The plot to deliver Israel to Dope, Inc.

by Mark Burdman

In a neat division of labor, the U.S. State Department, the International Monetary Fund, and the Anti-Defamation League (ADL) of B'nai B'rith have worked out an arrangement to hand Israel's economy over to the Dope, Inc. narcotics-trafficking cartel.

The arrangement is being expedited on the ground in Israel by leading agents of the dope interests there, such as Minister for Commerce and Industry Ariel Sharon and his patrons among the mafia's financiers.

The immediate strategic purpose is to undermine efforts by the Reagan administration and leading Arab states to incorporate Israel into a regional plan for development and peace. That plan's success would depend on a multi-billion dollar scheme for high-technology development of the Israeli economy in the context of ambitious "Great Projects" in the Middle East-Africa region.

The U.S. State Department and its partners are consciously undermining a U.S. ally, Israel, to the ultimate purpose of transforming the Middle East into a Soviet satrapy and transforming Israel itself into a satrapy of an expanded "Greater Syria" in the region.

In a more fundamental sense, the gameplan is to once and for all wreck the development of Israel as an outpost of advanced scientific and technological development, thereby smashing the basis in Israeli society for Western cultural values, and replacing these with a bizarre combination of irrationalist religious extremism, dissemination of the mysticism of the "Kabbala," increasingly open usage of drugs, legalization of casino gambling, and other mafia-run activities.

"We are becoming the Vaduz of the Middle East," an Israeli source commented March 8, referring to the capital of the hot-money principality of Liechtenstein, the mini-Switzerland of Europe.

Historically, it might be more precise to recall the combination of cultism and religious irrationalism brought into ancient Israel under the reign of King Solomon, the culture of "Solomon's Temple" so worshipped by today's Freemasonic mystics in London, Switzerland, and Venice. It is a replay of the age-old attempt by the worshippers of the Phoenician-Assyrian god Baal to destroy the progressive, scientific culture of Yahweh, the god of Abraham and Moses.

Should Israel's economic-policy architects want to counterattack at this late moment and restore Israel to the path that brought the country one of the highest economic-growth rates in the world and rapid technological progress in its first two decades as a state, they would have to send the ADL dope merchants packing and adopt a forceful approach to the "Great Projects" program for the region. That Israeli Economics Minister Ga'ad Yaacobi and Israeli Finance Minister Yitzhak Modai both went on record in interviews with *EIR* (June 19, 1984) expressing interest in or support for the Great Projects approach, but are now playing with the ADL's dope-runners, underscores the dimensions of the Shakespearean tragedy now unfolding in Israel.

Mr. Wallis, Global 2000, and the IMF

From all available evidence, the State-ADL-IMF combine put the finishing touches on their final solution for the Israeli economy during the trip to the United States by Modai during the week of March 4. Following heavy arm-twisting in personal meetings with Secretary of State George Shultz, Modai emerged to announce March 8 that progress had been made toward Israeli acceptance of State Department demands to impose much greater levels of austerity to deal with its 1,000%-plus inflation rate and \$25 billion-plus foreign debt.

During Modai's stay, the State Department dropped its bombshell in testimony by Undersecretary of State for Monetary Affairs W. Allen Wallis before the House Foreign Affairs Committee on March 6. He reported that the administration had decided to "defer" additional aid to Israel pending further austerity measures taken there. Wallis's statement is worth reprinting at some length, given the nature of the beast:

"We have indicated our willingness to provide extraordinary assistance in support of a comprehensive Israeli economic program that deals effectively with the fundamental problems of the economy. We have made clear our view that without a comprehensive program, additional U.S. assistance would not resolve Israel's economic problems, and, indeed, could help to perpetuate them. Moreover, without effective economic adjustments, Israel will become even more dependent on U.S. aid in the future, which neither the U.S. nor Israel desires. . . .

8 Economics EIR March 26, 1985

"The administration believes, and many Israelis agree, that further progress is necessary to restore Israel's economic health and put the economy back on a self-sustaining growth plan. Our economic assistance can be helpful in promoting this process of recovery if it is coupled with a comprehensive Israeli program. But in our view, Israel has not yet reached the stage in the evolution of its recovery program where additional U.S. support will be helpful.

"Accordingly, the administration intends to defer for the time being a response to Israel's request for supplemental economic aid. . . .

"There are really three main problems. One is the budget control. Another is control of money supply. Another is in control of exchange rates, and a fourth, failure to make the adjustments that will re-employ the people now being used inefficiently. . . .

"The basic problem is that they're consuming quite a lot more than they are producing. . . . There is a tremendous drop in productivity. . . . What caused that is basically a political problem. Their political organization makes it very hard to grasp and deal with this type of problem.

"At this time, the plan they have . . . won't do the trick. And if we give them \$800 million of supplemental aid as the plan now stands, we're convinced that will disappear and their economy won't be any better off, and they'll face bigger problems later on, they'll be back for more money, with worse problems. The longer they delay, the worse it's finally going to be [emphasis added]."

Never mind the fraud about "consuming quite a lot more than they are producing": As *EIR* studies on the American economy are graphically demonstrating, the *United States*, in particular, is producing nothing anymore, but exacting tribute from the rest of the world (see page 4). This pious-sounding attack on Israel is a charlatan's trick. More interesting, given the source, is the complaint on the "political organization."

W. Allen Wallis has been around a long time. In the early 1930s, he presented a study paper before the Harriman family's racist bluebloods at the American Museum of Natural History, who were all avid supporters of Hitler-Nazi race-superiority ("eugenics") policies. Wallis's theme: "The Statistical Distribution of the Nordic Race." From roughly that moment to the present, he has maintained his Nazi economic proclivities as a scion of Milton Friedman's "Chicago school," the crowd that brought the world Pinochet's Chile and advocates drug legalization in the name of "free enteprise."

Shultz, Wallis's patron who assigned him to be overlord for the Israeli economy, plans to name Thomas Pickering, the current ambassador to El Salvador, as the next U.S. ambassador to Israel. While at Carter's State Department, Pickering was the chief architect of the *Global 2000 Report*'s plan for global genocide.

A New York Federal Reserve research assistant, Larry Masro, succinctly spelled out the Shultz-Wallis policy in a

March 7 letter to the New York Times:

"The austerity measures the United States supports are similar to those that would be mandated by the International Monetary Fund. To begin, Israel should cut government expenditures, adopt a realistic exchange rate and put its monetary policies in order. There are difficult adjustments ahead. . . . The unprecedented decline in Israel's economy must be arrested through dramatic changes in economic policy."

Enter Bialkin and Dope, Inc.

As the orchestrated game goes, the State Department blackmails Israel, and then the ADL dope-merchants come in with a scheme to make Israel financially "independent" of the same United States that is doing the blackmailing!

The scheme, given the Orwellian name "Operation Independence," was first put forward publicly by Economics Minister Ya'acobi during November-December 1984. Ya'acobi revealed then that "the nucleus of a task force" for this "Operation Independence" had been created, consisting of the ADL's chairman, attorney Kenneth Bialkin, United Brands magnate Max Fisher, and liquor magnate Charles Bronfman.

An Israeli investigator informed *EIR* at the time that the impetus for the plan, which nominally involves infusions of finance capital directly into Israeli firms, came from Tel Aviv University's Prof. Haim Ben-Shahar, who handles certain of the more interesting financial affairs in Israel of Occidental Petroleum's Armand Hammer, the good friend of the Soviet leadership and of Libya's Muammar Qaddafi.

In mid-February 1985, according to Israeli sources, Bialkin, Fisher, Bronfman, and others spent some days in Israel, calling themselves the "Millionaires Economic Conference," an apparent re-creation of a late-1960s entity managed by the British-Swiss Clore family, for whom Bialkin has done some dirty-work in recent years.

Bialkin's involvement by itself conjures the image of rolling dice and sniffing cocaine. As a senior partner at the prestigious New York Willkie, Farr, Gallagher law firm, Bialkin and/or his law partners since the 1960s have provided legal management for the crime empire of Robert Vesco, the drug-smuggler now variously reported to be in Cuba, Panama, or points in the Caribbean. It was Willkie, Farr which managed Vesco's notorious scams within Bernie Cornfeld's Investors Overseas Services (IOS) operation; so vast were Vesco's bilkings of IOS customers and so extensive was Willkie, Farr's involvement that the firm itself was fined \$35 million. Bialkin swore under oath in court that he had known Vesco in the early 1960s prior to his rise to notoriety.

Two senior partners at Willkie, Farr arranged the secret meeting with mobster-financier Meshulam Riklis at which Vesco took over IOS, buying Riklis' shares. Riklis is the chief financial patron of Ariel Sharon.

Since Vesco has recently been making stabs at takeover

EIR March 26, 1985 Economics 9

of key casino-resort areas, such as the island of Margarita off Venezuela, Bialkin's appearance in Israel would be grounds enough for suspicion.

According to Israeli sources, the "fix is in" for Israel's southern city of Eilat, bordering Jordan and Egypt, to become a "free port" in which casino-gambling would be legalized. This would be the lead edge of a wider effort to legalize casino-gambling in Israel. One of the chief bankrollers for this move, according to an Israeli investigator, is a certain Cyril Stein, the bigshot of gambling in Great Britain. Stein has reportedly put money into at least two hotel ventures in the Eilat area.

The same Stein, it turns out, is one of the chief fundraisers of the "Temple Mount" organization terrorist-infrastructure in Israel. These are the crazies who want to blow up the Mosque of Omar on the Temple Mount in Jerusalem, so as to "rebuild Solomon's Temple" on that spot.

As indicated, the mix of casinos and religious-fundamentalist crazies would reasonably recall the combination in the time of King Solomon for which Solomon was so roundly castigated by Yahweh!

Sharon, Khashoggi, dope, and terror

The political signal that this whole crime push was "Go!" was a speech by Minister Sharon before a meeting of Israel's Herut Party on Feb. 9, in which he demanded that Israel adopt a "free-enterprise" system, by phasing out the public sector and bringing the black economy to the surface by making it "legal." When the Friedman-Allen Wallis mafia says "free enterprise," they mean making dope and the dope economy legal.

Sharon's speech broadly coincided in time with a private visit to Israel by Max von Thurn, head of the Mont Pelerin Society, the headquarters for the dope-pushers' "free-enterprise" lobby and a member of the extended family of Bavaria's Prince Johannes von Thurn und Taxis, the "Mr. Big" behind Dope, Inc. Thurn told this correspondent during a phone discussion from his Jerusalem hotel that in the next years, drug-derived dirty money would be the fastest-rising component of the world economy, and that the "black economy" would increasingly be the foundation of national economies.

Where the Thurn und Taxis clan and Sharon meet is through Albanian-born Saudi moneybags Adnan Khashoggi, a friend of Prince Johannes and a business partner of Sharon patrons Riklis and Jacob Nimrodi. Over recent years, Khashoggi has consolidated deals in real estate and in other areas with some of the shadier Israeli financiers. Since the same Khashoggi maintains very neat high-level connections into the regime of Libya's Qaddafi and the Muslim Brotherhood organization, it is in this nexus that the investigator would find the Middle East financial link of the dope trade and terrorism which must be demolished if there is to be any chance for peace and development in the region.



Do you buy the line that the Red Army has been downgraded to make way for a deal at the Geneva talks?

While the Eastern Establishment press spreads such disinformation, *EIR* tells you the real story. How far will Moscow go to stop the U.S. Strategic Defense Initiative? What is the military significance of current terrorist actions against NATO targets? Look how we called the shots on the supposed "demotion" of Soviet Chief of Staff Nikolai Ogarkov:

- SEPT. 6, Soviet Chief of the General Staff Nikolai 1984: Ogarkov is officially "transferred to another post."
- SEPT. 10: The Christian Science Monitor comments: "Suddenly, the man who earlier in the week had been at the side of Defense Minister Dmitri Ustinov had . . . become a nonperson. Most Western analysts are convinced that Ogarkov is at least in limbo, and perhaps in disgrace."
- **SEPT. 25:** *EIR* publishes its evaluation:

"The most important economic and military changes in the Soviet Union have been done under the guidance of Ogarkov. It is unlikely that he would have been demoted just at the point that the reorganization process is to be completed."

OCT. 12: Ogarkov resurfaces for a meeting with East German party chief Erich Honecker. Western news services learn that he has been named commander of the Western Theater of War.

- ☐ A special dossier is now available of photocopies of the highlights of EIR's exclusive intelligence on Soviet military deployments and policy shifts, for \$100.
- ☐ A companion dossier, "Who Really Rules Russia Today?" is also \$100.
- ☐ Or, you can order both for \$150.

Campaigner Publications, 304 West 58th Street, New York, N.Y. 10019 Attention: Editorial Office & (212) 247-8820

10 Economics EIR March 26, 1985