

EIR Special Report

How the Balkan card is played

by Criton Zoakos, Editor-in-Chief

The scion of a Swiss banking family, Fred Charles Iklé, now occupying the post of Undersecretary of Defense in the U.S. government, belongs to a group of “gamemasters” who are counting on the eruption of a large-scale crisis in the Balkans. One of their principal intentions is to manage a “superpower confrontation” over the Balkans, inflict a strategic humiliation on the United States in that area, and employ the effects of such humiliation to produce a climate of national hysteria conducive to launching a “Fortress America” war mobilization along the lines of Hermann Goering’s economic policies after Hjalmar Schacht was removed from the Reichsbank in 1936.

Even among the best-informed and politically sensitive citizens of the United States, there is a good amount of difficulty in grasping the current issues involved in an imminent Balkan crisis. This is mostly because of a lack of information pertaining to the history of the region, and how that history still determines, to a large extent, the capabilities and vulnerabilities of the Balkan states. There are three pertinent strategic characteristics of the region which ought to occupy the attention of students of the world strategic situation today:

First, the ethnic composition of the Balkan checkerboard of states is so fragile that none of these states, as they emerged from World War II, is capable of surviving even the slightest shift in prevailing arrangements.

Second, the Balkan ethnic tinderbox in its present form was created during the 60-year period from the Crimean War to World War II by international intelligence networks working on the strategic problem of *how to dismantle the Ottoman Empire without giving advantages to the Russian Empire.*

This formula was popularly known as the “Eastern Question,” which occupied center stage of world politics from the Congress of Vienna in 1815 to World War I in 1914. It is not accidental that the Swiss (and Venetian) diplomats who dominated the Congress of Vienna succeeded in excluding any reference in that Congress’s proceedings, to the only issue that had remained unresolved with the defeat of Napoleon: the Eastern Question. It is



Courtesy of the United Nations

U.N. peacekeeping force in Kyrenia, Cyprus in 1964.

also not accidental that the First World War started in the Balkans, as a result of the decision made in Geneva, Switzerland.

Third, the strategic intelligence networks which today hold the threads of political fortunes in the Balkans are the direct political heirs of those earlier British-coordinated networks in Greece, Turkey, Albania, Yugoslavia, Bulgaria, Romania, Austria, and Hungary, which orchestrated the 1853-to-1914 events: Greek bankers appointed by Switzerland; Venetian intellectuals and academics operating among Yugoslavia's, Albania's, and Bulgaria's ethnic minorities; Swiss-promoted bankers in Hungary; old Comintern apparatchiks played by British intelligence as a surrogate for old Swiss financier networks; Eastern Orthodox Church networks; Jesuit networks; and Greek shipowner influences run out of Belgravia Square in London.

The U.S. mass-circulation newspapers have withheld all news regarding the dramatic deterioration of political affairs in the Balkans over the last year. If, however, a sensible inquirer picks up a random issue of a Yugoslav, Albanian, Greek, Turkish, or Bulgarian daily, he will be shocked to discover that front-page attention is given to highly charged ethnic issues and controversies generally considered dead and buried since the end of the Second World War: Albania raising territorial claims over Yugoslavia; Bulgaria claiming ethnic ties with Yugoslav-held Macedonia; Greece raising claims at Turkey's expense; Turkey officially classifying Greek claims as *casus belli*; Hungarians in Yugoslavia's province of Vojvodina raising demands for autonomy; anxious charges of

"great-Serbian chauvinism" sweeping across the Balkans, and so forth.

A rule of thumb for Balkan politics, valid since the time of Bismarck, is that no power raises the issue of redrawing the political map of the region unless it has in mind redrawing the map of the world. During the 1853-1914 period, the map of the world was being redrawn at the expense of the Ottoman Empire and Russia. Now, Fred Iklé and his friends at the Bank for International Settlements, the Club of Rome, and elsewhere, are trying to redraw the map at the expense of the United States and the Soviet Union. Examining how their predecessors carried out the operation during the period of the "Eastern Question" sheds considerable light on how they are moving now.

After the Congress of Vienna

The influentials who ran the Congress of Vienna were the same interests who had orchestrated the French Revolution that had toppled the French monarchy. These were the banking houses of Geneva, Switzerland and their confederates in the British East India Company around Lord Shelburne and William Pitt the Younger. Talleyrand was a hired gun for the same Genevan bankers who controlled Necker and his daughter, Madame de Staël; the two Russian Foreign Ministers, Capodistria and Nesselrode, were agents of the Genevan Madame de Staël; Castlereagh, the British plenipotentiary, was the property of the British-Swiss alliance of Shelburne-Pitt-Mallet, of the same Genevan Mallet family which controlled all the Ottoman debt through

the Banque Ottoman and which today controls the Schlumberger, Mallet, Neuflyze Bank, the owners of Murder Inc., known as Permindex.

Gathered in Vienna, this group represented the interests and perspectives of the world's allied oligarchic-financier interests as shaped by Venetian leadership during the 11th to 18th centuries. After the revocation of the Edict of Nantes, the command center of this group was reconsolidated in Switzerland, primarily Geneva. From the Peace of Westphalia onward, their greatest strategic fear was that the republican Neoplatonic forces which out of the Florentine Renaissance had come to dominate the kingdom of France, might emerge in power in England and Spain. Throughout most of the 18th century, the world was engaged in an intense struggle revolving around one single strategic issue: will the world be controlled by the oligarchic, financial interests represented by Venice, Genoa and Switzerland, the tax-farmer and rentier system, or will it be commanded by a system of national economies, identified with the mercantilist/dirigist system of Jean Baptiste Colbert and his predecessors going back to Louis XI?

When the American Revolution occurred, it was a part of this global struggle. The republicans of the American colonies were fighting primarily against the Genoese-Venetian-Swiss influences represented by the British East India Company as well as George III and Hanover. The American victory created a profound crisis in Europe among the financial oligarchs.

A little-known arrangement between Lord Shelburne and the Genevan "Committee of One Hundred," produced the French Revolution, a mob-based insurgency similar to the recent phenomenon in Iran. Robespierre's terror was British- and Swiss-intelligence controlled. The Directoire which succeeded the Terror was also Swiss-controlled, with Madame de Staël and Necker handpicking the members of the Directoire and the subsequent cabinet. Prince Talleyrand was summoned from the United States to Paris by Madame de Staël, was appointed Foreign Minister, and kept that post through the Directoire, the First Empire, the Restoration, the Hundred Days, and all the way to Napoleon's final demise and the Congress of Vienna.

During those years, the greatest concern of the Swiss-centered European financial oligarchy was to prevent the emergence of a dirigist-mercantilist coalition of major states such as the United States, Russia, Turkey, and France. The Congress of Vienna made arrangements to ensure the defeat of dirigist-mercantilist forces in Europe, in a way that would knock out France, isolate the American republicans (softening them up for a future defeat), and open up the Western Hemisphere to control under the leadership of the British East India Company as exemplified by the

alliance among George Canning, the Barings, and the Rothschilds.

The problems posed by Russia and Turkey were left for solution in post-Congress deployments. The threat to British interests of an American-Russian dirigist alliance, based on what was then called the "American System of Political Economy," existed continuously from the time of John Paul Jones's service in the Russian navy to Tsar Alexander II's direct military assistance to Lincoln's Union forces against the Confederacy, and to Russia's assistance to the American Republic's efforts to keep the British out of the West Coast. A similar potential existed for an alliance between Russia and the Ottoman Empire, each time leading factions of that empire attempted to defy their Venetian and Swiss-based manipulators and launch a reform movement with "revolutions from the top." Thus, after Vienna, the financial oligarchy set as its task to destroy the Ottoman, Russian, and Austro-Hungarian empires simultaneously. It was within this grand strategy that the Balkans became what they are today.

Balkan intrigue

At the time of the Congress of Vienna, the Ottoman Empire extended, in Europe, to areas which are now the territories of Greece, Yugoslavia, Bulgaria, Albania, and most of Romania. In Asia, the Ottoman Empire extended to present-day Iraq, Syria, Lebanon, Jordan, Israel, and the Arabian Peninsula. In Africa, it comprised Egypt, Libya, and Algeria. When the dust of World War I finally settled, in 1929, the Ottoman Empire had been replaced by a Turkish Republic of comparatively miniscule size, and over a dozen new states had appeared on the map. These were either directly controlled by the British, as in the case of Egypt, Cyprus, Iraq, Transjordan, and Palestine, or were financially dependent on the British, as were Bulgaria, Greece, Serbia, and Romania, among others. The Russian Empire had been replaced by Soviet Russia with drastically reduced territory and the Austro-Hungarian "Dual Monarchy" had been replaced by Austria as a financial and intelligence adjunct of Switzerland, Hungary, and Czechoslovakia. What appeared to be British intelligence assets in Central Europe, the Balkans, and the Near East, were in fact the ancient Venetian (and to that extent Swiss) networks "on loan" to British or nominally British intelligence projects and operations.

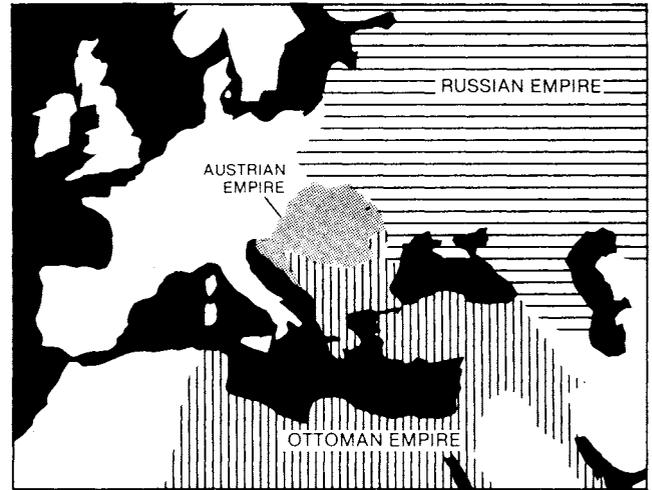
The inspirator of the grand strategy to break up the three empires, Ottoman, Russian, and Austro-Hungarian, was Venice-Switzerland; the executor was British. The principal strategic instruments that were employed were two: systematic internal subversion, and deliberate provocation of wars among the intended victims.

Subversion as a strategic instrument relied on secret



1740 Imperial Borders

Venetian diplomats instigated Russia's "drive to the south" to divert its westward alliance potential.



1815 Imperial Borders

The empires as defined by the Congress of Vienna, after which the effort to dismantle them began.

societies organized out of Switzerland and old Venetian family loyalties, spread throughout the territories of both the Ottoman Empire and Russia. Geneva, Basel, and Zürich banking families were the financial clout behind the "Young Europe" Masonic networks which Giuseppe Mazzini organized in Switzerland. Mazzini's Propaganda-1 Lodge was the force behind "Young Poland," "Young Serbia," "Young Bulgaria," "Young Turkey," and other subversive and terrorist organizations.

Sarajevo and the Young Turks

Two exemplary cases should establish the point: the assassination of Archduke Ferdinand of Austria at Sarajevo, which launched World War I, and the "Young Turk" conspiracy, which hatched the notorious Parvus Plan for the dismemberment of the Russian Empire.

The proceedings of the little-known "Colonel Apis Trial" in April 1917 in Salonika, Greece, have conclusively demonstrated that 1) the assassination of Archduke Ferdinand in July 1914 involved the deployment of at least 10 assassins rather than two "lone-assassin" types; 2) the deploying in the city of Sarajevo had been organized by the Chief of Serbian Military Intelligence, Col. Dragutin Dimitrievic (*nom de guerre*: Apis) and his deputies Tankosic, Djuro Sarac, Danilo Illich, and Gaconovic, all members of the Serbian Masonic lodge as well as the lodge in Geneva; 3) the instructions for the assassination were conveyed from Geneva to Serbia via one Bogdan Radenkovic, a person whom the records show to be a fascinating 19th-century "James Bond" of sorts: an intimate of the notorious Alexander Helphand-Parvus, a Russian Orthodox clergyman, a Freemason,

a member of the "Black Hand" secret society in Bosnia, a secret operative in the Serbian Foreign Ministry, and bearer of great amounts of money; 4) whoever the still-unknown individuals were who gave the initial orders for the assassination from Geneva, they knew very well that the assassination of the Archduke was going to trigger a world war. They had access, through the "Colonel Apis" infiltration of the Austro-Hungarian Imperial inner circle, to the knowledge that, given the Archduke's special functions in the state's secret arrangements, his violent death would force Austria to war for "reasons of state."

The second example of Masonic-network subversion was the "Young Turk" project within the Ottoman Empire, handled directly by Venetian intelligence. After the death of Suleyman the Magnificent, the Ottoman Empire rapidly degenerated into a jaded arrangement ruled by a homosexual military elite, the janissaries, the influential eunuchs of the Imperial harem and the great favorites among the Imperial concubines. Behind them stood the string-pullers, namely the Venetian financiers and their aristocratic Byzantine allies, the great Phanariot families which maintained diplomatic and administrative control of the Empire after the Ottoman conquest, just as they had done during the previous centuries of Greek-Byzantine history.

In the late 18th century, these Venetian capabilities were reorganized around Masonic lodges. The most notorious was the Albanian-based Order of Bektashi Dervishes, who maintained control over the deployments of the janissary military elite. In 1807, the Bektashi order overthrew and assassinated Sultan Selim III, an enlightened leader close to the French and connected with American revolutionary networks.

Toward a Russian revolution

The Scottish Rite Freemasons established control over the Ottoman Empire in connection with events around the Crimean War (1854-56). After that war, the "Young Ottoman" movement, precursor of the "Young Turks," began administering a British political program known as the Tanzimat (Reform), successively under the control of Lord Palmerston, Lord Beaconsfield (Disraeli), and Lord Salisbury. From the 1840s to the 1870s, all the grand viziers and foreign ministers of the Ottoman state were Scottish Rite Masons, most of them belonging to the Edinburgh Grand Lodge in Istanbul. The purpose of the Tanzimat reform was, as Lord Salisbury later explained, "to keep the degenerate Ottoman Empire together until the time when the revolution will overthrow the Tsar's rotten regime."

Lord Palmerston's Masonic networks were running that very revolution in Russia for which the Foreign Secretary was hoping so ardently. The revolutionary networks of Nikolai Bakunin and Alexander Herzen were controlled by the Genevan lodges, under the cover of Giuseppe Mazzini's International League of Peace and Freedom, whose initial policy controller was John

Stuart Mill, i.e. the British East India Company.

When, from 1871 onward, the Ottoman Empire under Sultan Abdulaziz attempted a rapprochement with Russia under an industrial cooperation policy, the Masonic networks both in Russia and in Istanbul moved to produce a war between the two powers, which eventually broke out in 1877 and resulted in the notorious Congress of Berlin, the diplomatic landmark which laid the basis for the First World War.

In 1876, a Masonic coup d'état overthrew and assassinated Sultan Abdulaziz. Within three months, his successor Murat and his Grand Vizier Mehmet Rustu were deposed for having declared a debt moratorium. Holder of the Ottoman debt during that time was the Banque Ottoman, predecessor of today's Bank de Paris et des Pays Bas, whose principal stockholder was the Genevan Mallet family, the same Mallet family which today owns the bankers of Permindex Murder Inc., the firm of Schlumberger, Mallet et Neuflyze.

The Congress of Berlin

The stage-managed Russo-Turkish War of 1877 resulted in a military catastrophe for the Ottoman Empire. Russia attempted to consolidate its victory with



1914 Balkan National Borders

The Balkan region as it had been carved up by the Great Powers before the region was manipulated to trigger the outbreak of World War I. Not shown: the Ottoman Empire has also lost its northern African possessions, which included parts of what is now Egypt, Libya, and Tunisia.

the Treaty of San Stefano in March 1878. This treaty fulfilled the wildest dreams of the Russian Pan-Slavist movement. A Russian-puppet Bulgarian state was recognized, incorporating Macedonia and an outlet to the Mediterranean. The treaty also bestowed favors on Russian political allies in Serbia, Montenegro, and Romania. Great Britain, Germany, and Austria immediately challenged Russia's gains, convoked the Congress of Berlin in June-July of the same year, and undid all of Russia's advantages without thereby restoring any previous strength to the Ottoman State. The Balkan ethnic checkerboard emerged at the Congress of Berlin.

The former Ottoman territories in Europe were rearranged in the following fashion: the northern half of modern Bulgaria was recognized as an autonomous principality; the southern part of Bulgaria became the province of Eastern Romelia, under Ottoman suzerainty but ruled by a Christian governor selected by the Powers; Romania for the first time ever was recognized as independent, provided it would grant citizenship to its Jewish inhabitants; Serbia and Montenegro were confirmed as independent entities; and Austria was given the right to occupy Bosnia-Herzegovina. The Ottoman-ruled island of Cyprus was transferred to

Britain.

The new states were financial and legal fictions, giving the various Venetian Freemasonic networks a free hand to do as they pleased.

Despite the powerful emotions associated with various Balkan nationalisms, the national phenomenon in the Balkans is still skin-deep precisely because of the bastard manner in which it saw the light of day. The new states were primarily the bearers of state debts extended by Swiss and British banks. The purpose of those debts was to finance the raising of armies and the construction of railroads. The remainder of the Ottoman Empire was subjected to a strict financial control in the hands of the Banque Ottoman and the Ottoman Debt Administration which eventually, in 1882, took over Egypt.

Toward the end of the 19th century, when Bismarck was no longer in power, German industrial interests attempted to launch the industrial modernization of Turkey. The British-Venetian networks in the area counterattacked with a fresh series of destabilizations. Then Italian Prime Minister Francesco Crispi, a captive agent of the Propaganda-1 Masonic lodge founded by Mazzini, launched a strategy known as the Mediterra-



1929 Balkan National Borders

The Ottoman Empire has been replaced by the smaller nation of Turkey, the nation of Yugoslavia has been assembled out of ethnically hostile areas, and the U.S.S.R.'s borders have been pushed back. Earlier German plans to economically develop the Balkans are totally cancelled between the wars.

nean Agreements, designed to keep France, Russia, and their German industrialist allies out of the Mediterranean. As a consequence of this Crispi policy, a revival of Venetian activities across the Balkans was noted at the beginning of this century, leading to the Sarajevo events in 1914.

Finishing off the Ottoman Empire

The Young Turk movement engineered a revolt in 1908, orchestrated in its last detail by the Venetian Count Volpi di Mizurata who later became the Governor of Libya. The Count was supervising the activities of a large network of secret societies, of which the Young Turks was only one. He was in control of similar networks in Bulgaria, Serbia, Montenegro, and Bosnia.

The 1908 Young Turk revolt resulted in the annexation of Bosnia-Herzegovina by Austria-Hungary, the independence of a unified Bulgaria, and the strengthening of Col. Dragutin Dimitrievic-Apis's control over Serbian military and foreign policy. This in turn created the conditions for the 1911 Italian-Turkish War over Libya, as a result of which Italy gained control not only of Libya but also of the Dodecanese Islands, 12 Aegean islands clustered around Rhodes. In the year 1912 two Balkan wars were arranged by the same Venetian-British networks under Volpi di Mizurata. The first was a war against Turkey by a coalition of Bulgaria, Serbia, Montenegro, and Greece which reduced Turkey's European territories to its present possessions, more or less. The second Balkan War of 1912 was against Bulgaria by a coalition of Serbia, Greece, and Montenegro, which limited Bulgaria's access to Macedonia and ended its access to the Aegean.

The strategic purpose of the two 1912 Balkan Wars was to aggrandize the new Balkan states at the expense of both Turkey and Austro-Hungary. During that period, the inner circles of the Austrian Imperial Court around Archduke Ferdinand had reached the conclusion that the "Dual Monarchy" of Austria-Hungary was going to expire under the pressure of Hungarian nationalist jealousies unless Austria-Hungary expanded into the Balkans. Venice checkmated that expansion with the Balkan Wars of 1912—and thus created the circumstances for 1914.

It is evident from the existing record that Volpi di Mizurata's Balkan networks at that time had also worked out a strategy for the disintegration of the Russian Empire under the rubric of the Parvus Plan. Dr. Alexander Helphand ("Parvus"), the enigmatic figure of the period about whom the Hoover Institution in Santa Monica knows perhaps more than anyone else, was in the Balkans from 1910 until the end of 1914.

During 1912 Volpi di Mizurata appointed him editor of the Young Turk daily newspaper in Istanbul. After

the outbreak of the war in August, he was given instructions to meet with the Austro-Hungarian ambassador to Istanbul, the Margrave Jean Pallavicini. A few days later, Parvus requested and was granted a meeting with the German ambassador, von Wangenheim, to whom he laid out an extensive plan—presumably inspired with the assistance of Jean Pallavicini—to disrupt and fragment Russia.

The German Foreign Ministry to this day retains the Parvus Plan in a document registered on March 9, 1915 bearing the title: *Memorandum by Dr. Helphand, A-8629/WK IIc, secr./vol. 5*. It is an extensive description of plans to deploy social-democratic organizations and nationalist movements in the Ukraine, Armenia, Georgia, and elsewhere for the purpose of fragmenting the Russian Empire. The general concept, in Parvus's words, is the "harnessing of the revolutionary energy of nationalism for the overthrow of the Czarist regime."

From the available evidence, it seems that the "harnessing of the revolutionary energy of socialism" for the same purpose was an addition to the plan insisted upon by the Margrave Pallavicini. Dr. Parvus said that the plan would cost the German Foreign Ministry over 20 million gold marks. Germany ended up paying over 50 million gold marks, including the financing of Lenin's operation. The monetary aspect of the affair was top secret. In addition to the recipients and Parvus, it was known by the Berliner Handelsbank (presently a member of the Propaganda-2 network, the successor to P-1) and an enigmatic Foreign Ministry official, one Guido von Bergen, who after the completion of the Parvus project went to serve as ambassador to the Vatican for both the Weimar Republic and the Third Reich.

If it were not for the surprising intervention of Lenin, who outwitted both the German strategists and Parvus's Venetian patrons, they would have realized their goal of using a Balkan destabilization to cause the simultaneous disintegration of three major powers. What prevented their success in World War I was Lenin's subsequent alliance with those elements of the old Russian civil service committed to the program of industrial development laid down by the pro-American Count Witte during the previous period. Had this alliance not taken place, Russia would now be on more or less the same level of industrial backwardness as Turkey and the Balkans.

The scenario-mongers at the RAND corporation and in Geneva are today attempting to replay a similar "Balkan disintegration" scenario "Take Three." They want a superpower conflict between Russia and America, hoping those nations will have the brains to "crisis-manage" it. If they proceed along these perspectives, the most likely outcome will be contrary to their calculations, and will perhaps result in nuclear calamity.