U.S. trade war targets Daimler-Benz

Washington has begun to escalate what insiders expect to be economic warfare against its perceived industrial rivals in Western Europe and Japan. A prime target for this effort is the leading German aerospace and transport vehicle conglomerate, Daimler-Benz of Stuttgart. But also high on the list are French technology groups such as Groupe Bull, and German and French chemical groups.

The latest propaganda phase of the operation was heralded Nov. 26 in a front-page feature in the Paris-based daily, International Herald Tribune under the byline of senior correspondent Reginald Dale. The first four sentences make their point: "The strategic alliance between two of the world's most powerful companies, Germany's Daimler-Benz and Japan's Mitsubishi Corp., has sent ripples of concern spreading far beyond the international business community. Alarmists in Europe and the United States have seen the deal as symbolizing a joint bid for domination of the world economy by the two main losers of World War II. Outside Japan and Germany, fears have been voiced of a 'new Axis' replicating the wartime alliance between Tokyo and Berlin."

'Webster Doctrine' against allies

This slanderous drivel—implying some nonexistent German and Japanese inclination toward fascism that the perpetrators of such a line don't even bother to document—is not coincidental, coming out less than one week before the first German national elections on Dec. 2. Everyone knows that reunified Germany can become the fulcrum of the world's greatest economic power, and the dog-eat-dog world of "Adam Smith" voodoo economics can only respond to that challenge by dirty tricks.

But if the propaganda is escalating, it is not new. The outlines of a radical U.S. policy shift were made public by CIA director William Webster in an address to the Los Angeles World Affairs Council on Sept. 19, 1989. Webster announced advanced plans in the U.S. intelligence community to redirect energies from their Cold War mission of combatting communism, toward a new mission which amounts to waging economic espionage and warfare against what had been U.S. Cold War allies. "Our political and military allies

are also our economic competitors," Webster put it bluntly.

On April 12, 1990, Webster made public that he had promoted CIA veteran Gary E. Foster to CIA deputy director and named him head of a new Directorate V for economic intelligence against industrial rivals of the United States.

The CIA is apparently not acting alone. The Federal Bureau of Investigation and the National Security Agency, which has sophisticated electronic eavesdropping posts across Western Europe, notably in Frankfurt, are also involved. FBI Foreign Counterintelligence head Douglas Gow signaled plans for new attacks on French industry in a Nov. 19 U.S. television broadcast where he charged that, in terms of economic espionage against American companies, "The French are the ones who show up on the screen the most." Gow accused the French security service DGSE, of spying on U.S. computer giant IBM on behalf of the French Groupe Bull.

Washington insiders say Gow's revelations are part of a process to lobby for new laws from Congress to legalize now-illegal FBI and CIA covert operations against industrial rivals abroad. Sen. David Boren (D-Okla.) is holding hearings in the Senate foreign intelligence subcommittee on such legislation. Fears in some Washington quarters are that the new mission could backfire and lead to demands from U.S. allies in Europe and Asia that the electronic listening posts be removed as an unneeded vestige of an earlier era.

It is no secret that the past three U.S. Presidents, from Jimmy Carter in 1976 through Ronald Reagan and now George Bush, have pursued a policy of radical "free market" liberalization of banking and industry, which has directly led to the competitive collapse of U.S. industry. Aerospace, with firms such as Boeing, and computer technology, exemplified by IBM, are among the few areas where U.S. industry is able to compete at all. But even there, the U.S. technical lead is rapidly eroding, and hence the Webster Doctrine has focused on the key European and Japanese industry groups in these areas. In early November, using the old U.S. embargo against trade with Vietnam, Washington told Vietnam that it could not buy two European Airbus A-310 commercial planes for its badly underequipped passenger airlines. Germany's Daimler-Benz MBB subsidiary is a major contractor of Airbus, a rival to Boeing.

The London *Financial Times* on Nov. 8 ran a sharply worded warning that the German aerospace industry threatens to surpass both British Aerospace and France by 1993. The company named at the center of this competitive "threat" is the new Daimler-Benz subsidiary Deutsche Aerospace.

Center for Security Policy

The unofficial civilian coordinating institution for flinging mud against German and other key U.S. economic rivals is a new Washington think-tank, the Center for Security Policy. Created in 1988, the center's board of directors reads like a roster of the discredited Iran-Contra CIA network of the

6 Economics EIR December 7, 1990

Reagan-Bush administration. It includes Iran-Contra protagonists Elliott Abrams, Stephen Bryen, Fred Iklé, Jeane Kirkpatrick, Richard Perle, former deputy CIA head Howard Teicher, and former Swiss ambassador and Oliver North intimate Faith Whittlesey. The deputy director, Sven Kraemer, is the son of Fritz Kraemer, the man who boasted of having "created" Henry Kissinger in the late 1940s.

On Sept. 5, the center issued a press release provocatively entitled, "The true German export control policy: profiteering at the expense of Western security," which accuses the Kohl government in Bonn of "chronic, if not wanton, disregard of elementary technology security." It demands that President Bush "impose import sanctions against German companies judged to have violated regulations controlling exports."

Shackley's CIA hit team

Another CIA "old hand" from the Iran-Contra days who is active in the new economic espionage mission against Europe and Japanese industrial groups is former CIA Deputy Director for Operations Theodore Shackley. Shackley, whose career goes back to the Bay of Pigs in the early 1960s and to the CIA's alleged involvement in drug running with Meo tribesmen in Laos, warned the annual convention of the Association of Former Intelligence Officers on Sept. 29 in Washington, that "Germany cannot be allowed to dominate Central Europe." He declared that the U.S. intelligence services should use Eastern Europe as a "window" to conduct economic espionage against Western Europe. Indeed, talks between the CIA and ex-East German communist trade official Alexander Schalck-Golodkowski suggest this may be the model Shackley and associates have in mind.

German chemical industry is at the top of the economic warfare target list of Washington as well. Sen. John Kerry (D-Mass.) has introduced a new bill, S. 2152, the International Chemical Controls Act. Using the pretext that European, especially German, chemical firms are enabling the South American cocaine mafia to process cocaine that is sold to U.S. youth, the Kerry bill, if passed, would open the floodgates to possible legal attacks on rival German chemical and high-tech firms.

The campaign is apparently being coordinated with long-standing Anglo-American interests inside Germany, especially those located in Hamburg. According to reports from former Reagan administration senior officials, Washington is planning to launch a major German internal foreign policy debate soon following the Dec. 2 elections, using recent Der Spiegel revelations of German firms' supplying certain technology to Iraq via Daimler-Benz's Messerschmitt-Bölkow-Blöhm subsidiary. "It is no secret that neither Der Spiegel nor the Hamburg-based interests that it reflects, are happy about the manner in which German unification was carried out. The weekly is a staunch opponent of any independent German foreign policy thrusts," say these Washington insiders, according to reliable reports.

Ban on whaling hides trade-war aims

by Ettore Tovo

The nearly 20-year campaign conducted by the United States to impose a total ban on whaling, under the pretext of environmental protection, is particularly odious to the Japanese. Whale meat is a traditional dish in Japanese cuisine, mentioned even in the oldest collection of poems of Japan, *Manyoshu*, from the eighth century A.D. In the early postwar years it became Japan's major protein source, as its consumption spread to the majority of families during times of food scarcity.

That is why the Japanese have such high regard for whalers, contrary to the West, where, but for sporadic exceptions, interest in the products of whaling, destined exclusively for industrial uses, began to wane midway through the last century, when the first petroleum deposits were found in the United States, and petroleum products replaced those of the whaling industry. The major U.S. whaling company, part of the Del Monte Fishing group, went out of business in 1971. Previously, the United States, Norway, Iceland, and Great Britain had practiced unlimited whaling in all seas, and Melville made Moby Dick, the White Whale into an epic.

It is worth taking a closer look at the events that led the International Whaling Convention to impose a global moratorium on whaling in 1982. The IWC is the international association of nations that hunt whales. According to its statutes, it was founded after the war with the task of stabilizing "a system of international rules for whaling, so as to assure an appropriate and effective conservation of whale stocks." Instead, it has been used by the U.S. government to impose a total blockade on such activities.

The demand for a moratorium on all whaling, first raised by the United States in 1972, appeared to have no scientific basis to the IWC's members. Not all whale species risked extinction; logically, quotas should have been set for nonendangered species. Faced with resistance, the U.S. representatives resorted to a ruse. During the annual IWC meeting in 1975, they asked to allow non-whaling nations to join. So, a certain number of states joined the IWC, such as Monaco, Antigua and Barbuda, Santa Lucia, and Senegal. In many cases the seats of these nations at the IWC turned out afterward to be occupied by ecologists of different nationalities!

In 1982, thanks to this artificial "majority," the IWC