
International Intelligence

Collaborators of BAE Asset Pinochet Indicted in Chile

The crimes committed by Chile's late fascist dictator Augusto Pinochet, installed in 1973 by George Shultz and Felix Rohatyn, live after him. On Oct. 4, Judge Carlos Cerda indicted and arrested Pinochet's widow, Lucia Hiriart, his five children, and 17 other military and civilian collaborators, on charges of misuse of public funds related to the secret fortune that Pinochet stashed away in Washington, D.C.'s Riggs Bank.

Part of Pinochet's sizable fortune came from commissions paid him by the British monarchy's BAE Systems weapons cartel, which hired him to arrange arms sales in several countries, and gave him a generous cut. Judge Carlos Cerda documented that Pinochet's "legitimate" sources of income—salary, pensions, investments, etc.—couldn't begin to account for the more than \$20 million in assets he accumulated.

The bill of indictment charges 23 people with stealing public funds that were part of the Army's "reserve" budget, and depositing them in foreign accounts under phony names, or laundering them through the purchase and sale of real estate, among other illegal activities. Among those indicted are two retired Army generals who held executive positions at FAMAE, the military industries company that became Pinochet's personal vehicle for arranging deals with BAE and its subsidiary, Royal Ordnance. Former FAMAE director Gen. Hector Letelier Skinner was instrumental in setting up shell companies in British offshore financial havens that Pinochet used to hide his ill-gotten fortune.

Soros Setting Up European Destabilization Offices

The French online publication *Réseau Voltaire* reported Oct. 4 that financier George Soros held preparatory meetings in New York recently, for initiating a European version of the New York Council on Foreign

Relations (CFR). The official launching is scheduled for Nov. 9, the 18th anniversary of the fall of the Berlin Wall, and the new organization is planning bureaus in seven European capitals: London, Paris, Madrid, Berlin, Rome, Sofia, and Warsaw.

The new CFR is primarily financed by the George Soros Foundation, the Foundation of International Relations and Foreign Dialogue, and the Communitas Foundation (i.e., the Bulgarian bank BRIB). On the front burner for "workshops" are the independence of Kosovo and the integration of the Balkans, and the inclusion of Turkey in the European Union. The new institution will favor the total integration of foreign policies of member states, so that the EU "speaks finally with only one voice." Among the 50 first members are: Martti Ahtisaari, former Finnish President, today in charge of the special UN mission to Kosovo; Mary Kaldor of the London School of Economics; international financier Caio Koch Weser; incoming IMF Managing Director Dominique Strauss-Kahn; and French financier Alain Minc.

Afghanistan May Be Lost Forever—Rep. Rohrabacher

At a panel hearing of the U.S. House Committee on Foreign Affairs Oct. 4, California Republican Dana Rohrabacher lashed out at the Bush Administration's Afghanistan policy, and said Afghanistan was on its way to being lost forever.

The panel's chairman, Rep. Gary Ackerman (D-N.Y.), set the tone, saying: "There is no security in much of the country. The central government's grip does not extend much beyond the environs of Kabul. In the provinces, there is no functioning local government, and the United Nations Office on Drugs and Crime projects that 2007 will be another record year for opium production in Afghanistan."

Representative Rohrabacher then ignored the policies of the Reagan-Bush Administration in creating military Muslim forces to oppose the Soviet occupation, and instead blamed the Clinton Administration,

Pakistan, and Saudi Arabia for creating the Taliban. "Let me repeat that: The Clinton Administration, along with Saudi Arabia and Pakistan, created the Taliban." He also blamed members of Pakistan's Inter-Services Intelligence agency and other Pakistani officials for engaging in the drug trade.

Eldar: Save Israel From the Settlements

Akiva Eldar, the outspoken senior political correspondent for the Israeli daily *Ha'aretz*, argues in his new book, co-authored with Idith Zertal, *Lords of the Land: The War for Israel's Settlements in the Occupied Territories, 1967-2007*, that the Jewish settlements in the West Bank and, until two years ago, in Gaza as well, have made Israel less secure, less democratic, less just, and less Jewish.

Speaking at the Carnegie Endowment for International Peace on Oct. 1, Eldar said, "The settlements are the ultimate proof" of a powerful lobby "dictating policy to the only superpower in the world." The settlements could not exist otherwise, Eldar argued, because they go against the interests of Israel, as defined by its 1948 declaration of independence, as well as against the interests of every country in the region and the United States, too.

"There is not a single military expert who will tell you that the settlements are making Israel safer," Eldar said. In fact, he attributed the Israeli Defense Forces' doing such a "lousy job" in last year's Lebanon war to the use of Israeli troops to enforce the occupation. "We keep devoting personnel and energy to the checkpoints, to the roadblocks, to the closures, and to escorting settlers to schools and to swimming pools," he said.

Israel should extend a hand in peace to all neighboring countries, as the 1948 declaration states. The settlements have always been an excuse to turn away from opportunities for a peace agreement, Eldar argued.

"There are no winners, here," Eldar said, "Only losers." He concluded, "The settlements are about Jewish hegemony and they have failed. Now, I call on America to save us from the settlers."