attorney-General is also looking into the legitimacy of the takeover. Although a private university, UB has a state charter which insists that the school remain "non-sectarian." In light of Unification control and Moon's well-documented vision of himself as the Second Coming ready to lead a global theocracy—a secular future for UB under Moon's leadership would take a miracle. •

Frederick Clarkson covers the religious Right for a variety of publications including *Mother Jones*, *Church and State*, and *The Nation*.

1. Agreement between the University of Bridgeport and the Professors World Peace Academy, May 28, 1992.

2. Press release, Office of Communications, University of Bridgeport, August 5, 1992.

3. Robert Boettcher, *Gifts of Deceit* (New York: Holt, Rinehart and Winston, 1980), pp. 162-64, and Fred Clarkson, "Moon's Law": God is Phasing Out Democracy," *CAIB*, Number 27 (Spring 1987), pp. 36-46.

4. Steven Hassan is author of *Combating Mind Control* (Rochester, Ver.: Park Street Press, 1990).

Bush Administration Uses CIA To Stonewall Iraqgate Investigation

Jack Colhoun

In House floor speeches, Rep. Henry Gonzalez has documented how pre-Gulf War U.S. policy helped Iraq develop weapons of mass destruction. But President George Bush, taking a page from one of the darkest chapters of the Nixon presidency, has enlisted the CIA as part of his campaign to derail the Texas Democrat's Iraqgate investigation. The CIA is investigating Gonzalez for revealing allegedly secret intelligence information, which it claims has harmed U.S. national security interests.

Involving the CIA in domestic political affairs is one of the few remaining taboos in U.S. politics, and so far, Bush has gotten away scot-free with it. His predecessor, Richard Nixon, was forced to resign a few days after the infamous "smoking gun" tape revealed that he had instructed White House Chief of Staff H. R. Haldeman to tell CIA Director Richard Helms to refuse to cooperate with the FBI's investigation of Watergate.¹

While the media and the Washington pundits have duly reported the CIA's investigation of Gonzalez, they have failed to note the resemblance between the way Bush and Nixon instigated domestic involvement of the CIA to protect their administrations. Nor have the media explored the ominous political implications of Bush—the first former CIA director elected president—using the Agency to discredit his political foes.

The House Banking Committee, which Gonzalez chairs, began looking into pre-Gulf War U.S. policy toward Iraq in 1990. "We have determined that your statements in the *Congressional Record* on July 7, 1992, included information from a Top Secret compartmented and particularly sensitive document dated September 4, 1989, to which we gave your

"[T]he CIA," charged Henry Gonzalez, "was allowing itself to be used to build a smokescreen around the president's flawed policies."

staff access," CIA Director Robert Gates wrote in a July 24 letter to Gonzalez. "Because of the sources and methods underlying that information, I will ask for a damage assessment to determine the impact of the disclosure." Adm. William O. Studeman, acting CIA director while Gates was abroad, informed Gonzalez in a July 28 letter that the CIA's Office of Security would also assess Gonzalez's House floor speeches of July 21 and July 27, 1992. Studeman claimed that Gonzalez revealed other Top Secret intelligence information in these speeches.

The maverick Mexican-American lawmaker from San Antonio, Texas, angrily denied the CIA's charges. "Your insinuation that I have revealed Top Secret, compartmented information is inflammatory and

without merit," Gonzalez declared in a July 30 letter to Gates. "In fact, I have taken great pains to ensure that all information I have placed in the *Congressional Record* is of the broadest nature and readily available from public sources."

Gonzalez added he was "extremely disappointed that the CIA was allowing itself to be used to build a smokescreen around the president's flawed policies. The CIA should be above involving itself in the political problems of the administration."

Gonzalez also charged that since spring, the CIA has not cooperated with the House Banking Committee. Attorney General William Barr, in a May 15, 1992, letter to the Texas Democrat, announced that the administration would no longer turn over classified documents to Gonzalez's committee without "specific assurances" that he won't make the information public.

Gonzalez, who has made public more classified U.S. documents than anyone since Daniel Ellsberg leaked the "Pentagon Papers," believes Bush is using the CIA to taint the Iraqgate investigation. Again the parallel is clear. In 1971, Nixon's White House "plumbers," led by CIA operative E. Howard Hunt, launched a campaign to discredit former Pentagon analyst Ellsberg and even broke into his psychiatrist's office to search for incriminating dirt.

Jack Colhoun is Washington correspondent for the (New York) *Guardian* newsweekly.

1. Barry Sussman, *The Great Cover-Up: Nixon and the Scandal of Watergate* (Arlington, Va.: Seven Locks Press, 1992), pp. 295-96; and Jack Colhoun, "Did Watergate Plumbers Deep-Six JFK?" (New York) *Guardian* newsweekly, June 24, 1992. For an earlier examination of Iraqgate, see Jack Colhoun, "Trading With the Enemy: The Bush Administration and U.S. Exports to Iraq," *CAIB*, Number 37 (Summer 1991), pp. 20-24.

Meanwhile, Republicans on Capitol Hill escalated their vilification campaign against Gonzalez. House Minority Leader Robert Michel (R-Ill.) introduced a resolution in the House on August 4 that calls on the House Ethics Committee to investigate Gonzalez's release of documents, citing the CIA probe of the 32-year House veteran. Michel charged that Gonzalez has violated the House code of conduct, but he failed to note that lawmakers who disclose classified information on the House or Senate floor are exempted from the federal law against making intelligence secrets public.

Although the attacks against Gonzalez continue, the growing body of evidence he is disclosing makes it increasingly difficult for the Bush administration to dismiss the allegations. And that, Gonzalez believes, is why Bush unleashed the CIA.

The Substance of Gonzalez's Charges

Gonzalez rejects Bush's contention that U.S. policy was designed "to encourage Saddam Hussein to join the family of nations."

"The Bush administration," Gonzalez charged in a July 27 speech, "sent U.S. technology to the Iraqi military and to many Iraqi military factories, despite overwhelming evidence showing that Iraq intended to use the technology in its clandestine nuclear, chemical, biological, and long-range missile programs." He quoted U.S. intelligence documents which show the administration knew that the Cleveland, Ohio, Matrix Churchill Corporation and the Atlanta branch of the Italian Banca Nazionale del Lavoro (BNL) were the cornerstones of a secret Iraqi arms technology procurement network in the U.S.

The administration's pro-Baghdad policy, spelled out in National Security Directive-26, adopted on October 2, 1989, was based on promoting U.S. trade with Iraq. The Commerce Department routinely approved applications from U.S. companies for the export to Iraq of "dual-use" technology, which has civilian and military applications.

"While the [Bush] policy did not permit the sale of bombs or something of that nature that would blow up," Gonzalez declared in a July 21 speech, "it clearly allowed the sale of the equipment needed to make them. The administration knew what Saddam Hussein was doing... The head of Iraq's ambitious military industrialization efforts was Saddam's brother-in-law, ...Hussein Kamil, who directed the flow of over \$2 billion in BNL commercial loans to various high-profile Iraqi weapons projects."

The progressive Texas Democrat contends that at a November 8, 1989, meeting, the Bush administration used a secret CIA report in an internal battle. The issue was whether to provide Iraq with \$1 billion in loan guarantees to buy U.S. farm exports issued by the Department of Agriculture's Commodity Credit Corporation (CCC). Previously, the Export-Import Bank and other federal agencies opposed full funding for Iraq because its deteriorating economy made Baghdad a poor credit risk.

"This time the CCC program for Iraq was approved," Gonzalez said in a July 7 speech. "The CIA report shows that unless the full \$1 billion CCC program was approved, the president's goal of improving relations with Saddam Hussein as spelled out in NSD-26 would be frustrated." BNL-Atlanta made financial arrangements for the CCC program for Iraq.

The CIA report, Gonzalez pointed out, "indicates that BNL loans were used to fund Iraq's clandestine military procurement network...in the U.S. and Europe. The report indicates that several of the BNL-financed front companies in the network were secretly procuring technology for Iraq's missile programs and nuclear, biological and chemical weapons programs."

The House Judiciary Committee, after several hearings, called on Barr July 9, 1992, to appoint an independent counsel to investi-



Henry Gonzalez (D-Tex.)

gate Iraqgate. This move had been boosted when Frank DeGeorge, inspector general for the Commerce Department, admitted at a June 23, 1992, House Judiciary Committee hearing that Commerce Department officials altered information on 66 export licenses for Iraq which were turned over to congressional investigators. The export licenses were changed from "VEHICLES DESIGNED FOR MILITARY USE" to "COMMERCIAL UTILITY CARGO TRUCKS."

But Barr took a hard line when, on August 1—for the first time since the Ethics in Government Act created the independent counsel mechanism—he rejected a request for an appointment. Instead, the Justice Department, he asserted, would continue its investigation of Iraqgate. Barr called the charges outlined by the House Judiciary Committee too "vague" to justify an independent counsel.

"First the attorney general denounces and obstructs congressional investigations and now blocks inquiries by a special counsel," Gonzalez responded the same day. "Barr is playing a dangerous game in a desperate effort to protect the Bush administration."

Militarizing the Drug War

*"Certainly, I think we'll put more emphasis on the drug war. And if there are resources tied to it, why you'll see the services compete for these, and probably vigorously. We take pride in being accomplished bureaucrats, as well as military men. And I think it's legitimate for military men to try and perpetuate their institution...."*¹ —Adm. William Crowe

David Isenberg

The U.S. is the only country in the world that assigns its military the mission of worldwide intervention. In the changing dynamics of the post-Cold War era, the charge that a country or its leader is implicated in the drug trade is sufficient grounds for action. After determining culpability, the Department of Defense (DoD) serves as the lead agency of the federal government for the detection and monitoring of aerial and maritime transit of illegal drugs into the U.S.

The Pentagon has been involved in drug interdiction since at least 1971. At first its efforts were sporadic, *ad hoc*, and sometimes legally suspect. In 1981, however, Congress modified the Posse Comitatus Act of 1878,² to explicitly allow military support for antidrug efforts. The new legislation permitted the Pentagon to provide information, equipment, facilities, training, and advisory services to domestic law enforcement agencies.

Since 1988, that mission has radically expanded. The Anti-Drug Abuse Act of that year called for a substantial increase in military aid to those countries involved in U.S. anti-drug programs and exempted Colombia from a 1974 Foreign Assistance Act ban on aid to foreign police. It authorized \$15 million in FY 1989 for military equipment for Colombia.

This legislation was soon supplemented by the FY 1989 National Defense Authorization Act which assigned the Pentagon three statutory missions: to serve as the single lead federal agency for detecting and monitoring aerial and maritime transit of illegal drugs into the United States; to integrate U.S. command, control, communications, and intelligence (C³I) systems dedicated to the interdiction of illegal drugs into an effective network; and to provide an improved interdiction and enforcement role for the National Guard.³

Shortly after passage of these bills, Secretary of Defense Dick Cheney notified the various unified commanders-in-chief that reducing the flow of drugs to the U.S. was a high priority national security mission. The U.S. Justice Department Office of Legal Counsel is-

sued a secret opinion that U.S. military personnel can apprehend accused drug traffickers abroad—a power they do not have in the U.S. Even more ominous, according to this still undisclosed opinion, the U.S. military can act without host country consent.⁴

These expansions in military power have legalized an unprecedented role for the Pentagon. Clearly, some political leaders have become intoxicated with their own rhetoric.

The U.S. issued a secret opinion that its military personnel can apprehend accused drug traffickers abroad, without host country consent.

David Isenberg is a senior research analyst at the Center for Defense Information, Washington, D.C.

1. Admiral William Crowe (USN-Ret.), interview on *Nightline*, January 4, 1990, transcript in *Current News Special Edition*, "Military Role in the Drug War," No. 1837, p. 12.

2. The Act, as amended, provides: "Whoever, except in cases and under circumstances expressly authorized by the Constitution or Act of Congress, willfully uses any part of the Army or the Air Force as a *posse comitatus* or otherwise to execute the laws shall be fined not more than \$10,000 or imprisoned not more than two years, or both." The Constitution nowhere expressly authorizes use of the Army to execute the laws. Until 1981, the only acts of

Congress which authorized use of the armed forces to execute the laws concerned the suppression of insurrection and some very narrow exceptions.

3. *National Defense Authorization Act, 1989*, (Public Law 100-456), September 29, 1988 (Title XI, 102 STAT.), pp. 2042-49.

4. The opinion targets traffickers who import drugs into the United States. The traffickers can be nationals of any country. See Michael Isikoff, "U.S. 'Power' on Abductions Detailed," *Washington Post*, August 14, 1991, p. A14. In an opinion handed down on June 11, 1992, the U.S. Supreme Court ruled that the U.S. government may kidnap people from foreign countries, even if the United States has an extradition treaty with the other country.

Committed to enforcement as the solution, they blame the failure of successive "wars on drugs" on the incapacity of weak domestic agencies to defeat the well-organized and well-financed enemy. According to official policy, only the military, with its huge forces and vast amounts of equipment, is capable of stopping the importation of illegal drugs such as cocaine and heroin.

The policy, however, is based on the fallacy that the source of the U.S. drug abuse problem is the foreign nations that produce the illegal drugs. "For almost a century," Mississippi State University scholar Donald Mabry testified, "American antidrug policy has blamed foreigners for the American drug disease, thus preserving the myth that Americans are naturally good but corrupted by evil foreigners."⁵

Leaving aside evidence that U.S. agencies such as the CIA covertly aided or abetted narcotrafficking, U.S. involvement is far from simply passive consumption. In addition to being the largest market for South American cocaine, the U.S. sells the chemicals necessary to produce it, and many of the firearms, such as M-16 assault rifles, with which the major cartels arm themselves.⁶ U.S. financial institutions also benefit from the large quantities of drug money which are channeled through them and legally invested in the economy.

Nor have any U.S. campaigns to exert pressure or even to install alternative governments seriously impacted overall drug traffic into the U.S. Historically, from Southeast Asia to Latin America, they have at best simply shifted the areas of supply or affected which particular drugs are more competitive on the domestic drug market.

The most overtly military antidrug adventure—the invasion of Panama—has had no lasting effect on drug trafficking in Panama or the U.S. The State Department's 1991 International Narcotics Control Strategy Report found that "large seizures during 1990 indicated that traffickers continue to use Panamanian sea, land, and airspace to transship illegal narcotics—especially cocaine—destined for the U.S. and elsewhere." In 1991, the GAO reported that "drug trafficking may be increasing and that Panama continues to be a haven for money laundering."⁷ The mission did, however, succeed in removing Noriega, who had become increasingly uncooperative with U.S. objectives in the region.

Why a Military Solution?

While the Reagan and Bush administrations have pursued this demonstrably bankrupt policy with fiscal and political vigor, those domestic social programs—drug education, pre-



DEA

U.S. policy targets peasant growers, not social conditions.

vention, and treatment programs—which have been shown to impact drug abuse go begging.

The emphasis on a military solution occurs against a backdrop of increasing economic disparity. During the 1980s, the U.S. experienced another periodic cycle of increased drug use and abuse. Charles Rangel (D-N.Y.), chair of the House Select Committee on Narcotics Abuse and Control observed:

In the United States today there has emerged a new marginal class of Americans—fellow citizens living at the fringe of the economic and social mainstream of our society. These are people who no longer share in the hope of the American dream. Increasingly, they have no stake in the civic culture and conventional values that bind us together as one nation.... One in five Americans is now part of this marginal class. The annual cost to our economy borders on \$300 billion.... One in five Americans was out of a job at some point during the past year. One in ten Americans is living on food stamps. One in seven children in the United States is living on welfare.

The recent explosion in these numbers precisely parallels the increased use in illegal drugs. The conditions—or, root

5. Testimony of Donald Mabry before National Security, Agriculture and Justice Subcommittee, House Government Operations Committee, October 18, 1989, p. 3, of prepared statement.

6. For further details, see *Connection Between Arms and Narcotics Trafficking*, hearing before the Task Force on International Narcotics Control, House Foreign Affairs Committee, October 31, 1989.

7. *International Narcotics Control Strategy Report*, Bureau of International Narcotics Matters, March 1991, p. 171; *The War on Drugs: Narcotics Control Efforts in Panama*, GAO Report NSIAD-91-233, p. 1.



Andrew Lichtenstein/Impact Visuals

Cocaine flows into U.S. despite millions spent on interdiction.

causes—which have so expanded the number of Americans living on the edge have fueled with equal ferocity the use of illegal drugs, the proliferation of drug-related violence, and the subversion of traditional community values.⁸

Search for Enemies

Drug consumption is nothing new. For centuries people have regularly used or abused drugs—legal ones such as alcohol, caffeine, and tobacco, as well as recently illegal drugs including marijuana, cocaine and opium derivatives. As long as there is a demand, there will be a supply.

In the beginning, pragmatists within the military were reluctant to take on such an unwinnable war. Even then-Secretary of Defense Caspar Weinberger spoke out against military involvement. "Reliance on military forces to accomplish civilian tasks is detrimental to both military readiness and the democratic process."⁹

Given internal opposition within the military, civil liberty implications, the historical failure of interdiction efforts, and the false premise of supply side control, the recent shift to a military solution is questionable. At best it appears to be an act of desperation, at worst an act of irrational militarism, mindless ideological fervor, or simple stupidity.

In fact, there are sound economic and political reasons to involve the military and none of them has anything to do with protecting U.S. citizens from the scourge of drug abuse.

As the "evil empire" crumbled, the Pentagon faced its greatest fear: being without an enemy. Given increased calls to cut the military personnel and budgets and to reinvest promised peace dividends domestically, a new rationale had to

be found to justify the Pentagon's existence. The search for enemies was on.

Drug trafficking became a bipartisan national security threat with Colombian drug lords replacing Soviet commissars as Satan incarnate. The Bush administration justified the 1989 Panama invasion because Noriega had been indicted for drug trafficking. On the day of the invasion Bush said, "I hereby direct and authorize the Armed Forces of the United States to apprehend General Manuel Noriega and any other persons in Panama currently under indictment in the United States for drug-related offenses."¹⁰

After the invasion, drug trafficking scarcely skipped a beat, but the pulse of antidrug policy as a national security issue picked up nicely. Faced with budget cuts, the military recognized a good thing and early reluctance to enter the fray began to dissipate. Among those supporting military involvement was Gen. Colin Powell,

chair of the Joint Chiefs of Staff. "The detection and significant reduction of the production and trafficking of illegal drugs is a high priority national security mission of our armed forces," he said. "The President and the Secretary of Defense have directed that we deal with this threat as a danger to our security. Under the President's National Drug Strategy, we are charged to help lead the attack on the supply of illegal drugs from abroad."¹¹ The U.S. Navy even lauds its Trident nuclear submarine for its value as a drug trafficking deterrent.¹²

Despite the availability of funding for antidrug programs, some in the Pentagon are having second thoughts on becoming too closely tied to a no-win situation. According to one news report, the DoD rejected a proposal by the Office of National Drug Control Policy that would have created a unified military authority to coordinate most U.S. counter-narcotics operations in Latin America.¹³

Counterinsurgency and Political Control

Military aversion to another quagmire must be balanced with U.S. policy objectives in the Andean region. Contrary to past policy, the U.S. now views local armies as essential to its strategy. The U.S. would prefer that Andean militaries, with U.S. financial and advisory support, launch massive internal security missions (missions which U.S. forces would be prohibited under the Posse Comitatus Act from conducting in the U.S.). To this end, the administration plans to provide \$675 million in military aid to Bolivia, Colombia,

8. *On the Edge of the American Dream: A Social and Economic Profile in 1992*, A Report by the Chairman, House Select Committee on Narcotics Abuse and Control, March 1992, Committee Print SNAC-102-2-3, pp. III-IV.

9. See David Isenberg, "The Army vs. Cocaine," *Old Oregon*, Spring 1990, p. 26.

10. White House fact sheet, December 20, 1989.

11. *National Military Strategy 1992*, January 1992, p. 15.

12. David C. Morrison, "Threat Meltdown," *National Journal*, March 17, 1990, p. 694.

13. "Pentagon refuses role in war on illegal drugs," *Baltimore Sun*, January 27, 1992, p. 5.

and Peru during FY 1990 to 1994. This figure is 75 percent of U.S. military aid provided to all of Central America during the anticommunist crusade from FY 1985 to 1989.¹⁴

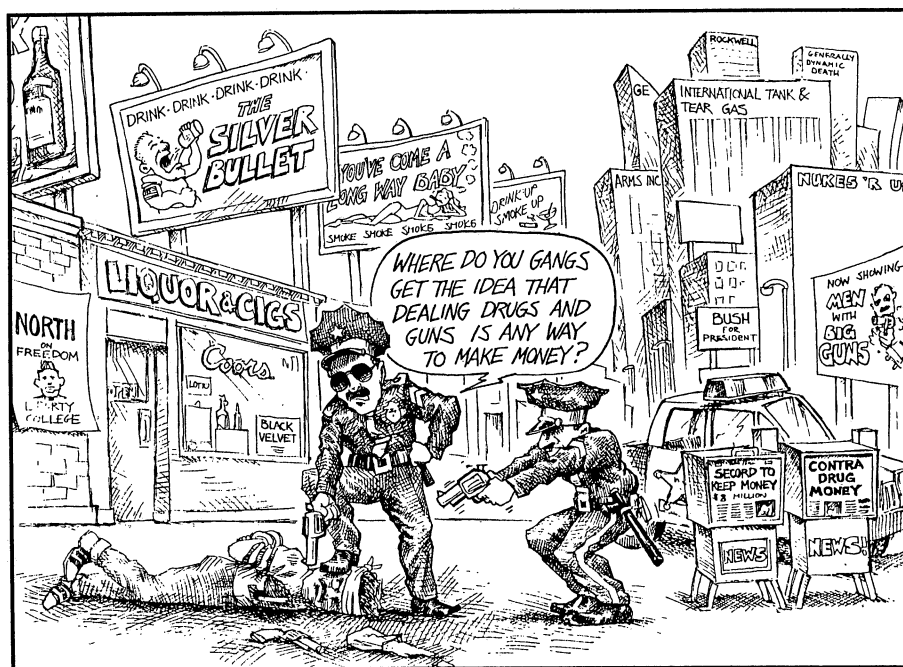
Underlying antidrug activities in the region is U.S. counterinsurgency strategy. Potentially controversial U.S. involvement in, or sponsorship of, what the Pentagon terms "low-intensity conflict" can be piggybacked on, disguised as, or justified under, the more acceptable guise of a drug war. Thus, many U.S. officials have invoked the specter of an alliance between drug traffickers and guerrillas. As ex-U.S. Special Forces commander John Waghelstein wrote, "the United States is faced with one aspect of insurgency in Latin America that offers the greatest threat but one which may provide us with a weapon with which to regain the moral high ground we have appeared to have lost. There is an alliance between some drug traffickers and some insurgents.... A melding in the American public's mind and in Congress of this connection would lead to the necessary support to counter the guerrilla/narcotics terrorists in this hemisphere."¹⁵

An examination of Pentagon documents confirms that the DoD views its anti-drug mission as just a form of so-called

It is increasingly difficult to support the fiction that anything the U.S. military has done serves to reduce drug imports.

"low-intensity conflict" which can only be fought with counterinsurgency strategy and tactics. Thus, U.S. policy now targets drug traffickers as new enemies but specifically includes old enemies—guerrilla groups alleged to have links to the traffickers. The U.S. can continue to supply Andean militaries with weaponry and training to improve the counterinsurgency campaigns which remain their top priority.

These "narcorevolutionaries" figure prominently in a classified planning document leaked in 1992 to the *New York Times*. It suggests seven potential conflicts that could involve U.S. forces over the next ten years. In one particularly fanci-



M. Wuerker

ful scenario for Panama, right-wing elements of the national police force ally with former drug-dealing Panamanian Defense Force leaders who have connections to narcoterrorist elements of the Revolutionary Armed Forces of Colombia. Together, they threaten to close the Panama Canal unless the Panamanian government hands over power.¹⁶

Failure of the Overt Agenda

Despite massive increases in Pentagon antidrug spending, the military has not met with success, nor, in fact, does it even know how to measure it. On February 8, 1989, the Joint Chiefs of Staff issued an executive order that "level of effort" reporting is the preferred method of assessing performance. This approach quantifies counterdrug support by using such measures as the number of "flying hours" or "ship days" that DoD forces log in performing counterdrug operations. Such statistics, however, are measures of input, not results and as such are irrelevant to determining efficacy.

Other government agencies are more candid in their judgments. In late 1991, the GAO reported that "DoD's detection and monitoring efforts have not had a significant impact on the national goal of reducing drug supplies.... Interdiction alone cannot raise cocaine traffickers' costs and risk enough to make a difference, regardless of how well DoD carries out its interdiction and monitoring mission."¹⁷

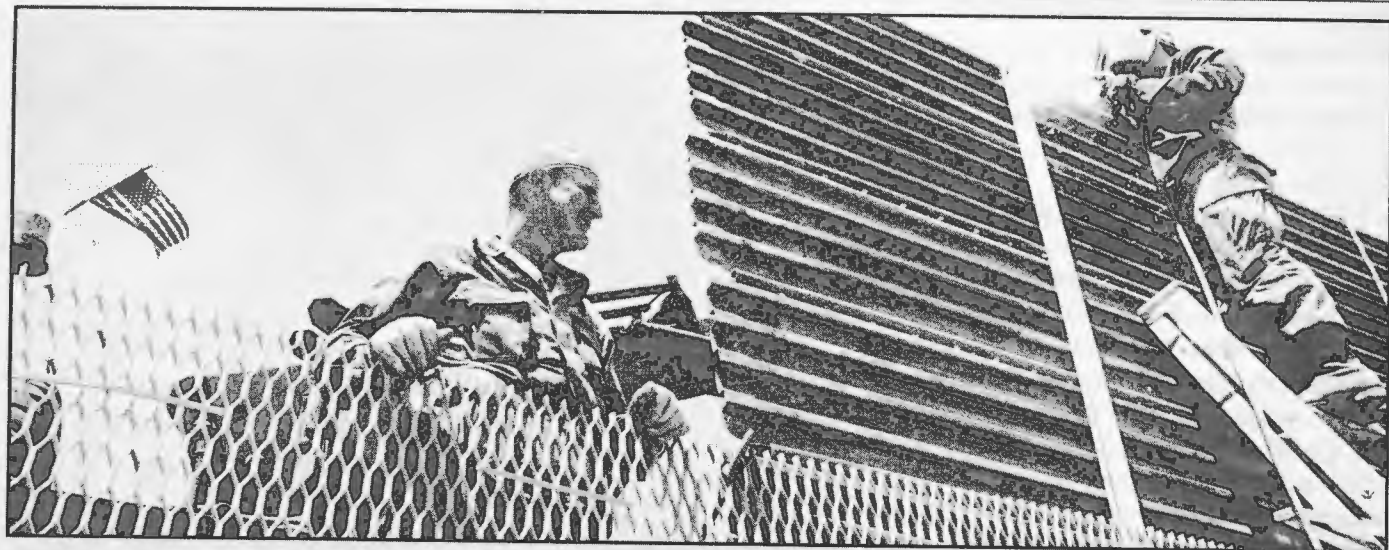
Even the Pentagon's own internal reports have been critical. Last year the DoD Inspector General released a report on the efforts of the state and territorial National Guard forces, whose antidrug funding has risen about 400 percent since FY

14. *Fighting Drug Abuse: Tough Decisions for our National Strategy*, prepared by the Majority Staffs of the Senate Judiciary Committee and the International Narcotics Control Caucus, January 1992, p. 86.

15. Col. John D. Waghelstein, "A Latin-American Insurgency Status Report," *Military Review*, February 1987.

16. Patrick E. Tyler, "Pentagon Imagines New Enemies To Fight in Post-Cold-War Era," *New York Times*, February 17, 1992, p. A1.

17. *Drug Control: Impact of DoD's Detection and Monitoring on Cocaine Flow*, September 19, 1991, GAO Report GAO/NSIAD-91-297, p. 5.



David Meung/Impact Visuals

The Army tries to wall up the U.S.-Mexican border to control the flow of drugs and undocumented immigrants.

Narcs in Uniform Encircle the Globe

After the FY '89 legislation assigning the Pentagon the principal role in federal antidrug efforts, the Joint Chiefs of Staff were given responsibility for developing the necessary plans. Specifically, the Atlantic, Pacific, and Southern Commands and the Forces Command a year later, as well as the U.S. element of the North American Aerospace Defense (NORAD) command, were assigned the counterdrug mission. The commands implemented their mandates differently. The Atlantic, Pacific, and Forces Commands established Joint Task Forces (JTFs) to conduct their operations. At SOUTHCOM and NORAD, the new mission was integrated into existing structures.

The structure of the Pentagon's new narco-bureaucracies is complex and sometimes overlapping. The Atlantic Command's (LANTCOM) area of responsibility encompasses the Atlantic Ocean, Gulf of Mexico, Caribbean Sea and portions of the eastern Pacific. The command has a subordinate Joint Task Force (JTF) 4, headquartered in Key West, Florida, which plans and conducts operations to detect and monitor drug traffic in the Caribbean. Information is then provided to the relevant law enforcement agencies (LEA) which are responsible for interdiction. JTF-4 also runs the Caribbean Basin Radar Network, a series of 17 operational and planned early warning radars in the Caribbean and in Central and South America.¹

The Pacific Command (PACOM) jurisdiction covers the Pacific and Indian Oceans, an area of more than 100 million square miles. Unlike LANTCOM there are few natural choke points that restrict sea lanes and thus the area requiring coverage is immensely larger. Its subordinate command is JTF 5, headquartered in Alameda, California. LANTCOM and PACOM use more than eight types of aircraft and six classes of ships for counterdrug operations.

1. CBRN radars are in Panama, the Dominican Republic, and Colombia. Future sites will be located in Honduras, Costa Rica, the Cayman Islands, and Venezuela. Potential expansions include additional sites in Colombia, Mexico, Costa Rica, Peru, and Ecuador.

The Southern Command (SOUTHCOM), headquartered in Panama, is at the center of antidrug efforts as its area includes the countries which supply all the cocaine entering the U.S. SOUTHCOM, the focus of President Bush's Andean Initiative, has devised campaign plans for Central America, Andean Ridge countries, Peru, Bolivia, and Colombia, as well as Southern Cone countries, such as Argentina and Chile. It also hosts one of the regional operations centers for the Caribbean Basin Radar Network.

NORAD employs a network of 44 ground radars designed to warn of high altitude penetration of U.S. airspace. Low-flying aircraft will be covered by 16 land-based aerostats (balloons carrying radar antennae) which will form a detection fence along the southern border. It also has 48 interceptor aircraft which can assist Customs and the Coast Guard with tracking missions.

Forces Command (FORSCOM), which coordinates military forces in the U.S., established JTF-6 at Ft. Bliss, Texas, in November 1989. It supports counterdrug operations along the 2,000 mile southwest border, including the southern third of California and all of Arizona, New Mexico, and Texas—more than 58,000 square miles. JTF-6 builds and maintains border fences, installs floodlights and remote sensors, and conducts surveillance missions. It coordinates military support to Operation Alliance, which coordinates federal, state and local antidrug efforts.

Another unified command heavily involved in antidrug efforts is the Special Operations Command formed in 1987. USSOCOM has long seen drug trafficking as an opportunity to justify its existence. It views antidrug missions as part of its "foreign internal defense mission," which is to defend governments friendly to the U.S. against insurgency. Its role received renewed attention when President Bush signed a National Security Decision Directive in October 1989. It authorized U.S. military advisers in Latin America to move outside base camps to "secure" areas to train local forces, opening the way for a potentially increased role for U.S. troops in the antidrug effort.

This directive codified already standard procedure. "We have been there," said a Green Beret master sergeant in 1989. "And we are either going back there or we're already back there. And between the G-forces [guerrillas] and the D-armies [drug lords] and sometimes even hostile host forces, it's very hard to keep up with who's trying to blow you away."² The Army's 7th Special Forces Group has a battalion at Ft. Davis, Panama, which has responsibility for SOC activity in Latin America.

Let 1,000 Antidrug Flowers Bloom

The number of military agencies involved in antidrug efforts has blossomed like poppies in warm summer sunshine.³ The Defense Communications Agency is responsible for implementing the Drug Enforcement Telecommunications Plan. It identifies specific secure telephone, radio, and satellite communications equipment needed to interconnect voice, data, and record communications among DoD and LEAs. To provide secure antidrug communications systems and allow LEAs to share information and access various databases, the Pentagon has created a computerized Anti-Drug Network.

According to the General Accounting Office (GAO), there is no schedule or time goal for acquiring the network equipment; most of the equipment required by the plans has not been procured; budget constraints leave future funding for equipment uncertain; and equipment requirements have not been fully determined. GAO calculated

that at current funding rates, it will take until fiscal year 2000 to complete the network.⁴

Not to be left out, the Defense Intelligence Agency established a Counternarcotics Intelligence Support Office; the Defense Security Assistance Agency coordinates distribution of military weapons, equipment and training to foreign militaries; and the Defense Mapping Agency develops maps of drug producing areas. In April 1989 it was directed to support the (DEA) counternarcotics agenda in South America. DoD has assigned intelligence analysts to the DEA's intelligence center to organize and computerize its intelligence files.

Researchers at the Los Alamos National Laboratory, whose primary mission has been to design nuclear weapons, have made many proposals for developing high-tech weapons to combat drug trafficking. These include using lasers to detect fumes from cocaine jungle labs; disabling traffickers by bombarding their vehicles with microwaves or gases; targeting coca or poppy plants themselves with pathogens far more effective than defoliants currently used; and developing air-dropped weapons that could halt traffic on runways used by traffickers. The Naval Research Labs injected small animals with drugs in hope of developing antibodies that would serve as sensitive indicators of the presence of drugs.

Despite, or perhaps because of the extensive Pentagon narco-warrior bureaucracy, critics both in and out of the military doubt the strategy's effectiveness. They charge that it resembles Richard Nixon's "light at the end of the tunnel" promise during that other quagmire, the Vietnam War. •

2. Jim Pat Mills, "Army's Drug War," *Army Times*, October 2, 1989, p. 14.

3. For details of DoD counternarcotics work, see the annual reports submitted by Stephen M. Duncan, DoD coordinator for Drug Enforcement Policy and Support.

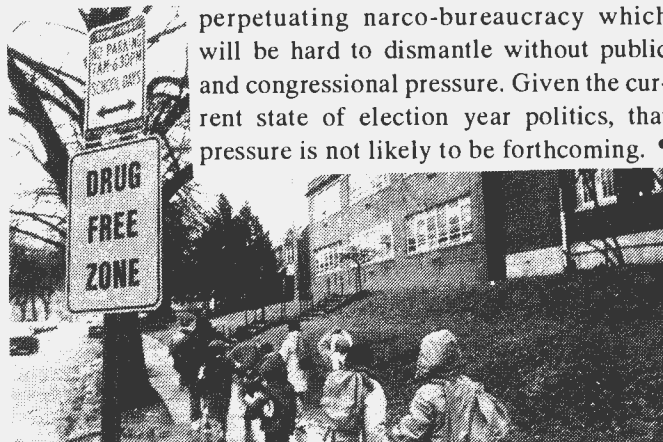
4. General Accounting Office, *Drug Control: Communications Network Funding and Requirements Unknown*, GAO/NSIAD-92-29, December 31, 1991.

'89. It found that Guard forces "had not fully identified their counternarcotics workload; [had not] sought feedback from the LEAs on the Guard counternarcotics operations; measured the effectiveness of the support provided, [n]or conducted long-term planning, programming and budgeting for counternarcotics operations."¹⁸

Another Pentagon Inspector General Report found that "JTF-5 duplicates counternarcotics capabilities" at other Pacific Command activities.¹⁹ In late 1991, the Pentagon Inspector General issued a comprehensive report on DoD support to U.S. drug interdiction efforts. It found that DoD's counterdrug program has not been adequately coordinated with law enforcement agencies at all levels to achieve maximum effectiveness, and that measures have not been instituted that adequately measure the effectiveness of DoD's counterdrug support contributions.²⁰

As some in the Pentagon rethink previous enthusiasm for counterdrug work, they realize that, unlike previous Cold

War missions, antinarcotics programs may not prove to be sufficiently expedient justification for high budgets. It is increasingly difficult to support the fiction that anything the U.S. military has done serves to reduce drug imports. Antidrug wars do fulfill other vital functions, from supporting counterinsurgencies to legitimating U.S. economic and political intervention, to shifting the blame for an internal socioeconomic problem to external causes. Additionally, the Pentagon has now built up its own small, tenaciously self-perpetuating narco-bureaucracy which will be hard to dismantle without public and congressional pressure. Given the current state of election year politics, that pressure is not likely to be forthcoming. •



18. *National Guard Support to U.S. Drug Interdiction Efforts*, DoD Inspector General Audit Report No. 91-107, July 2, 1991, p. ii.

19. *Support to Drug Interdiction Efforts in the U.S. Pacific Command*, DoD Inspector General Audit Report No. 91-109, July 9, 1991, pp. i-ii.

20. *DoD's Support to U.S. Drug Interdiction Efforts*, DoD Inspector General Audit Report No. 91-124, September 30, 1991.

Nicaragua: U.S. Blueprint for Dependence

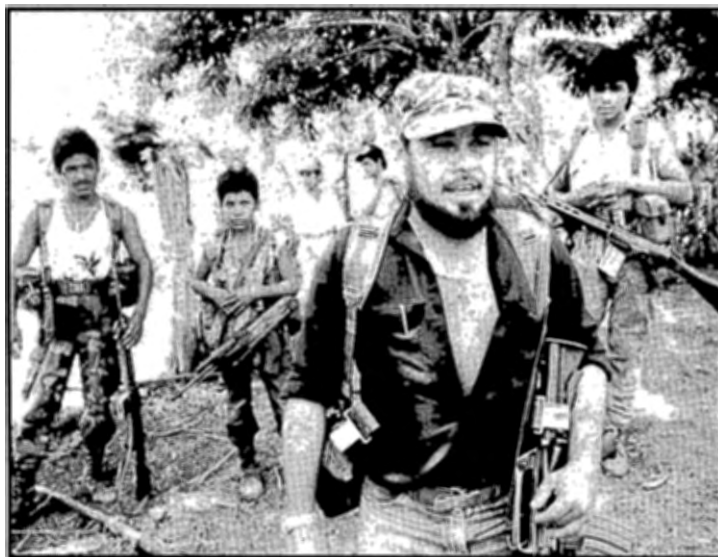
Peter Mott

The U.S. government, the public believes, has ended its war against Nicaragua and is pleased with the results: the February 1990 election of Violeta Chamorro's UNO coalition and the defeat of Daniel Ortega's FSLN (or Sandinista Party). It took ten years of proxy war, the suppression of international loans, a severe trade embargo, numerous violations of U.S. and international law, and the engineering and funding of Chamorro's coalition to accomplish it, but the U.S. finally made them "cry uncle," just as Ronald Reagan wanted.

There is increasing evidence, however, that the war is not over. The State Department, with the help of the CIA, the U.S. Agency for International Development (AID), and the National Endowment for Democracy (NED), is engaged in an intensive campaign to accomplish two goals. One is to smother the life remaining in the grassroots organizations and to ensure that the Sandinistas do not win the 1996 election. The second is to force President Chamorro to move to the right and agree to specific U.S. demands.

The Killing Continues

The campaign to bring a battered Nicaragua into the U.S. orbit proceeds, as it did before the election, not only through political and economic pressure, but through military force as well. Ignored by international media, the bloodshed continues. Approximately 3,000 rearmed Contras, known as



Mario Tapia/Impact Visuals

Re-Contras continue the war against the Sandinistas.

re-Contras, are reassembling in the countryside and raiding pro-Sandinista households. The Contras, contrary to U.N.-supervised procedure, were not totally disbanded after the war ended in 1990, but were covertly maintained. Chamorro's Minister of the Presidency, Antonio Lacayo, claims that the U.S. held back from encouraging the disarming of its proxy army.¹ Part of the demobilization was carried out by the Inspection and Verification Commission (CIAV), a body established

by the Organization of American States. As reported by *Nicaragua Monitor*, "CIAV, funded by the U.S., is controlled by people long accused of being on the CIA payroll in their own countries."²

The old "private" U.S. support mechanisms are being reactivated. Since June 1991, 20 air drops of supplies to the re-Contras have been made from planes flying out of the Contras' former base in Capiiré, Honduras,³ and from Costa Rica.⁴ These flights are funded by groups of Nicaraguans living in Miami, including former dictator Anastasio Somoza's son Chiquin.⁵ Support also comes from Israel, repeating a long-standing pattern of Israeli implementation of U.S. policy objectives when official U.S. presence would be politically inconvenient.⁶

Peter Mott is medical director of a federally-funded inner city community health center, associate professor of community medicine, co-chair of the Rochester Committee on Central America, and secretary of the Rochester, New York area Central America caucus.

1. *Barricada Internacional*, October 1991, p. 6.
2. Laurie Jo Hughes, "The Month in Review," *Nicaragua Monitor*, October 1991, p. 5.
3. *Barricada Internacional*, October 1991, p. 6.
4. Paul Jeffrey, "ReContras ravage Nicaraguan countryside," *Latinamerica Press*, November 14, 1991, p. 2.
5. *Barricada Internacional*, *op. cit.*
6. In 1981, Israel helped train the Contras and later, when U.S. funding became illegal, it acted as a conduit for Contra support. "...Israel had armed a

Clearly, the U.S.-sponsored war is not over. The re-Contras, a threatening reminder that the terror could return, set a context for the political and economic campaign into which the U.S. is throwing energy and resources.

A New Government in Managua

By 1990, Nicaragua had been so relentlessly devastated by military and economic warfare that many Nicaraguans felt the only way to stop U.S. aggression was to turn out the Sandinistas. They were pushed to this decision by an extensive, coordinated, and expensive plan to buy and bully, if not the hearts and minds of Nicaraguans, at least their votes.

Like the war that preceded it, the 1990 election received U.S. direction and support—covert as well as overt.⁷ In the fall of 1989, the U.S. Congress approved the open expenditure of \$9 million through NED to help UNO, but explicitly banned covert CIA support. With a long history of circumventing or flouting congressional restriction, however, the CIA covertly paid \$600,000 for 100 Miami-based leaders of the Nicaraguan Contras to return to Nicaragua. They were “to work in the Chamorro campaign,” said a U.S. government official. “They knew what they were supposed to do.”⁸

Indeed, the election placed Violeta Chamorro in the Presidency, gave UNO control of the National Assembly (legislature), and put several cities, including Managua, under UNO mayors. The squeeze was on. A U.S. Information Agency spokesperson wished, “Violeta Chamorro would kick the [Sandinista] SOB where it hurts.”⁹ But even as the U.S. was still gloating over the UNO victory, a surprising degree of friction became apparent between the Chamorro and Bush administrations. President Chamorro annoyed President Bush by trying to work in “concertación” (cooperation) with the Sandinistas and by retaining Humberto Ortega, brother of Daniel, as head of the Army and police.¹⁰ Despite U.S. pressure, Chamorro also continued to call on the U.S. to honor the 1986 World Court ruling obligating the U.S. to pay \$17 billion in reparations for its illegal sponsorship of the Contra war and the CIA mining of Nicaraguan harbors.¹¹

quarter of the contra army ‘at Washington’s urging,’...had given the contras more than \$5 million in aid...and supplied military advisers.... In 1985 and 1986, Israeli arms were shipped to El Salvador’s Ilopango Air Base by the CIA proprietary Southern Air Transport for delivery to the Contras.” (Holly Sklar, *Washington’s War on Nicaragua* (Boston: South End Press, 1988), pp. 224-25).

7. William Robinson and David MacMichael, “Intervention in the Nicaraguan Election,” *CAIB*, Winter 1990, pp. 32-39.

8. Tom Post, “The CIA on the Stump,” *Newsweek*, October 21, 1990.

9. Midge Quandt, “U.S. Aid to Nicaragua: Funding the Right,” *Z Magazine*, November 1991, pp. 47-51.

10. While the army and police are still headed by Humberto Ortega, their size and character are changing. For the most part, Gen. Ortega loyally backs the president. The army has been cut by over two-thirds. The police force, whose ranks now include 300 former Contras, has been charged with beating striking workers. (Trish Kane, “Nicaraguan police increase use of brutality,” *Latin-america Press*, December 5, 1991, p. 4.)

11. Paul Jeffrey, “Nicaragua drops World Court Judgment,” *Latinamerica Press*, October 10, 1991, p. 1.

Meanwhile, Chamorro’s transition team asked for an immediate bridge loan of \$40 million and an additional \$1.8 billion in aid over three years to stabilize the devastated economy. The Bush administration had led the people of Nicaragua to expect major U.S. economic aid if they elected Chamorro. The bridge loan was turned down by the Bush administration.¹² What aid did reach Nicaragua has been

*The campaign to bring a battered
Nicaragua into the U.S. orbit
proceeds, as it did before the election,
not only through political and
economic pressure, but through
military force as well.*

limited, delayed, and/or restricted. After 18 months, only half of the \$500 million of the two-year congressional allocation has been sent. Of that assistance, \$50 million a year was designated for repayment of World Bank loans¹³ (i.e., the U.S. pays Nicaragua to pay the U.S.). Even food aid came with strict conditions. One week after Chamorro’s inauguration, she signed the Food for Progress agreement with the U.S., requiring the new government to privatize all state enterprises producing goods and services.¹⁴

Forcing Chamorro to the Right

By withholding the bulk of economic aid, and channeling funds to selected pro-U.S. programs, the Bush administration has spurred the Chamorro government to adopt the neoliberal restructuring program favored by the U.S.-backed World Bank and International Monetary Fund (IMF).

Within months of Chamorro’s inauguration, Nicaragua was well on its way to adopting the standard regimen imposed throughout the Third World, including austerity budgets, privatization, lowering trade barriers to U.S. corporations, drastic cuts in social spending, and the laying off of thousands of government employees. The Sandinista government, although forced to accede to some restructuring by the pressures of the embargo, had held out against many of the neoliberal “reforms” that had aggravated the dependency, and maldistribution of wealth that mark other IMF and World Bank client countries such as Costa Rica, Venezuela, and Brazil.

12. Georgetown University Intercultural Center, *Central America Historical Institute* (bulletin), May 31, 1991, pp. 2-6.

13. Bill Ferguson, “AID’s Quiet War on Nicaragua,” *Nicaragua Through Our Eyes*, December 1991, pp. 1-8.

14. Interhemispheric Education Resource Center (IERC), “Chamorro’s Nicaragua: the U.S. Team Moves in,” *Resource Center Bulletin*, Fall 1991, pp. 2-6.



Mario Tapia/Impact Visuals

U.S. Ambassador to Nicaragua Harry Shlaudeman confers with Chamorro.

In addition to tightening the reins and applying the stick, the U.S. rewarded Nicaragua with nibbles of the carrot. On September 12, 1991, within 24 hours after Chamorro finally signed the UNO-dominated National Assembly's bill to drop the World Court case against the U.S., the rewards were forthcoming. The U.S.-controlled International Monetary Fund approved a \$55 million loan. On September 25, Washington announced forgiveness of a \$250 million debt from the pre-1979 Somoza days. On September 27, the World Bank announced a \$110 million loan. The IMF and the World Bank clearly were working on a U.S. timetable.

These monies, along with the war and the reconstruction, however, have only deepened Nicaraguan dependency and poverty. This process will be exacerbated if Nicaragua, which has signed a preliminary agreement, joins the U.S.-sponsored North American Free Trade Agreement (NAFTA). If NAFTA is implemented, Nicaragua can expect the same influx of foreign, corporate-owned assembly plants which now dot the U.S.-Mexico border. These enterprises typically pay workers under \$4 a day, offer no employee benefits, and violate fair labor and environmental standards. As has happened in Mexico, smaller farmers will be forced out of competition by U.S. agribusiness, which takes the best land to produce export crops. As a result, the less developed country not only becomes a net importer of food, but is forced to use scarce foreign capital to buy imported food and goes deeper in debt. Already in Nicaragua, as transnational corporations move in, taking advantage of the removal of tariff barriers, the market is flooded with cheap imported goods and local small businesses and farmers are failing.¹⁵

15. Georgetown, 1992, *op. cit.*

Nicaraguan dependency shows every sign of deepening. This year, Chamorro agreed to accept U.S. Drug Enforcement Administration (DEA) advisers to train the police.¹⁶ Nicaragua joins 12 other Latin American countries which allow the DEA to pursue its "war on drugs." This presence typically results in Green Beret troops, counterinsurgency activities, militarization of the police and, in places, suppression of opposition political movements rather than of drug traffickers.

Nor has the U.S.-UNO victory and the consequent aid improved standards of health and quality of life. Under and unemployment is 58 percent, 70 percent of the country now lives in poverty, and malnutrition and infant mortality are rising.¹⁷ In 1991, the GNP declined by three percent. Free Sandinista health care, which virtually eliminated polio and measles now requires payment and 2,000

health workers have been laid off. Literacy campaigns have also suffered setbacks and formerly free schools charge fees which many families cannot afford.¹⁸

The U.S. Buildup

While Nicaraguans were eager for U.S. aid, they expected that the level of direct intervention in Nicaraguan affairs would shrink after the Contra War ended. In fact, official U.S. presence in Managua has grown. According to the Inter-

Professional staff at the U.S. Embassy has increased tenfold from 15 at the time of the 1990 election to approximately 150 by 1991.

hemispheric Education Resource Center, "Some officials have moved over from Honduras where they supervised Contra operations, but dozens more are coming from Washington to set up the new AID mission and Department of Commerce Office."¹⁹ Among the new arrivals is Ambassador Harry Shlaudeman, a man long associated with covert operations. As a career State Department official, he "played a key role in the destruction of the Bosch government in the Dominican Republic [in 1965].... As deputy chief of mission

16. Laurie Jo Hughes, "The Month in Review," *Nicaragua Monitor*, October 1991, p. 6.

17. Georgetown University Intercultural Center, "U.S. Aid to Nicaragua," *Central America Historical Institute* (bulletin), April 27, 1992, pp. 1-5.

18. Information provided by Central America Historical Institute, publisher of *Envio*, The Car Barn, 3F, 3520 Prospect St. NW, Georgetown University, Washington, D.C. 20057. \$30/yr.

19. IERC, *op. cit.*, p. 2.

in the early 1970s in Chile, he facilitated collaboration between the CIA and internal forces working to destabilize the Allende government."²⁰

The flood of North Americans into Managua since the election includes groups working to attract Sandinistas out of pro-FSLN organizations and church-based communities. NED has been particularly busy funding company labor unions through the AFL-CIO-linked American Institute for Free Labor Development (AIFLD), and, as in the past, through the CIA.²¹ AID's current budget allocated \$700,000 to AIFLD, all of which it distributed to U.S.-funded company trade unions²² completely excluding pro-Sandinista labor organizations. While unemployment has soared to 90 percent elsewhere in the construction industry, workers who switch from the pro-Sandinista unions get jobs.²³

Just as the new labor organizations drain union power, well-funded UNO organizations for women and youth have been created to tempt away members of pro-FSLN groups. The Nicaraguan Women of Conscience was organized in 1989 by NED. UNO's Youth Training Center "worked to deliver the vote to UNO and is still financed by NED."²⁴ NED also continues to fund Via Cívica, the far-right civic organization which it created.²⁵

In the wake of U.S. government-funded official programs came a swell of private right-wing groups. The neo-conservative aid organizations, including the Center for Democracy, Freedom House, Friends of the Americas, and the Bush family-linked AmeriCares, fund projects which promote private enterprise and dependent ties to the U.S. economy. Ultra-right religious groups, such as Pat Robertson's Project Light, the Sovereign Military Order of the Knights of Malta, and Aid to Special Saints in Strategic Times, preach that the poor, uneducated, and sick should endure the *status quo* in expectation of heavenly rewards.²⁶ Liberation Theology adherents, on the other hand, seek to empower the poor to improve conditions now. It is therefore not surprising that, since 1980, as documented in the three policy blueprints produced by the far-right Committee of Santa Fe, the U.S. has supported the reactionary evangelical movement.²⁷



Larry Boyd/Impact Visuals

Masatepe, 1989. Minutes after U.S.-backed UNO candidates, Chamorro and Godoy campaigned, their supporters started a riot injuring 20.

Playing the Godoy Card

The defeat of the Sandinistas at the polls in 1990 was a major but incomplete victory for U.S. policy. Despite the fact that the Sandinistas, with 40 percent of the vote, were the single largest party in the election, they lost to UNO. This temporary and artificial coalition—bought, paid for, and beaten into alliance by the U.S.—ranged from the communist left to the fascist right. UNO members had little in common except that they were war-weary and out of power.

In the post-election period, without the United States to enforce unity, the coalition is showing cracks, with the right wing particularly inclined to balk at the president's leadership. Chamorro's resistance to U.S. control and attempts to maintain some degree of political self-determination may have precipitated another source of pressure—the growing effort to replace her with Vice President Virgilio Godoy, the decidedly pro-U.S. leader of the Independent Liberal Party.

Only a few months after Chamorro's inauguration, the vice president began to call repeatedly for her resignation. Godoy's Nicaraguan backers include ex-Contras, conservative business interests, certain UNO mayors, and Alfredo César, President of the National Assembly. César, a former Contra leader, is well-known to have been the CIA's point man throughout the last decade.²⁸ U.S. political support for Godoy is further evident in the frequent appearances by U.S. Ambassador Shlaudeman with the vice president and other leaders of the right-wing faction of the ruling UNO coalition—the "Let's Save Democracy" movement. This group

20. *Ibid.*, p. 2.

21. IERC, *op. cit.*, p. 5.

22. Georgetown, *op. cit.*, p. 5.

23. Ferguson, *op. cit.*, p. 2.

24. Quandt, *op. cit.*, p. 50.

25. *Ibid.*, p. 51.

26. IERC, *op. cit.*, p. 5.

27. Joe Conason, "The Religious Right," *The Nation*, April 27, 1992.

28. *Witness for Peace Newsletter*, June 4, 1991.

has encouraged armed re-Contras to block highways and grab land to add pressure to its demands that Godoy replace Chamorro and dump Humberto Ortega.

In addition to political support, the Godoy faction has received significant financial aid from the U.S.—from both private right-wing sources, and from government agencies as well.²⁹ AID monies have favored communities which elected UNO officials, especially right-wing mayors aligned with Godoy. In Managua, for example, all of the 12 communities receiving funds supported Managua mayor Arnaldo Aleman, the vice president's main ally, who himself received AID support.³⁰ In December 1991, NED supported a meeting of UNO mayors which sought to undermine Sandinista grassroots influence by promoting the centralization of political power.³¹ CIA funds were also useful. According to *Newsweek*, Alfredo César was given \$100,000 through the CIA's Nicaraguan Exile Relocation Program (NERP), a covert operation begun in 1989 to help elect Chamorro. Eleven men funded by NERP became UNO candidates.³²

Two right-wing business organizations have also received special attention. AID awarded funds to the very conservative Superior Council of Private Enterprise (COSEP),³³ and gave the Central American Institute of Business Administration (INCAE) \$3.1 million to retrain people in privatization and private investment.³⁴

The Propaganda War

The newly reorganized FSLN is still the largest political party and presents the greatest threat to UNO in the next election. With U.S. support, the Nicaraguan media have been busy producing anti-Sandinista information and propaganda. Last year, the newspaper *La Prensa*, which got \$125,000 from NED, consistently denounced the Sandinistas and also editorialized against Chamorro.³⁵ Radio Corporación, the UNO government's mouthpiece, received \$325,000 from AID.³⁶

Future voters are also targeted in the propaganda campaign. The U.S. has paid for training replacements for 370 school teachers purged by the Chamorro government. Meanwhile, NED has picked up the \$12 million tab for throwing out the Sandinista-era textbooks and substituting seven million new "depoliticized" ones. Young readers are now informed that U.S. "interventions" throughout this century have helped "stabilize" Central America. Humberto Belli, UNO's minister of education, received CIA funding to pub-

lish an anti-Sandinista tract, "Nicaragua: Christians Under Fire," which supports the right-wing religious viewpoint.³⁷

While world attention has shifted elsewhere, the U.S. campaign to subdue Nicaragua continues. The weapons and tactics have been adapted to changing conditions, and the goals have been fine tuned. The main objectives of U.S. policy, however—the complete destruction of the Nicaraguan revolution and the undermining of self-determination—remain. The U.S. foots the bill for this agenda through AID, NED and CIA, and continues to intervene in events in Nicaragua as it did throughout the Contra war years and in the elections of both 1984 and 1990. And with considerable success. The efforts to force Violeta Chamorro further to the right have taken hold. The effort to weaken the FSLN's social bases, the source of Sandinismo, is also having its impact.

Why the intense, obsessive drive of the Reagan-Bush administrations to rid Nicaragua of the FSLN over the past 12 years? The ultimate answer may lie in the threat of a good example. If the Sandinista Revolution were to be revived by an FSLN electoral victory in 1996, we could expect from past performance a healthier, better educated people, and a better paid workforce. If neighboring countries followed suit, where would the New World Order's transnational corporations find their cheap, docile labor supply? What would be the impetus for free trade agreements to spread assembly plants across Latin America?

The stakes go far beyond the hearts and minds or even the pockets of the Nicaraguan people. This small country has served as a laboratory for the disciplining and training of Third World nations which resist their proper place in the New World marketplace. Under the guise of "restoring de-

Nicaragua has served as a laboratory for the disciplining and training of Third World nations.

mocracy," the U.S. has worked to perfect its techniques for imposing a stable environment for corporate investment; for averting strikes without the necessity of messy dictatorship; for avoiding leftist governments which would increase labor's cost and divert corporate profits to social programs; for derailing demands to protect the environment at the cost of unhampered production.

The continuing U.S. pressure on Nicaragua argues for that country's importance as an example: as a U.S. blueprint for other Third World nations. Are Angola and El Salvador next? Will Eastern Europe be far behind? •

29. *Ibid.* For an explanation of the relationship between the ostensibly private NED and the U.S. government, see article by Philip Agee, p. 4.

30. Quandt, *op. cit.*, p. 48.

31. Margaret Swedish, "Nicaragua: Economic and Political Tensions Deepen," *Central America Report*, February 1991, pp. 4-5.

32. Post, *op. cit.*, p. 48.

33. IAEC, *op. cit.*, p. 2.

34. Quandt, *op. cit.*; Georgetown, *op. cit.*, p. 6.

35. Swedish, *op. cit.*, p. 5.

36. Ferguson, *op. cit.*, p. 1.

37. Quandt, *op. cit.*, pp. 49-50.

Book Review

Inside the Los Angeles Secret Police

Fred Hoffman

Mike Rothmiller and Ivan G. Goldman, *L.A. Secret Police: Inside the LAPD Elite Spy Network* (New York: Pocket Books, 1992), \$5.95.

Secret police intelligence files on the "movers and shakers" of Southern California provided Los Angeles police chief Daryl Gates with power similar to that once wielded by FBI Director J. Edgar Hoover. Rothmiller's book reveals how the Organized Crime Intelligence Division (OCID) of the Los Angeles Police Department (LAPD) collected extensive dossiers on the politically powerful, Hollywood celebrities, and others suspected of "wrongdoing." Since its founding in 1957, OCID has been a cover for politically motivated investigations and prurient interests. It provided a ready tool for gathering useful information on anyone "who had power over money or politics or labor unions or mass media" in Southern California, writes Rothmiller. "No suspicions of criminal activity were necessary."

A former OCID detective, Mike Rothmiller and his collaborator Ivan G. Goldman expose a spy network that routinely used illegal surveillance to gather information on the behavior of former governors Jerry and Edmund Brown, Mayors Tom Bradley and Sam Yorty, the Kennedys, former California Attorney General John Van De Kamp, Marilyn Monroe, Frank Sinatra, Pat Buchanan, Rock Hudson, Michael Jackson, Liberace, Barbra Streisand, Muhammad Ali, and the members of the L.A. police commission. Owners of major league ball clubs, movie and TV producers, real estate entrepreneurs and even the father-in-law of Chief Gates' daughter, as well as her bridegroom, had secret police files.

Although a few members of organized crime syndicates were investigated, law enforcement was of secondary importance to establishing political leverage. Chief Gates apparently took good advantage of this power. Despite

irresponsible remarks on his part and extensive charges of police brutality against his department, the former OCID captain was virtually invulnerable at the level of city politics. He was armed with OCID files containing closely-held intelligence on sexual improprieties and corruption among some members of the City Council.

Pattern of Brutality, Racism, and Corruption

During Rothmiller's 11-year progress from Police Academy to street patrol, to vice squad, to five-year stint as a detective in the elite OCID, he became increasingly disillusioned. Eventually, he came to see the LAPD as a brutally

racist professional subculture in which falsification of evidence was commonplace and "deranged bullies" were accepted as fellow officers.

Tasked with spying, it is not surprising that OCID detectives engaged in the sort of illegal activities common to intelligence agencies: telephone intercepts, bugging, and bur-

glaries. OCID became a bastion of secret privilege whose operatives had complete control over their work and hours. Accounting procedures were loose and expense accounts were generous. There were no roll calls and investigators were provided with city cars they could drive home. Much time and energy went into putting out an intelligence bulletin—a kind of lewd *People* magazine—for Chief Gates. Juicy gossip and raw information on the famous and the powerful were ends in themselves. In fact, OCID was explicitly ordered not to make arrests lest they jeopardize the division's secrecy and interrupt the flow of information. From a law enforcement perspective, "This so-called elite LAPD division," wrote Rothmiller, "had to be the laziest, least productive unit in the whole department."

As an intelligence unit, however, it was quite busy. Political espionage was coordinated by two detectives who could assemble larger units, "quiet teams," as needed. These "quiet teams" included experts in every kind of investigation: tech-

Rothmiller came to see the LAPD as a brutally racist professional subculture in which falsification of evidence was commonplace and "deranged bullies" were accepted as fellow officers.

Fred Hoffman, a clinical sociologist, writes on intelligence and police agencies, immigration, and interventionism. Formerly with the *L.A. Free Press*, he was a plaintiff in the 1983 lawsuit against the LAPD which exposed the secret files.

nical surveillance, undercover work, as well as lock men, interrogators, analysts expert in deductive reasoning, street fighters and rubber hose artists. OCID had numerous informants and plenty of money to pay them. The filing system contained "thousands and thousands" of files in a paper maze designed to thwart court orders for discovery of police files.

Newly assigned to OCID, Rothmiller read through the files. He found a mindless mosaic of facts, suppositions, rumors, unsubstantiated gossip, and often "silly" hard data which seemed to have nothing to do with organized crime: the date Don Rickles played Caesar's Palace; details on Rock Hudson's "gay trysts." In Robert Kennedy's file, however, he learned that investigators "accounted for ten spent .22-caliber slugs in the kitchen of the Ambassador Hotel where RFK was shot dead. Sirhan Sirhan's revolver held eight bullets."

"Nowhere," Rothmiller notes, "did the file draw any conclusions about the discrepancy."

A large number of files had more blackmail potential than law enforcement value. With taxpayers' money, the OCID conducted "eavesdropping on [Jerry Brown's] car phone conversations, [and] intensive surveillance at the apartment" in an unsuccessful attempt to prove that the politician was gay. Brown's files contained "the unsubstantiated report that the bedroom walls in Jerry Brown's apartment...were painted black in the then-preferred manner of sadomasochistic freaks." Later, OCID assigned Rothmiller to find evidence that California Attorney General John Van De Kamp was gay. After coming up empty, he discovered that another LAPD political spy unit, the Public Disorder Intelligence Division (PDID), had been trying to prove Van De Kamp was having an affair with a woman.

A History of Secret Files

When *L.A. Secret Police: Inside the LAPD Elite Spy Network* appeared, the recently retired Gates discounted Rothmiller as a disgruntled former employee who left the department nearly ten years ago. Gates denied that organized crime detectives had spied on public figures to embarrass or pressure them. L.A.'s new police chief, Willie Williams, however, took the accusations seriously enough to shut down the OCID and order searches of its Central Division and Los Angeles International Airport offices.

This is not the first time an abusive intelligence gathering unit has been exposed and disbanded. In 1983, the Coalition Against Police Abuse and the Southern California ACLU exposed political espionage by the Public Disorder Intel-

ligence Division. PDID had targeted the World Council of Churches, the Parent-Teachers Association, and various organizations which had been critical of the police department. After a lawsuit for invasion of privacy and headline stories in the *Los Angeles Times*, the PDID was disbanded.

The consent agreement from the lawsuit ordered the LAPD to cease invading the privacy of individuals and groups engaged in lawful political activities. The city of Los Angeles paid \$1.8 million damages to the plaintiffs and their attorneys. Any legitimate functions PDID may have exercised were transferred to a newly-established Anti-Terrorist Division and the surveillance files were supposedly destroyed.

A few months after the settlement, however, the files were discovered—in the garage of a police officer whose wife was a computer consultant with the Western Goals Foundation, a private intelligence organization secretly affiliated with the John Birch Society. Throughout this period, the LAPD continued its covert collection of political intelligence through the OCID unit.

Danger to Democracy

OCID is typical of secret police agencies and is linked to other such organizations in the United States through the Law Enforcement Intelligence Unit (LEIU). Rothmiller describes the danger they present. On a personal level, these secret units corrupt those involved and tempt them to abandon their assigned role—to serve and protect the public. But the greatest danger is to democracy itself. Clandestine police organizations around the world and throughout history inevitably tend toward autonomy and use their secrets to foresee and forestall attempts by elected leaders, the courts, and citizens to control them. Los Angeles may have been lucky that incoming police chief Williams decided to shut down and investigate OCID before he had the opportunity to savor the secret power such an agency can confer upon one who controls it.

L.A. Secret Police is timely. Although the writing is raw, the book has greater depth than one might expect from work on the troubles of law enforcement in Los Angeles published less than three months after the uprising. Rothmiller reflected for years on his experience with the L.A. Police Department. The videotaped beating of Rodney King and the struggle between Chief Gates and the Los Angeles Police Commission and other public officials give his story a credibility it might have lacked in the days when LAPD public relations was claiming L.A. set policing standards for the world. •

**Los Angeles may have been
lucky incoming police chief
Williams decided to shut down
and investigate OCID
before he had the opportunity to
savor its secret power.**

(Covert Ops., continued from p. 9)

tion Union (UNO). This anti-Sandinista coalition was created and financed by various U.S. agencies, including the CIA and NED.¹⁷

Anyone with a modest acquaintance with U.S. national security doctrine since World War II would have assumed that the 1979 Sandinista revolution could never be acceptable to the elites who control the United States. After all, the Sandinistas were of a similar cut to the Cuban revolution which, in 1959, triumphed against another U.S.-backed dictator. Worse, the Cubans, and later the Sandinistas, established policies designed to benefit the majority of the people, especially peasants and workers, through agrarian reform, literacy campaigns, and expansion of education, health care, and mass organizations among women, youth and students, small farmers, and others.

Property rights, especially of the minority upper classes, would have to yield if reform programs were to be effective, as would the rights of foreign capital. As occurred in Cuba and in Nicaragua, mass mobilization of the beneficiary population—the vast majority—was an ugly and threatening sight, another bad example breaking traditional apathy and fatalism by giving lower-class people hope, confidence, and dignity. Intervening in the human marketplace and upsetting the “natural order” of rewards and punishments for the defenseless smacked of “communism.”¹⁸

In order to undermine links between the Sandinistas and the people, the CIA deflected the Contras away from the Nicaraguan military toward “soft” targets having minimum defenses: cooperatives, clinics, schools, and infrastructure like roads and bridges, committing numerous atrocities along the way.¹⁹ Specialized teams of mercenaries destroyed port installations and mined harbors. As a result, average individual consumption dropped 61 percent between 1980 and 1988. One estimate puts the U.S. investment in the Contra war at \$1 billion. Though the Contras successfully sabotaged the economy and terrorized large sectors of the rural population, they failed to defeat the Sandinista military or even to take and hold the smallest town for any length of time.

Meanwhile the U.S. economic blockade, both the bilateral trade embargo and the blocking of loans from multilateral lending institutions, cost the economy \$3 billion.²⁰

17. Among the books covering this aggression, see Holly Sklar, *Washington's War on Nicaragua* (Boston: South End Press, 1988); William Robinson and Kent Norsworthy, *David and Goliath, the U.S. War Against Nicaragua* (New York: Monthly Review Press, 1987); Al Burke, *Misery in the Name of Freedom* (Rolling Bay, Wash.: Sea Otter Press, 1988); and William I. Robinson, *A Faustian Bargain: U.S. Intervention in the Nicaraguan Elections and American Foreign Policy in the Post-Cold War Era* (Boulder: Westview, 1992).

18. For praise of the social goals and achievements of the Sandinista revolution by such groups as Oxfam, together with exposure of various lies about Nicaragua, see Edward S. Herman, “Nicaragua: The Threat of a Good Example,” *CAIB*, Number 29 (Winter 1987), pp. 31-35.

19. For a mid-1980s account of contra atrocities, see Reed Brody, *Contra Terror in Nicaragua* (Boston: South End Press, 1985), as well as many reports by human rights organizations.

20. See John Stockwell, *The Praetorian Guard* (Boston: South End Press, 1991), pp. 59-70; also Noam Chomsky, “Letter from Lexington,” and Edward S. Herman, “The Times on the Nicaraguan Election,” *Lies Of Our Times*, April 1990, pp. 8-11.

Eventually the World Court ruled that the United States was carrying on a war against Nicaragua in violation of international law and ordered \$17 billion in reparations, an order which the U.S. predictably ignored.

U.S. Directs the Propaganda War

From the beginning of the war against Nicaragua, the Reagan-Bush administration faced the problem of overcoming public opposition at home. The solution was to repeat Edward W. Barrett's 1950 domestic propaganda campaign to “sell the Soviet threat” and thus reduce opposition to the programs of NSC-68.²¹ In 1982, a CIA propaganda specialist, Walter Raymond, moved from the Agency to the National Security Council to head the campaign while the Contras, under CIA direction, began their own PR campaign in the U.S. Controlled behind the scenes by Raymond and officials running the Contra war, a public front was set up in the State Department as the Office of Public Diplomacy for Latin America and the Caribbean. This office then handled the contacts with think tanks, researchers and, most importantly, the U.S. media.²²

The purpose was to place, in the public's imagination, black hats on the Sandinistas and white hats on the Contras. In effect, it became a huge government campaign using taxpayer money to propagandize the same taxpayers and their representatives in Congress. Following various revelations, a congressional investigation concluded in 1987 that the campaign had been illegal. Nevertheless, this Ministry of Truth played a successful role in building the U.S. media consensus that the Sandinistas were unacceptable and must be driven from power.

By 1987 it was clear that, although they could continue to terrorize and destroy infrastructure, the Contras could never win a military victory. That year the Central American presidents, in the Esquipulas Accords, agreed to end Contra activities on their territories, thus beginning the process that eventually led to a ceasefire. The agreements also shifted attention to the political struggle within Nicaragua that would culminate in the 1990 elections. During the interim of two-and-a-half years, the CIA, NED, and other U.S. agencies would intervene with massive psychological, economic, and political engineering programs, probably unprecedented in relation to Nicaragua's population of 3.5 million. By then, they could lay the blame for Nicaragua's economic collapse on the Sandinistas as well as exploit the FSLN's own mistakes.

The U.S. plan called for mobilizing three main bodies: a political coalition to oppose the Sandinistas, a trade union coalition, and a mass civic organization. Within these three main sectors, sub-groups would focus on youth and students, women, religious organizations, and others. Media opera-

21. For details of the propaganda campaign begun in 1950, see Bob Spiegleman, “A Tale of Two Memos,” *CAIB*, Number 31 (Winter 1989), pp. 71-74.

22. For details and additional sources, see Robin Andersen, “Reagan's ‘Public Diplomacy,’” *CAIB*, Number 31 (Winter 1989), pp. 20-24.

tions would be central to the campaign, which would include seminars, training of activists, and grass roots organizing.²³

The first sector, the political coalition, was forged by the U.S. Embassy in Managua from some two dozen disparate and conflicting factions by letting it be known that money would be available only to those that "got on board." The result was UNO, whose electoral budget was prepared in the U.S. Embassy, and whose presidential candidate, Violeta Chamorro, owned the anti-Sandinista daily *La Prensa*, which had received CIA money from early on.

The second sector, the labor coalition, came into being as the Permanent Workers Congress (CPT). This organization, crucial to using the economic crisis as a principal campaign issue, grouped five union centers for propaganda and voter registration. Some of these unions had also received prior U.S. funding. The third sector, the civic organization, became Via Cívica following the NAMFREL and Cruzada Cívica examples in the Philippines and Panama. Although self-described as "non-partisan," it functioned in concert with UNO and CPT.

The National Endowment for Democracy spent at least \$12.5 million to finance this structure, passing out the money to the Democratic and Republican parties' institutes mentioned above, as well as to the AFL-CIO, which in turn passed the money to recipients in Nicaragua. Other NED money went to an array of intermediary organizations in the U.S. and other countries that spent it for programs in training, propaganda and support for the coalitions. In all, NED funds were the equivalent of a \$2 billion foreign intervention in a U.S. election. The CIA, in addition, is estimated to have spent \$11 million, possibly even more, in the election.

Not to be forgotten, the still-armed and U.S.-financed Contras played a key role in the election. During the summer of 1989, taking advantage of a Sandinista unilateral ceasefire then in effect, they began large-scale infiltration of forces from bases in Honduras. They ended months of relative calm, elevating their military actions from an average of 100 per month during the first six months of 1989 to 300 per month by October, four months before the election. In the seven months from August 1989 to the February 1990 election, the Contras killed dozens and kidnapped some 700 civilians, including 50 Sandinista campaign officials. During the same period, they openly campaigned for UNO, distributing leaflets and threatening peasants if they failed to vote UNO.

By election time Nicaraguan voters, whose *per capita* standard of living was declining to the Haitian level, were given a grim choice in this "free and fair" election: Vote for

the Sandinistas and the ten-year war will go on with ever-worsening poverty and violence; or, vote for UNO and the war and economic blockade will end and the U.S. will help finance reconstruction. UNO won 55 percent of the vote, the Contras were partially disarmed, and modest amounts of U.S. aid began to flow—nothing, however, in comparison with the destruction visited by the U.S. on Nicaragua during the Contra war. Two years into the Chamorro government, UNO had split over the depth and pace of rolling back the revolution and had failed to make good its pledges of land and other support for former Contras and Sandinista military alike. The Sandinistas still controlled the army and police and were still the largest and best organized of the political parties.

In intelligence collection and analysis, announced targets include: arms control agreements; economic matters; the spread of nuclear, chemical, and biological weapons; terrorism; the drug trade; Islamic fundamentalism; and regional, ethnic, and national disputes.

The U.S. government was far from happy with Chamorro's failure to de-Sandinize Nicaragua, and the drug trade, never a problem during the 11-year Sandinista rule, was becoming a national plague, both in consumption and transshipment to the U.S. And conflict over such matters as land titles meant continuing instability. For many, if not most, the war and devastation continued.²⁴

The manner in which the U.S. "restored democracy" in Panama and Nicaragua taught rich lessons. Cuban leadership, fully aware that any opening for U.S.-exported elections would mean tens of millions of dollars of NED, CIA, and other foreign money for "electoral counter-revolution," rejected such an option. The FMLN in El Salvador, converting to a political party following the 1992 peace accords, will have the Nicaraguan experience to elucidate U.S. intervention against them in elections scheduled for 1994. And, back in Nicaragua, the CIA-NED-AID machinery is still operating to prevent the Sandinistas' return to power in the 1996 election.

Once and Future Covert Operations

The current U.S. defense plan, at \$1.5 trillion for the next five years, suggests that the money will be there for covert interventions. The Bush plan, largely accepted by both hous-

23. Two articles in *CAIB*, both of which include references to many other sources, give details of U.S. intervention in Nicaragua's 1990 election. See William Robinson and David MacMichael, "Intervention in the Nicaraguan Election," Number 33 (Winter 1990), pp. 32-40, and William Robinson, "Nicaraguan 'Electoral Coup,'" Number 34 (Summer 1990); see also Mark Cook, "UNO: One Is Not Enough," and William I. Robinson, "The Making of a 'Democratic' Opposition," both in *NACLA Report on the Americas*, February 1990 (written prior to the election). For post-election analysis, see *NACLA Report on the Americas*, June 1990.

24. For developments in Nicaragua since the 1990 elections, see pp. 48-52 in this issue; also see Jerilyn Bowen, "Nicaragua, the Heart of the Matter," *Z Magazine*, May-June 1992.

es of Congress, calls for a mere three percent reduction in defense spending under projections made before the dissolution of the Soviet Union. According to Robert Gates, Director of Central Intelligence, reductions in the intelligence community budget—hidden in the overall defense budget but generally believed to be in excess of \$31 billion—will begin at only 2.5 percent.²⁵ Meanwhile plans under discussion in Congress for reorganizing the whole intelligence community would maintain the capability and legality, under U.S. law at least, of covert operations.²⁶

As the Defense Department, the CIA, and other intelligence agencies have had to articulate new justifications for their budgets now that the Soviet menace is gone. In collection and analysis, announced targets include: arms control agreements; economic matters; the spread of nuclear, chemical, and biological weapons; terrorism; the drug trade; Islamic fundamentalism; and regional, ethnic, and national disputes. Generally they argued: With the breakup of the Soviet Union, the world is far less stable, less predictable, and even more dangerous than before.

More suggestive of future intelligence operations was the 1992 series of leaks of highly classified Pentagon documents on military planning. The first, in February, was a 70-page study projecting U.S. military requirements over the next ten years. The report outlined seven possible scenarios which U.S. forces would have to be prepared to face, and, presumably, would require those \$1.5 trillion for the first five years.²⁷

- war with Iraq
- war with North Korea
- simultaneous wars with both Iraq and North Korea
- a war to defend a Baltic state from a resurgent and expansionist Russia
- war to defend the lives of U.S. citizens threatened by instability in the Philippines
- war to defend the Panamanian government and the canal against “narco-terrorists”
- the emergence of an anti-U.S. global “adversarial rival” or an “aggressive expansionist international coalition.”

The following month the *New York Times* published excerpts from another classified Pentagon document revealing the latest military policy to which the war scenarios were linked. This 46-page document, known formally as “Defense Planning Guidance—1994-99” was, according to the *Times*, the product of deliberations among President Bush, the National Security Council and the Pentagon. Its importance in prolonging U.S. militarism and the war economy into the 21st century could equal NSC-68’s role in beginning the Cold War arms race in 1950.²⁸

25. Interview in *Time*, April 20, 1992, p. 40.

26. See analysis of S.2198, The Intelligence Reorganization Act of 1992, in *Unclassified* (Journal of the Association of National Security Alumni), April-May 1992, pp. 1-4.

27. “Pentagon Budget Plans Include War Scenarios,” *New York Times* News Service as reported in the *Chicago Tribune*, February 17, 1992, p. 2.

28. “U.S. Strategy Plan Calls For Insuring No Rivals Develop,” *New York Times*, March 8, 1992, p. 1.

The goal of world hegemony expressed in the 1992 document should be as alarming to current U.S. friends such as Japan and NATO allies as to adversaries. “Our strategy must now refocus on precluding the emergence of any future global competitor.... Our first objective is to prevent the emergence of a new rival, either on the territory of the former Soviet Union or elsewhere....”

Notably lacking was any mention of collective settlement of disputes through the United Nations, although future multilateral actions through coalitions, as in the Gulf War, were not ruled out. And in order to prevent acquisition of nuclear weapons by potential adversaries, the U.S. asserted the need to be ready for unilateral military action.

As for Washington’s friends, both Japan and Western Europe would be locked into security arrangements dominated by the United States. Without mentioning countries, the U.S. “must account sufficiently for the interests of the advanced industrial nations to discourage them from challenging our leadership or seeking to overturn the established political and economic order.... [W]e must maintain the mechanisms for deterring potential competitors from even aspiring to a larger regional or global role.”

The document went on to suggest how to prevent Europe, with Germany in the lead, from becoming an independent regional arbiter in its own territory. “Therefore it is of fundamental importance to preserve NATO as the primary channel for U.S. influence....[W]e seek to prevent the emergence of European-only security arrangements which would undermine NATO, particularly the alliance’s integrated command structure, ...a substantial American presence in Europe is vital...”

Publication of the globo-bully unipolar plan for the New World Order caused the diplomatic blowback one would expect, an unwanted new debate in Congress, and wide criticism in the media. To no one’s surprise, two months later a secret rewrite of the plan leaked again to the media—this time no doubt intended to quell the uproar from the earlier plan. Gone was the potential threat from allies and the projected global U.S. unilateralism.²⁹

The first goal of U.S. defense planning in the rewrite was deterrence of attack, followed by strengthening alliances, and preventing “any hostile power from dominating a region critical to our interests, and also thereby to strengthen the barriers against the reemergence of a global threat to the interests of the U.S. and our allies.” Cooperation was now the theme, although the rewrite also reserved the U.S. right to unilateral military intervention. In addition, the original seven war scenarios remained the basis for budget requests.

None of the three documents was published in full, and the *New York Times* refused to share copies. Nevertheless, three observations can be made on the commentaries and excerpts that came out in the leaks. First, the rewrite did not preclude or renounce any of the ideas contained in the pre-

29. “Pentagon Abandons Goal Of Thwarting U.S. Rivals,” *Washington Post*, May 24, 1992, p. 1.

vious version. Second, the budget of \$1.5 trillion and the base force of 1.6 million remain. Third, the purpose of the rewrite was doubtless to assuage critics and allies, while the true goal remains U.S. world hegemony.

The good news, sort of, is that the goals are unattainable. The U.S. economy cannot support global unilateralism or even war against a country like Iraq. How then, with its notorious debt and deficit, can it possibly impose its will on Japan and Europe, especially if the French-German Euro-corps takes hold in the military sphere independent of U.S. influence in NATO? This French initiative flies in the face of U.S. policy to keep European defense under U.S. domination in NATO and could be the beginning of the end of that policy. Little wonder that U.S.-French relations are so sour.

Covert Ops Head East

Keeping in mind that covert operations, as well as overt diplomacy, are supposed to prevent war or the need to use military force—including the seven scenarios—consider how this would be done. To keep Russia from resurging, expanding, and again rivaling the U.S.—like the sci-fi “blob”—that country must remain hopelessly indebted and dependent on imports of basic necessities. Aid must be calibrated to keep Russia stable without allowing the economy to “take off” on its own steam. For these purposes the usual instruments will suffice: the International Monetary Fund, the World Bank, and the General Agreement on Tariffs and Trade. Russia’s military industries must be dismantled or converted to alternative production, and the country locked into security arrangements, perhaps eventually in NATO. Western experts, especially from the U.S., must penetrate its economic and political decision-making and its most advanced research in science and technology. No one political party should become dominant, and, where possible, Western parties should establish close working relations with Russian parties. Ultra-nationalists must be discredited and shackled along with unreconstructed remnants of the old regime. The media should be filled with Western and Western-style programming, including consumerism, info-tainment for news, and healthy doses of anticommunist and pro-free market propaganda. The same would hold for the other countries of the former Soviet Union.

The whole area is like Germany and Italy after World War II, wide open for a double whammy from the CIA and its new sidekick, the NED—and all the Western “private” organizations they use. As with European fascists and the scant de-nazification that occurred, the new Russia can be built on communists-turned-liberals or social democrats, or even, why not, conservatives and Christian Democrats. As after World War II,³⁰ the usual suspects can be targeted, neutralized or co-opted: political parties, military and security services, trade unions, women’s organizations, youth and

students, business, professional and cultural societies, and, probably most important, the media.

Pure fantasy? Just imagine. If Carl Bernstein’s long report in *Time*³¹ on the 1980s operations of the CIA, NED, Vatican, and their vast network to undo communism in Eastern Europe had any truth, and I believe it did, then can anyone imagine that, with their feet already through the door, they wouldn’t follow up their success? The beneficiaries of this and other 1980s operations are now the key to transforming former Soviet bloc countries into traditional Third World-style markets and sources of raw materials and cheap labor. The CIA-

To keep Russia from resurging—like the sci-fi “blob”—it must remain hopelessly indebted and dependent on imports of basic necessities.

NED team can be crucial in exercising political influence and in forming the permanent structures to assure that American transnationals get their hot hands, in the race against Germany, on the resource-richest land mass on the globe.

Keeping the Government On War Footing

How to avoid another war with Iraq? United Nations sanctions and reparations payments can keep Iraq weak for a long time, while Saddam’s continuation in power avoids the possibly even worse alternatives. Meanwhile covert operations can be useful for planning a cooperative, post-Saddam Iraq. Until then, we can expect cultivation of contacts within the Ba’ath movement, support for exile groups, clandestine radio and television broadcasts, joint efforts with “moderate” Arab governments and allies, and occasional destabilization like flooding the country with counterfeit currency. The Bush administration, according to the *New York Times*, is seeking \$40 million for these covert operations in 1993, a nearly three-fold increase over 1992.³²

How to avoid another war with North Korea? Keep South Korea strong as a deterrent and a U.S. troop presence to trigger military intervention should hostilities break out. Make certain that reunification talks lead toward the German solution, i.e., absorption of North Korea by the South. Use propaganda and cross-border contacts to foment dissidence in North Korea while conditioning any benefits on relaxation of internal controls, especially of the media. Repeat the CIA-NED strategy in Eastern Europe whenever an opening occurs. As for the Philippines, absent agrarian and other significant reforms, U.S. military intervention could be a last resort should the New People’s Army achieve enough momentum to create significant destabilization or even victory.

30. For details on post-World War II programs, see Philip Agee and Louis Wolf, *Dirty Work: The CIA in Western Europe* (Secaucus, N.J.: Lyle Stuart, 1978); and William Blum, *The CIA: A Forgotten History* (London: Zed Books, Ltd., 1986).

31. “Holy Alliance,” *Time*, February 24, 1992, pp. 14-21.

32. *New York Times* editorial, “How to Defeat Saddam,” published in the *International Herald Tribune*, July 14, 1992, p. 4.

For the time being, continue the CIA-Pentagon "low-intensity" methods already under way. If unsuccessful, and stalemate continues, consider a negotiated settlement as in El Salvador and rely on CIA-NED electoral intervention to exclude the National Democratic Front from power.

The projected scenario of defending the Panama Canal from "narco-terrorists" is ironic, given the drug connections of the people that Operation Just Cause put into power. And why "narco-terrorists" would threaten U.S. access to the canal is difficult to imagine. If reports are true that drug trafficking and money laundering in Panama now exceed the Noriega era, the dealers ought to be quite happy with things as they are. With Noriega out of the way, the CIA-NED duet can take care of the local political scene, preventing resurgence of nationalism and *Torrijismo* while assuring retention of U.S. bases and control of the canal.

The same could be said of the electoral processes of any Third World country. CIA-NED preparations are no doubt already under way for defeating obvious coming electoral threats: the FMLN in El Salvador in 1994, the Workers' Party of Brazil in 1994, and the Sandinistas in Nicaragua in 1996—to mention only three examples in Latin America. The goal is to exclude from power the likes of Jean-Bertrand Aristide, whose 1990 election in Haiti was a severe and unusual embarrassment for the system.

Many other scenarios for overt and covert intervention come to mind. The Shining Path in Peru is particularly worrisome for CIA-Pentagon planners in "regional and national" conflict management. So far, it seems, the standard "low intensity" methods have not been notably successful, nor has Peruvian government and military cooperation been ideal. In a region where nearly half the population now lives under the official poverty line, a victory by this guerrilla force would reverberate like nothing since the Sandinista revolution in 1979. Collective action, including military intervention through the Organization of American States, might be possible in the case of Peru. Also possible is the whole range of covert and semi-covert interventions practiced against Cuba for many years and in Nicaragua, Afghanistan, Angola, Mozambique, Cambodia, and elsewhere around the globe.

The Continuity of Oppression

One could go on, but the point is made. Worldwide opportunities and needs for covert operations will remain as long as stability, control, and hegemony form the cornerstone of a U.S. policy that permits no rotten apples or bad examples. And the Pentagon budget is not the only indicator of continuity. In late 1991, Congress passed the National Security Education Act providing \$150 million in "start-up" money for development and expansion of university programs in area and language studies, and for scholarships, including foreign studies, for the next generation of national security state bureaucrats. Notable is the fact that this program is not to be administered by the Department of Education but by the

Pentagon, the CIA, and other security agencies.³³ Alternatives to continuing militarism abroad and social decay at home exist, as any reader of the alternative press knows quite well. The House Black Caucus/Progressive Caucus budget, providing for 50 percent reduction in military spending over four years, got a full day's debate last March on the House floor and won 77 votes, far more than Bush's budget—stirring no mainstream reporting, non-news as it had to be. Steps toward formation of new political parties, the green movement, and community organizing are also encouraging.³⁴

Yet militarism and world domination continue to be the main national priority, with covert operations playing an integral role. Everyone knows that as long as this continues, there will be no solutions to domestic troubles, and the U.S. will continue to decline while growing more separate and unequal. Can anyone doubt that the events of Los Angeles will recur? Those struggling in the 1990s for change would do well to remember the repression visited on progressive movements following both World Wars and during the Vietnam War. The government has no more Red Menace to whip up hysteria, but the "war on drugs" seems to be quite adequate for justifying law enforcement practices that have political applications as well. The hunt for aliens and their deportation, and the use of sophisticated methods of repression following the Los Angeles uprising, reveal what has been quietly continuing below the surface for years.³⁵ We should be on notice that in the current political climate, with clamor for change everywhere, the guardians of traditional power will not give up without a fight. They will find their "threats" and "enemies" in Black youths, undocumented immigrants, environmentalists, feminists, gays and lesbians, and go on to more "mainstream" opponents in attempts, including domestic covert operations, to divide and discredit the larger movement for reform.

At the Brussels conference, I felt incoherent when asked by someone in the auditorium to comment on problems of the U.S. left in convincing people that progressive alternatives are in the majority's best interest. After I rambled for a while about media, education, divisions, and repression, a man stood up and said: "I'm from Brazil. They say we're Third World and you're First World, but I don't think we're that different. We have a lot of the same problems. But in 1989 the Workers' Party of Brazil, only ten years old, almost won the presidency and may win next time. Maybe the more you get like us, the more people in your country will start to listen."

33. Leonard Minsky, "Espionage 101," *CAIB*, Number 39 (Winter 1991-92), p. 19.

34. For details on the Black Caucus/Progressive Caucus budget, see John Canham-Clyne, "Black and Progressive Caucuses Trying to Change Political Debate," *In These Times*, June 24-July 7, 1992, p. 5. For an analysis of developments toward a new left party, see David Moberg, "2 Parties or Not 2 Parties," *In These Times*, July 21, 1992, p. 5.

35. Mike Davis, "LA: The Fire This Time," *CAIB*, Number 41 (Summer 1992), pp. 12-21.

(Peru, continued from p. 16)

divert limited resources to the drug war, have criticized this contradiction, and decried U.S. policy as an imposition that impedes the struggle against Sendero. The Peruvian government's greatest successes against Sendero in the Upper Hualaga came under General Alberto Arciniega, who, in 1989, turned a blind eye to the narcotraffic and concentrated on coaxing the peasantry into submission instead of brutalizing it. Arciniega was replaced, however, after loud U.S. complaints that he was "soft on drugs."

Sendero Luminoso: Mao in the Andes

To characterize Sendero as narcoterrorist is to misread the movement. Sendero's involvement in the traffic is only a means to an end: the destruction of capitalism in Peru and its replacement with a Cultural Revolution-vintage Maoist state. Abimael Guzmán ("Comrade Gonzalo"), former philosophy professor and the party's undisputed leader, has openly spelled out the party's vision and strategy.²⁸

To achieve its vision, Sendero has embarked on a patient, methodical, and ruthless "prolonged people's war," combining careful political work with extreme but calculated violence. The party possesses a chilling "rationality" in which even horrifying acts of violence make sense in that they advance the revolution by destroying alternatives to the party's vision. With cold calculation, ideological coherence, superb organization, and fierce determination, Sendero has become the world's most effective revolutionary movement.

Although it first appeared in the garb of a peasant rebellion, the party's origins and orientation are those of an authoritarian and provincial ultra-left student-intellectual movement.²⁹ From the beginning, however, one of the party's strengths has been its ability to tailor its message to its targeted social base. While correctly called dogmatic in its adherence to "Marx-Lenin-Mao-Gonzalo Thought," within the confines of its orthodoxy the party displays a most undogmatic tactical acuity and flexibility, even brilliance.

In 12 years of armed struggle, the insurgency has grown from making isolated attacks on remote Andean villages to a self-proclaimed, but undisputed "strategic equilibrium" with the Peruvian military in large reaches of the country. At present, conservative analysts estimate that 25 to 40 percent of the country is under Sendero control.³⁰ Sendero is equally adept at administering its "New Power;" its structures are complex, extensive, and redundant. As McCormick noted, "targeting such a parallel political infrastructure, under ideal conditions, is a difficult task. In view of Shining Path's current level of institutional development...the task may now be impossible, with or without U.S. military assistance."³¹

28. Abimael Guzmán, "El entrevistado del siglo," *El Diario*, beginning June 24, 1988.

29. The best analysis of Sendero's origins is Carlos Iván Degregori, *El surgimiento de Sendero Luminoso: Ayacucho, 1969-1979*, pp. 175-211. For a summary in English, see Degregori, "A Dwarf Star," *NACLA Report on the Americas*, December-January 1990/1991, pp. 10-16.

30. Gordon McCormick, Prepared Statement before the House Subcommittee on Western Hemisphere Affairs, March 11, 1992, p. 6.

31. *Ibid.*, p. 5.

It must be emphasized that Sendero's growth is not merely a function of its organizational prowess or its violence. The insurgency feeds on centuries of repression and malign neglect; it taps into long-standing and unarguably legitimate grievances of the rural, and increasingly urban, population. Its slogan "rebellion is justified" resonates profoundly in a population embittered and emiserated by unending social injustice.

In areas where Sendero's "New Power" is in place, the party typically provides needed social services—education in "people's schools," land redistribution, support for the poorest, and crime prevention—albeit in an authoritarian and militaristic manner. In the highlands, where authoritarian social relations have been the norm since the time of the Incas, Sendero's rule is greeted with passive acquiescence, if not outright enthusiasm. The party is adept at using the often fatal "settling of accounts" with exploitative merchants, land-

Sendero's unquestionable brutality in imposing its vision of a just society must be measured against the brutality of the existing social order and the murderous counterinsurgency.

lords, and venal officials, as well as at ridding the community of thieves, prostitutes, corrupt military, and other "undesirables" to win the support of the local population. Sendero's unquestionable brutality in imposing its vision of a just society must be measured against the brutality of the existing social order and the murderous counterinsurgency. Indeed, the Peruvian state's efforts to quash the insurgency have been as ineffective as they are brutal. Each civilian government since Belaúnde (1980-1985) has ceded more and more power to a military that has proven adept only at torture, "disappearance," and mass murder directed at the Andean peasantry and increasingly, urban leftists and activists.³² As Sendero and the military engage in a deadly *danse macabre*, the death toll has now climbed to 25,000, with tens of thousands imprisoned and hundreds of thousands of internal refugees.

The Rondas

Rondas campesinas (village self-defense units) have been both a traditional and a contemporary peasant response to lawlessness and the state's inability to, or disinterest in, providing protection from crime and violence. As autonomous expressions of local need, the *rondas* have proved an effective buffer against Sendero. Since 1983, however, the military has imposed *rondas* on reluctant villages in the emergency zones as part of its counterinsurgency strategy.³³

32. See, for example, Amnesty International, *Peru Briefing: Caught Between Two Fires*, November 1989; and Americas Watch, *Into the Quagmire: U.S. Policy and Human Rights in Peru*, September 1991.

33. In 1982, Guatemala, with significant assistance from Israel, introduced

These military-dominated *rondas* are much less effective. Nonetheless, the military views them not only as a counter to Sendero, but also as a means of asserting control over the rural population. In the last year, government use of *rondas* as counterinsurgency units has intensified, and since last November, villages encompassing some 200,000 peasants have been forcibly organized into the *ronda* structure.³⁴

Poorly armed and ill-trained, *ronderos* are little more than cannon fodder for the counterinsurgency, and as an object of special hatred by Sendero, they have been the victims of some of its worst atrocities. The *ronda* tactic, however, allows the military to attempt to turn the "people's war" into a civil war among the peasantry, dissipating it in an orgy of communal violence.

The military response to Sendero has not been complemented with a "hearts and minds" counterinsurgency strategy; the Peruvian state is too poor and too weak to

As Sendero and the military engage in a deadly danse macabre, the death toll has climbed to 25,000.

implement one, and in vast reaches of the central and southern highlands the state no longer exists—only Sendero's "New Power." Economic development and meaningful democracy—the minimum conditions to deflate the insurgency—are beyond the ability of the state to deliver. Given the state's failure to satisfy the legitimate demands of the impoverished majority, Sendero's message of retribution and revolution resonates loudly.

Slouching Toward Lima

While Sendero follows a classic Maoist strategy of encircling the city from the countryside, it has, at least since 1988, turned its attention to the capital.³⁵ It has created its own mass fronts and attempted to infiltrate or "annihilate" the independent popular organizations that make up the "new social movements" (NSMs). The NSMs are the response of the urban poor to the state's withdrawal of services; they include community kitchens, day-care coops, squatters' organizations, *pueblo joven* (shantytown) dwellers' associations, among others. As autonomous organisms, they must, in Sendero's view, be either incorporated or exterminated.

A vicious struggle is now under way among Sendero, the military, and the legal left for influence in the NSMs, with both the legal left and the armed forces calling for the creation of urban *rondas* to counter Sendero's rapidly increasing urban violence. The legal left, however, is very wary of an

Civil Defense Patrols, a similar system. By 1983, Ríos Montt claimed over 300,000 "recruits"—males from 15 to 65. Local peasant opposition denounced the system's attempt "to turn the poor against the poor." (Michael McClintock, *The American Connection: Guatemala* (London: Zed, 1985), p. 249.)

34. Carol Andreas, *Peru Scholars News and Notes*, April 1992, p. 2.

35. Partido Comunista del Perú [Sendero Luminoso], *Bases de discusión, Línea Militar*, pp. 77-79.

alliance with the military; instead, it wishes to counterpose independent *rondas* to the security forces on one hand and Sendero on the other. Senderista violence has always attacked popular organizations which it felt were antagonistic to its goals, as well as military and governmental targets. Recently, particularly in Lima, it has focused an increasing proportion of attacks on Sendero opponents in the popular organizations.

The NSMs and the communities in which they exist are deeply divided, splintering under intense pressure from all sides. Some communities, such as the walled settlement of Raucana, are already Senderista redoubts, while others, such as Villa El Salvador, whose vice mayor was brutally murdered by a Sendero hit squad in February 1992, are embroiled in factional strife.³⁶

Since the declaration of "strategic equilibrium" in the countryside last year and especially in the aftermath of its first successful "armed strike" in Lima in February, Sendero is signaling that the "people's war" has reached a new phase: preparing for insurrection in the capital. For the first time, the party is trying to establish its "New Power" in Lima and has announced that the pre-insurrectionary moment is now at hand.³⁷ At the same time, the party is strengthening its strategic positions in the departments north and south of Lima and consolidating control of the central highlands in preparation for the climactic encirclement and siege of the capital. It will not happen this year or next; Sendero, in classic Maoist fashion, intends to wait until it is in firm control of the countryside. Meanwhile, it will continue to lay the groundwork for insurrection in Lima by making the city ungovernable through mass organizing and violence. If current trends continue, RAND's McCormick predicts the final campaign against Lima will begin "sometime within the next five years."³⁸

Future Imperfect

The near and medium-term prospects for Peru are grim. Fujimori and the generals have embarked on a Pinochet-style process of authoritarian modernization with fascistic overtones. This trend is evidenced by Fujimori's resort to "democracy by plebiscite," his pseudo-populist appeals, and his ongoing effort to eliminate political institutions standing between him and a "leader-masses" politics. While international support, or at least acquiescence, is probably assured as long as movement toward a new constitutional order continues, Fujimori begins with an extremely weak social and political base.

The self-coup dealt a hard blow to the political opposition, especially the re-energized APRA, which led the opposition bloc and threatened to hamstring both the economic program and an unbridled counterinsurgency. Since the coup, Fujimori has tried to eliminate new challenges from the political sector by issuing decrees mandating stiff prison terms for those "usurping public functions or the power to

36. David Montoya and Carlos Reyna, "Villa El Salvador: La batalla por la CUAVES," *Quehacer*, 76, March-April 1992, pp. 48-50.

37. *El Diario*, 619, February 21, 1992, p. 7.

38. McCormick, *op. cit.*, p. 1.

give orders to the military," a clear slap at efforts to use the constitution to restore the *status quo ante*.³⁹ But Fujimori's lack of a firm political base requires that he move toward accommodation with the political opposition. And with Sendero waiting in the wings, unity within the elite is imperative.

The most likely resolution of the political crisis is a new, more repressive institutional order negotiated between Fujimori and the opposition and validated by an electorate presented with no other choices. If this process reaches fruition, it would restore the tattered facade of democracy and renew Fujimori's legitimacy. Progress, however, has been slow since the coup. Fujimori's promised "national dialogue" between the regime and the political parties has been repeatedly postponed as both sides maneuver for maximum advantage. A plebiscite on the coup, originally set for July 5, 1992, has also been postponed, with the regime explaining that it needs time to put the electoral machinery in place. Now set for November 22, the poll, instead of a mandate on the coup, has been transformed into elections for a constituent assembly to rewrite the currently suspended constitution.

Both Fujimori and the opposition parties are gearing up for the electoral struggle. This process will, they hope, allow an end to the institutional impasse that has paralyzed the political war against Sendero. Meanwhile, the counterinsurgency, under the control of the army, continues.⁴⁰

A political solution, however, does not address the fundamental problems facing the country. There is no sign that the military's grip on real power will diminish; in fact, the opposite appears to be the case. The generals' weighty role in the current government gives them ample ability to ensure that the new order does not impede the struggle against Sendero. Indeed, the generals could remove Fujimori at any time they perceive their interests to be threatened.

A Profound Chasm

Neither will a political solution address the huge chasm between the privileged elite and the disenfranchised *mestizo*-indigenous majority. For the latter—95 percent of the population—the right to vote means little if not joined with a real ability to effect change in their lives. Here again, Fujimori is a prisoner of his allies. Efforts to improve the economic situation of most Peruvians will run up against the neo-liberal designs of the business and international communities. If Fujimori loses their support, he becomes entirely the creature of the military and whatever mass appeal he can muster; that mass appeal is certain to diminish each day as Fujimori continues down the path of Fujishock.

Some on the left look to the "new social movements" as the germ of a new power, a basis on which to rebuild Peruvian society and politics. While the NSMs are indeed authentic

grassroots organizations, they are less political movements than desperate mechanisms for survival for a whole stratum abandoned by the state. As such, they do not as much challenge the regime as act as a safety valve for it. And as we have seen, these movements and the communities that gave birth to them are now the locus of the terrible pressures from all sides as Sendero's "people's war" takes aim at the capital. They are fracturing under the strain, joining the now dominant political trend in the country—polarization.

The legal left itself is shattering for the same reasons. As Sendero grows stronger and the political system self-destructs, a "third way" becomes less and less viable. The left's divisions are perhaps most clearly seen in the debate over the urban *rondas*, where some on the left have proposed a "broad front" of civil society and the state against Sendero. Others, arguing that it is the state itself, with its emiseration and oppression of the masses that feed Sendero, urge the creation of self-defense groups distinct from and even opposed to the state.⁴¹ Since the coup, the democratic cover that sheltered the "broad front" approach has evaporated and the options now come down to being with the state or against it. And if not with the state, then with Sendero. The reformist middle is being squeezed out of existence.

Finally, there is Sendero Luminoso itself. The coup has done nothing to increase the state's ability to combat insurgency. Paradoxically, by resorting to dictatorship, Fujimori has legitimized Sendero's position and played into its hands. Since the military already acted with virtual impunity before the coup, talk of unleashing the armed forces ignores the fact that they have been on the rampage for a decade with nothing to show for it but thousands of dead, missing, and imprisoned.

Another alternative, the "Argentine solution"—massive state terrorism—has so far not been tried in Peru, perhaps because the military realizes that, tempting as it may be, it is unlikely to eradicate Sendero. Instead, with the legal left and the popular organizations decimated by repression, Sendero would become the only haven for all those opposing the state. And even under this scenario, there is no guarantee that the state would emerge victorious. As the situation grows more desperate, the "Argentine solution" may become the final option in trying to stave off revolution.

Peru is trapped in a downward spiral of misery, social and political dissolution, and violence. It is the most extreme case in Latin America, but the combination of domestic elite rule and the imposition of the international neo-liberal economic order threaten the entire continent with the specter of "Peruvianization." Barring a radical transformation of Peruvian society—the establishment of authentic popular democracy dedicated to achieving social justice—Peru is doomed to continue a cycle of violent upheaval until either the military or the Maoists achieve total victory, or until the country collapses into anarchy. At this writing, it is difficult to see any basis for hope.

39. *Latin American Weekly Report*, WR-92-17, May 7, 1992, p. 4.

40. In a bizarre aside, there are reports in the Lima press that former Assistant Secretary of State for Inter-American Affairs Elliot Abrams will help design the new electoral apparatus working either directly for the Peruvian government or as part of noted rightist and sometime presidential adviser Hernando De Soto's Institute for Liberty and Democracy. (*La República*, June 14, 1992.)

41. David Montoya and Carlos Reyna, "Juguemos a la ronda: ¿Loba estás?," *Quehacer*, 76, March-April 1992, pp. 43-47.

(*Fluoride, continued from p. 30*)

nays,³⁷ "The Original Spin Doctor," as a *Washington Post* headline recently termed him.³⁸ Bernays, also known as the "father of public relations," pioneered the application of his uncle's theories to advertising and government propaganda. The government's fluoridation campaign was one of his most stunning and enduring successes.

In his 1928 book *Propaganda*, Bernays explained "the structure of the mechanism which controls the public mind, and how it is manipulated by the special pleader [*i.e.*, public relations counsel] who seeks to create public acceptance for a particular idea or commodity...."³⁹ Those who manipulate this unseen mechanism of society constitute an invisible government which is the true ruling power of our country...our minds are molded, our tastes formed, our ideas suggested, largely by men we have never heard of...."

"If you can influence the [group] leaders," wrote Bernays who had many confidential industrial clients, "*either with or without their conscious cooperation* [emphasis added], you automatically influence the group which they sway..."⁴⁰

Describing how, as PR man for the Beech-nut Bacon Company, he influenced leaders of the medical profession to promote sales, Bernays wrote, "The new salesman [would] suggest to physicians to say publicly that it is wholesome to eat bacon. He knows as a mathematical certainty that large numbers of persons will follow the advice of their doctors because he understands the psychological relationship of dependence of men on their physicians."⁴¹

Substitute "dentists" for "physicians" and "fluoride" for "bacon" and the similarities are apparent. Almost overnight, under Bernays' mass mind-molding, the popular image of fluoride—which at the time was being widely sold as rat and bug poison—became that of a beneficial provider of gleaming smiles, absolutely safe, and good for children, bestowed by a benevolent paternal government. Its opponents were permanently engraved on the public mind as crackpots and right-wing loonies.

Right-Wing Association

Fluoridation attracted opponents from every point on the continuum of politics and sanity. The prospect of the government mass-medicating the water supplies with a well-known rat poison to prevent a non-lethal disease flipped the switches of delusionals across the country—as well as generating concern among responsible scientists, doctors, and citizens.

Moreover, by a fortuitous twist of circumstances, fluoride's natural opponents on the left were alienated from the rest of the opposition. Oscar Ewing, as Federal Security Agency administrator, was a Truman "fair dealer" who pushed many progressive programs such as nationalized medicine. Fluoridation was lumped with his proposals. In-

evitably, it was attacked by conservatives as a manifestation of "creeping socialism," while the left rallied to its support. Later during the McCarthy era, the left was further alienated from the opposition when extreme right-wing groups, including the John Birch Society and the Ku Klux Klan, raved that fluoridation was a plot by the Soviet Union and/or communists in the government to poison America's brain cells.

It was a simple task for promoters, under the guidance of the "original spin-doctor," to paint all opponents as deranged—and they played this angle to the hilt. For example, one widely distributed dossier on opponents "listed in alphabetical order reputable scientists, convicted felons, food faddists, scientific organizations, and the Ku Klux Klan."⁴²

Actually, many of the strongest opponents originally started out as proponents, but changed their minds after a close look at the evidence. And many opponents came to view fluoridation not as a communist plot, but simply as a capitalist-style con job of epic proportions. Some could be termed early environmentalists, such as the physicians George L. Waldbott and Frederick B. Exner, who first documented government-industry complicity in hiding the hazards of

***Many opponents came to view
fluoridation not as a communist plot,
but simply as a capitalist-style con job
of epic proportions.***

fluoride pollution from the public. Waldbott and Exner risked their careers in a clash with fluoride defenders, only to see their cause buried in toothpaste ads.

Exner's voluminous files were a source of pivotal evidence in lawsuits decided against industry and against fluoridation promoters. In 1978, following his death, his files were destroyed in a mysterious fire.⁴³

But all the opponents, credible and cracked alike, were run over by the fluoridation bandwagon. In 1950 the Public Health Service, along with leaders of dentistry, medicine, and practically everything else, officially endorsed fluoridation, and the transformation of fluoride's image was complete. Since then, two-thirds of the nation's reservoirs have been fluoridated, and about 143,000 tons of fluoride are pumped in yearly to keep them that way.⁴⁴ Meanwhile, the government continues to campaign for "universal fluoridation."

Which brings us to the last benefit to industry from fluoridation: Companies forced to reduce their emission can

37. Birmingham testimony, *op. cit.* Confirmed by Bernays, at age 100, in a 1991 interview with author.

38. "The Original Spin Doctor," *Washington Post*, November 23, 1991, p. B1.

39. Edward L. Bernays, *Propaganda* (New York: H. Liveright, 1928), p. 18.

40. *Ibid.*, pp. 9, 49.

41. *Ibid.*, p. 53.

42. Bette Hileman, "Fluoridation of Water," *Chemical and Engineering News*, Volume 66, August 1, 1988, p. 37.

43. Author's interview with Exner's associate Len Greenall, 1992, British Columbia, Canada; more recently a similar case of possible arson involved the files of Greenpeace scientist Pat Costner in 1991 (*CAIB*, Number 41, Summer 1992, pp. 42-44).

44. Letter to author from American Water Works Association, Denver Colorado, public information department, 1991.

recoup some of the expense by selling the waste to cities for water fluoridation. And most of the fluoride added to drinking water has been recycled waste, particularly from the fertilizer industry.⁴⁵

Protected Pollutant

Since the 1950s, fluoride as industrial toxin has remained largely unknown to the public, replaced by fluoride as children's friend and creator of beautiful smiles. The 1930s trend toward its removal from the environment has been reversed with a vengeance. For example, in 1972 the newly formed EPA did a survey of atmospheric fluoride polluters. It found that five of the top six typically didn't bother to control their fluoride emissions at all and weren't measuring emissions.⁴⁶ The most lax was the iron and steel industry, which, according to the report, was also the biggest fluoride emitter.⁴⁷

And why should these industries worry, as regulatory agencies have maintained—ever since water fluoridation—that industrial fluoride emissions are harmless to humans? As the EPA report stated: "The fluorides currently emitted [by industry] may damage economic crops, farm animals, and materials of decoration [i.e., flowers and ornamental plants] and construction [i.e. buildings, statuary and glass]..."

"...[H]owever, the potential to cause fluoride effects in man is negligible."⁴⁸ Or, as another EPA report puts it, "It is clear that fluoride emissions from primary aluminum plants have no significant effect on human health. Fluoride emissions, however, do have adverse effects on livestock and vegetation."⁴⁹ In other words, the stuff withers plants, cripples cows, and even eats holes in stone, but it doesn't hurt people. Nature ever surprises.

When it comes to water pollution, of course, industry has even less reason to fear conviction for damage to human health. The government's fluoridation studies have supposedly established beyond a doubt that hundreds of thousands of tons of fluoride a year can be poured directly into the nation's drinking water supplies with a "wide margin of safety" for humans. So industrial fluoride emitters only have to worry about the fish when they poison nearby bodies of water. The same concentrations added to human drinking water for cavity prevention can be fatal to freshwater fish.⁵⁰

Polluted Science

When new scientific evidence threatens fluoride's protected pollutant status, the government immediately appoints a commission, typically composed of several veteran fluoride

defenders and no opponents; usually, these commissions dismiss the new evidence and reaffirm the *status quo*. When one didn't in 1983, the government simply altered the findings. It's an instructive tale.

In 1983, the Public Health Service convened a panel of "world-class experts" to conduct a *pro forma* review of safety data on fluoride in drinking water. A panel transcript of the private deliberations revealed its members discovering that much of the vaunted evidence of fluoride's safety barely existed.⁵¹ The 1983 panel recommended caution, especially in regard to fluoride exposure for children,⁵² but its chair, Jay R. Shapiro, then with the National Institutes of Health, was aware that recommendations which conflicted with government fluoride policy might run into trouble. In an attached memo, Shapiro remarked, "[B]ecause the report deals with sensitive political issues which may or may not be acceptable to the PHS [Public Health Service], it runs the risk of being modified at a higher level...."⁵³

Shapiro was prescient. When Surgeon General Everett Koop's office released the official report a month later, the panel's most important conclusions and recommendations had been thrown out, apparently without consulting its members. "When contacted," wrote Daniel Grossman, "...members of the panel assembled by the Public Health Service expressed surprise at their report's conclusions: They never received copies of the final—altered—version. EPA scientist Edward Ohanian, who observed the panel's deliberations, recalled being 'baffled' when the agency received its report."⁵⁴

All the government's alterations were in one direction and any conclusion suggesting low doses of fluoride might be harmful was thrown out. In its place, the government substituted this blanket statement: "There exists no directly applicable scientific documentation of adverse medical effects at levels of fluoride below 8 ppm [parts per million]."⁵⁵

This contradicted the panel's final draft, which firmly recommended that "the fluoride content of drinking water should be no greater than 1.4-2.4 ppm for children up to and including age 9 because of a lack of information regarding fluoride effect on the skeleton in children (to age 9), and potential cardiotoxic effects [heart damage]..." All that, and more, was tossed out by the government.⁵⁶

To quote from the transcript of the panel's meeting:

Dr. Wallach: "You would have to have rocks in your head, in my opinion, to allow your child much more than 2 ppm."

Dr. Rowe: "I think we all agree on that."⁵⁷

But in 1985, basing its action on the altered report issued by Surgeon General Koop, EPA *raised* the amount of fluoride

45. A 1983 letter from an EPA administrator describes the system: "In regard to the use of fluosilicic acid as a source of fluoride for fluoridation, this agency regards such use as an ideal environmental solution to a long-standing problem. By recovering by-product fluosilicic acid from phosphate fertilizer manufacturing, water and air pollution are minimized, and water utilities have a low cost source of fluoride available to them...." (Rebecca Hammer, EPA Deputy assistant administrator for water, March 30, 1983.)

46. "Engineering and Cost..." *op. cit.*, pp. I-1, II-1, II-2.

47. *Ibid.*, p. I-3.

48. *Ibid.*, p. I-2.

49. *Primary Aluminum: Draft Guidelines for Control of Fluoride Emissions from Existing Aluminum Plants*, EPA report Number PB294938, 1979, pp. II-9.

50. Berk, *et al.*, "Aluminum: Profile..." *op. cit.*, p.148.

51. Joel Griffiths, "'83 Transcripts Show Fluoride Disagreements," *Medical Tribune*, April 20, 1989, p. 1.

52. Joel Griffiths, "Fluoride Report Softened," *Medical Tribune*, April 27, 1989.

53. Daniel Grossman, "Fluoride's Revenge," *The Progressive*, December 1990, p. 31.

54. *Ibid.*

55. Griffiths, "Fluoride..." *op. cit.*, p. 11.

56. *Ibid.*

57. Griffiths, "'83 Transcripts..." *op. cit.*

allowed in drinking water from 2 to 4 ppm for children and everybody else.

Bones of Contention

What are the effects of the decades-long increase in fluoride exposure on the nation's health? The best answer is, given the size and pervasiveness of the motive for bias and the extreme politicization of science on this question, no one knows. Recently, scientists have taken a new look, especially at the most likely place to find fluoride damage: human bones, where it accumulates. In the past two years, eight epidemiological studies by apparently disinterested scientists have suggested that water fluoridation may have increased the rate of bone fractures in females and males of all ages across the U.S.⁵⁸ The latest study published in the *Journal of the American Medical Association (JAMA)* found that "low levels of fluoride may increase the risk of hip fracture in the elderly."⁵⁹ These

results, if correct, would also implicate industrial fluoride pollution. Another group likely to show damage from fluoride is young males. Since 1957, the bone fracture rate among male children and adolescents has increased sharply in the U.S. ac-

cording to the National Center for Health Statistics.⁶⁰ The U.S. hip fracture rate is now the highest in the world, reports the National Research Council.⁶¹ "...Clearly," wrote JAMA in an editorial, "it is now appropriate to revisit the issue of water fluoridation."⁶²

Fluoride and cancer, too, have been linked by the government's own animal carcinogenicity test.⁶³ Evidence that fluoride is a carcinogen has cropped up since at least the 1940s, but the government has dismissed it all. A 1956 federal study found nearly twice as many bone defects (of a type considered possibly pre-malignant) among young males in the fluoridated city of Newburgh, New York, as compared with the unfluoridated control city of Kingston; this finding, however, was considered spurious and was not followed up.⁶⁴ For

a long time, the government avoided performing its official animal carcinogenicity test—which, if positive, would require regulatory action against fluoride. It had to be pushed into doing that.

In 1975, John Yiamouyiannis, a biochemist and controversial fluoridation opponent, and Dean Burk, a retired National Cancer Institute (NCI) official, reported a 5 to 10 percent increase in total cancer rates in U.S. cities which had fluoridated their water supplies.⁶⁵ Whether scientifically valid or not, the paper did trigger congressional hearings in 1977, at which it was revealed, incredibly, that the government had never cancer-tested fluoride. Congress ordered the NCI to begin.

Twelve years later, in 1989, the study was finally completed. It found "equivocal evidence" that fluoride caused bone cancer in male rats.⁶⁶ The NCI was immediately directed to examine cancer trends in the U.S. population that

might be fluoride-related. The NCI found that nationwide evidence "...of a rising rate of bone and joint cancer at all ages combined, due mainly to trends under the age of 20, was seen in the 'fluoridated' counties but not in the 'non-fluoridated' counties....The larger increase in

males under the age of 20 seen in the aggregate data for all bone and joint cancers is seen only in the 'fluoridated' counties."⁶⁷

The NCI also did more detailed studies focused on several counties in Washington and Iowa. Once again, "When restricted to percent under the age of 20, the rates of bone and joint cancer in both sexes rose 47 percent from 1973-80 to 1981-87 in the fluoridated areas of Washington and Iowa and declined 34 percent in the non-high fluoridated areas. For osteosarcomas [bone cancers] in males under 20 [emphasis added], the rate increased 70 percent in the fluoridated areas and decreased four percent in the non-fluoridated areas."⁶⁸ But after applying sophisticated statistical tests, the NCI concluded that these findings, like those in Newburgh in 1956, were spurious.

It was commission time again.

The new commission, chaired by venerable fluoridation proponent and U.S. Public Health Service official Frank E. Young, concluded in its final report that "...its year-long investigation has found no evidence establishing an association between fluoride and cancer in humans." As for the

58. Cooper, et al., *Journal of the American Medical Association*, Vol. 266, July 24, 1991, pp. 513-14. See also Sowers, et al., "A Prospective Study of Bone Mineral Content and Fractures in Communities with Different Fluoride Exposure," *American Journal of Epidemiology*, Vol. 133, No. 7, pp. 649-60. For a summary of the most recent studies and a review of the scientific debate, see "Summary of Workshop on Drinking Water Fluoride Influence on Hip Fracture and Bone Health," *Osteoporosis International*, Vol. 2, 1992, pp. 109-17.

59. Christa Danielson, et al., "Hip Fractures and Fluoridation in Utah's Elderly Population," *JAMA*, Vol. 268, August 12, 1992, p. 746-48.

60. Author's 1992 interview with Sharon Ramirez, statistician, National Center for Health Statistics, U.S. Centers for Disease Control, Hyattsville, Md.

61. U.S. National Research Council, *Diet and Health* (Washington, D.C.: National Academy Press, 1989), p. 121.

62. *JAMA*, "Hip...", *op. cit.*

63. Not just anything causes cancer in the government tests. The majority of substances tested—all suspected carcinogens—prove negative, according to the National Cancer Institute. And there's good reason to worry about the few, like asbestos and DES, that do prove positive, says the NCI brochure, March 1990.

64. U.S. National Research Council, *Drinking Water and Health*, (Washington, D.C.: National Academy of Sciences, 1977), pp. 388-89.

65. John Yiamouyiannis and Dean Berk, "Fluoridation of Public Water Systems and Cancer Death Rates in Humans," presented at the 67th annual meeting of the American Society of Biological Chemists, and published in *Fluoride*, Volume 10, Number 3, 1977, pp. 102-23. Follow-up studies were conducted here and abroad which claimed to refute this paper and it remains controversial.

66. U.S. Public Health Service, *Review of Fluoride Benefits and Risks* (Washington, D.C.: Department of Health and Human Services, February 1991), p. iii.

67. *Ibid.*, p. F-2.

68. *Ibid.*, p. F-3.

evidence on bone fractures, the commission merely stated, "further studies are required." And finally, as always: "The U.S. Public Health Service should continue to support optimal fluoridation of drinking water."⁶⁹

"If fluoride presents any risks to the public at the levels to which the vast majority of us are exposed," intoned U.S. Assistant Secretary for Health, James G. Mason, when releasing the report, "those risks are so small that they have been impossible to detect. In contrast, the benefits are great and easy to detect."⁷⁰ That is, fewer cavities in children.

Government Doubts

There are signs, however, that 50 years of official unanimity on this subject may be disintegrating. Referring to the government's animal study, James Huff, a director of the U.S. National Institute of Environmental Health Sciences, told a 1992 meeting he believes "that the reason these animals got a few osteosarcomas [bone cancers] was because they were given fluoride...Bone is the target organ for fluoride." In other words, the findings were not "equivocal" but solid.

"Perhaps we need to learn more about this chemical," said Huff.⁷¹

Others feel more than enough has already been learned. William Marcus, an EPA senior science adviser and toxicologist was indignant. "In my opinion," he said, "fluoride is a carcinogen by any standard we use. I believe EPA should act immediately to protect the public, not just on the cancer data, but on the evidence of bone fractures, arthritis, mutagenicity and other effects." Marcus adds that a still-unreleased study by the New Jersey State Health Department has found that the bone cancer rate is six times higher—among young males—in fluoridated communities.⁷²

"The level of fluoride the government allows the public is based on scientifically fraudulent information and altered reports," charges Robert Carton, an EPA environmental scientist and past president of its employee union, Local 2050, National Federation of Federal Employees. The EPA union has been campaigning for six years against what it terms the "politicization of science" at the agency, citing fluoride as the archetypal case. "People can be harmed simply by drinking the water," Carton warns.⁷³

A subcommittee headed by Congressman Ted Weiss (D-N.Y.) is investigating the government's handling of the evidence on fluoride's safety. And there the matter rests—until the next commission.

Mega-con

Does fluoridation reduce cavities in children? Almost everyone feels certain that it does, but only because trusted authorities have told them so, and those authorities in turn received their information from leaders who, as the original spin-doctor noted, must be influenced if you want to make the public believe something.

Actually, over the years, many health professionals—especially abroad—have decided the beneficial effects of fluoride are mostly hokum; but open debate has been stifled—if not strangled. Repeatedly dentists and doctors who were regarded as paragons of professional excellence—when they supported fluoride—have been vilified and professionally ostracized after they changed their minds. During the early 1980s, New Zealand's most prominent fluoridation advocate was John Colquhoun, the country's chief dental officer. Then he decided to gather some results. "I was an ardent fluoridationist, you see. I wanted to show people how good it was..."

"When as chair of the Fluoridation Promotion Committee, I gathered these statistics...I observed that...the percentage of children who were free of dental decay was higher in the unfluoridated part of most health districts in New Zealand."⁷⁴ The national health department

refused to allow Colquhoun to publish these findings, and he was encouraged to resign.

Now Colquhoun writes that "new evidence...suggests that the harmful effects of water fluoridation are more real than is generally admitted while the claimed dental benefit is negligible."⁷⁵

A more recent example is Canadian physician Richard G. Foulkes, who is currently being accused by his former colleague, Brent Friesen, chief medical officer of Calgary, B.C., of "a classical case of manipulation of information and selective use...to promote the quackery of anti-fluoridationists." In 1973, as a special consultant to the health minister of British Columbia, Foulkes had authored a report recommending mandatory fluoridation for the province. But, after reviewing the evidence, he has concluded that "fluoridation of community water supplies can no longer be held to be safe or effective in the reduction of tooth decay....Even in 1973, we should have known this was a dangerous chemical."⁷⁶ He adds that "there is, also, a not-too-subtle relationship between the objective [the promotion of fluoridation] and the needs of major industries..."⁷⁷

"I was conned," Foulkes thinks, "by a powerful lobby."⁷⁸

74. Legislative Assembly for the Australian Capital Territory, Standing Committee on Social Policy, "Inquiry into Water Fluoridation in the Act [sic]," January 1991, pp. 183-84.

75. John Colquhoun, *Community Health Studies*, Vol. 14, No. 3, 1990, p. 288.

76. Mark Lowey, "Doctor Warns Fluoride Risky," *Calgary Herald*, January 25, 1992.

77. Richard G. Foulkes, Letter to Thomas Perry, Minister of Advanced Education, Victoria, British Columbia, March 3, 1992.

78. Tom Hawthorn, "MD Who Pushed Fluoridation Now Opposes Idea," *The Province (Vancouver)*, January 26, 1992.

69. *Ibid.*, pp. 84-90.

70. HHS press release, February 19, 1991.

71. Mark Lowey, "Scientists Question Health Risks of Fluoride," *Calgary Herald* (Canada), February 28, 1992.

72. Author's interview, 1992.

73. Author's interview, 1992.

CovertAction Back Issues

- ☐ **No. 1 (July 1978)** Agee on CIA; Cuban exile trial; consumer research in Jamaica.*
- ☐ **No. 2 (Oct. 1978)**: How CIA recruits diplomats; researching undercover officers; double agent in CIA.*
- ☐ **No. 3 (Jan. 1979)**: CIA attacks CAIB; secret supp. to Army field manual; spying on host countries.*
- ☐ **No. 4 (Apr.-May 1979)**: U.S. spies in Italian services; CIA in Spain; CIA recruiting for Africa; subversive academics, Angola.*
- ☐ **No. 5 (July-Aug. 1979)**: U.S. intelligence in Southeast Asia; CIA in Denmark, Sweden, Grenada.*
- ☐ **No. 6 (Oct. 1979)**: U.S. in Caribbean; Cuban exile terrorists; CIA plans for Nicaragua; CIA's secret "Perspectives for Intelligence."*
- ☐ **No. 7 (Dec. 1979-Jan. 1980)**: Media destabilization in Jamaica; Robert Moss; CIA propaganda budget; media operations; UNITA; Iran.*
- ☐ **No. 8 (Mar.-Apr. 1980)**: Attacks on Agee; U.S. intelligence legislation; CAIB statement to Congress; Zimbabwe; Northern Ireland.
- ☐ **No. 9 (June 1980)**: NSA in Norway; Glomar Explorer; mind control; notes on NSA.
- ☐ **No. 10 (Aug.-Sept. 1980)**: Caribbean; destabilization in Jamaica; Guyana; Grenada bombing; "The Spike"; deep cover manual.*
- ☐ **No. 11 (Dec. 1980)**: Rightwing terrorism; South Korea; KCIA; Portugal; Guyana; Caribbean; AFIO; NSA interview.
- ☐ **No. 12 (Apr. 1981)**: U.S. in El Salvador & Guatemala; New Right; William Casey; CIA in Mozambique; mail surveillance.*
- ☐ **No. 13 (July-Aug. 1981)**: S. Africa documents; Namibia; mercenaries; the Klan; Globe Aero; Angola; Mozambique; BOSS; Central America; Max Hugel; mail surveillance.
- ☐ **No. 14-15 (Oct. 1981)**: Index to nos. 1-12; review of intelligence legislation; CAIB plans; extended Naming Names.
- ☐ **No. 16 (Mar. 1982)**: Green Beret torture in Salvador; Argentine death squads; CIA media operations; Seychelles; Angola; Mozambique; the Klan; Nugan Hand.*
- ☐ **No. 17 (Summer 1982)**: CBW history; Cuban dengue epidemic; Scott Barnes and "yellow rain" lies; mystery death in Bangkok.*
- ☐ **No. 18 (Winter 1983)**: CIA & religion; "secret" war in Nicaragua; Opus Dei; Miskitos; evangelicals-Guatemala; Summer Inst. of Linguistics; World Medical Relief; CIA & BOSS; torture; S. Africa; Vietnam defoliation.*
- ☐ **No. 19 (Spring-Summer 1983)**: CIA & media; history of disinformation; "plot" against Pope; Grenada airport; Georgie Anne Geyer.
- ☐ **No. 20 (Winter 1984)**: Invasion of Grenada; war in Nicaragua; Ft. Huachuca; Israel and South Korea connections in Central America; KAL flight 007.
- ☐ **No. 21 (Spring 1984)**: *New York Times* and the Salvadoran election; *Time* and *Newsweek* distortions; Accuracy in Media; Nicaragua.
- ☐ **No. 22 (Fall 1984)**: Mercenaries & terrorism; *Soldier of Fortune*; "privatizing" the war in Nicaragua; U.S.-South African terror; Italian fascists.
- ☐ **No. 23 (Spring 1985)**: "Plot" to kill Pope/"Bulgarian Connection"; CIA ties to Turkish and Italian neofascists.
- ☐ **No. 24 (Summer 1985)**: State repression, infiltrators, provocateurs; sanctuary movement; American Indian Movement; Leonard Peltier; NASSCO strike; Arnaud de Borchgrave, Moon, and Moss; Tetra Tech.

- ☐ **No. 25 (Winter 1986)**: U.S., Nazis, and Vatican; Knights of Malta; Greek civil war/Eleni; WACL and Nicaragua; torture.
- ☐ **No. 26 (Summer 1986)**: U.S. state terrorism; Vernon Walters; Libya bombing; contra agents; Israel & S. Africa; Duarte; media in Costa Rica; democracy in Nicaragua; Index to nos. 13-25.*
- ☐ **No. 27 (Spring 1987)**: Special—Religious Right: *New York Times* & Pope Plot; Carlucci; Southern Air Transport; Michael Ledeen.*
- ☐ **No. 28 (Summer 1987)**: Special—CIA and drugs: S.E. Asia, Afghanistan, Central America; Nugan Hand; MKULTRA in Canada; Delta Force; AIDS theories and CBW.*
- ☐ **No. 29 (Winter 1988)**: Special—Pacific: Philippines, Fiji, New Zealand, Belau, Kanaky, Vanuatu; atom testing; media on Nicaragua; *Reader's Digest*; CIA in Cuba; Tibet; Agee on *Veil*; more on AIDS.*
- ☐ **No. 30 (Summer 1988)**: Special—Middle East; The *intifada*; Israeli arms sales; Israel in Africa; disinformation and Libya; CIA's William Buckley; the Afghan arms pipeline and contra lobby.
- ☐ **No. 31 (Winter 1989)**: Special—domestic surveillance. The FBI; CIA on campus; Office of Public Diplomacy; Lexington Prison; Puerto Rico.
- ☐ **No. 32 (Summer 1989)**: Tenth Year Anniversary Issue: The Best of CAIB. Includes articles from our earliest issues, Naming Names, CIA at home, abroad, and in the media. Ten-year perspective by Philip Agee.
- ☐ **No. 33 (Winter 1990)**: Bush Issue: CIA agents for Bush; Terrorism Task Force; El Salvador and Nicaragua intervention; Republicans and Nazis.
- ☐ **No. 34 (Summer 1990)**: Assassination of Martin Luther King Jr.; Nicaraguan elections; South African death squads; U.S. and Pol Pot; Noriega and the CIA; Council for National Policy.
- ☐ **No. 35 (Fall 1990)**: Special—Eastern Europe; Analysis-Persian Gulf & Cuba; massacres in Indonesia; CIA and Banks; Iran-contra.
- ☐ **No. 36 (Spring 1991)** Special—Racism & Nat. Security. FBI v. Arab-Ams. & Black Officials; Destabilizing Africa; Chad, Uganda, S. Africa, Angola, Mozambique, Zaire; Haiti; Panama; Gulf War; COINTELPRO "art."
- ☐ **No. 37 (Summer 1991)** Special—Gulf War; Media; U.N.; Libya; Iran; Domestic costs; N. Korea Next?; Illegal Arms deals.
- ☐ **No. 38 (Fall 1991)** Special—DoD, CIA recruitment of U.S. & international students; Arif Durrani's Iran-Contra case; Moon & Academia; Targeting environmentalists; CIABASE database review.
- ☐ **No. 39 (Winter 1991-92)** Special—The "Good" Agencies; NED; Peace Corps; USAID & AIDS; Natl. Cancer Inst. & Bio. War; Population Control; Casolaro; FBI & Supreme Court; Robert. Gates; USSR destabilization; BCCI.
- ☐ **No. 40 (Spring 1992)** Indigenous Peoples; N. America: toxic dumps, L. Peltier interview; Guatemala: U.S. policy & indigenous; Rigoberta Menchú; Pol Pot Returns; E. Timor Massacre; U.S. in Pacific; GATT; David Duke.
- ☐ **No. 41 (Summer 1992)** Special—Next Enemies; LA Uprising; Geo. Bush and CIA; Bush Family; Eqbal Ahmad; UN: U.S. Tool; Nuclear Proliferation; Environmentalists Attacked; U.S. Economic Decline; Dissent as Subversion.
- ☐ **No. 42 (Fall 1992)** Agee on Covert Ops; Peru; Fluoride; VP Bush and CIA; Nicaragua; SO/LIC; Militarizing the Drug War; CIA Targets Gonzalez; Bush Inaugural Leak; Rev. Moon Buys University.

* AVAILABLE IN PHOTOCOPY ONLY.

Subscriptions (4 issues / year):

U.S.	<input type="checkbox"/> \$19 one year	<input type="checkbox"/> \$35 two years
Can./Mex	<input type="checkbox"/> \$24 one year	<input type="checkbox"/> \$45 two years
Lat.Am./Eur.	<input type="checkbox"/> \$30 one year	<input type="checkbox"/> \$56 two years
Other areas	<input type="checkbox"/> \$32 one year	<input type="checkbox"/> \$60 two years

- ☐ \$5 / year additional charge for institutions
- ☐ \$5 discount for prisoners
- ☐ \$2 discount for gift to libraries

Books:

- ☐ \$25 *Dirty Work II: The CIA in Africa*, Ray, et al.
- ☐ \$25 *Dirty Work: CIA in W. Europe*, Agee, Wolf
- ☐ \$10 *Lyndon LaRouche/New Fascism*, King
- ☐ \$10 *On the Run*, Agee

Complete Back Issue Set: # 1-41

- ☐ \$175 plus \$10 postage, U.S. / \$20 other

Back Issues: Check above, or list below. \$6 per copy in U.S. Airmail: Canada/Mexico add \$2; others add \$4.

I want to give a gift subscription at \$ _____ to:

Name _____

Address _____

(Please use separate sheet for additional gifts.)

Name _____

Address _____

I am mailing \$US _____ to: **CovertAction**, 1500 Mass. Ave., NW, #732, Washington, DC 20005



CovertAction

INFORMATION BULLETIN

1500 Massachusetts Ave., NW #732

Washington, DC 20005

ADDRESS CORRECTION REQUESTED



**BULK RATE
U.S. POSTAGE
PAID**

WASHINGTON, DC
PERMIT No. 5531

DO US BOTH A FAVOR

If you are moving, please send us a change-of-address notice well in advance. Give both the old and the new address, including zip codes. Don't miss an issue.

Subscribers: Number in corner of label is the last issue in your subscription.