

Kissinger Watch by M.T. Upharsin

Of conflicts of interest, and interest in conflicts

"Why does Henry escape scrutiny?" This question was asked by *Washington Times* columnist John Lofton, June 11. Lofton cited a late-May column by the *New York Times*' Leslie Gelb, raising "the question of possible conflicts of interest," which arise, in Lofton's paraphrase of Gelb, "because Mr. Kissinger—while being the sole owner of Kissinger Associates—is also, simultaneously, on the President's Foreign Intelligence Advisory Board, where he has served as a member since March 4, 1984."

To our knowledge, this is the first time a significant Kissinger conflict-of-interest charge has been raised, outside of *EIR*, since Texas Rep. Henry Gonzalez, in the 1983-84 period, had questioned Kissinger's position in the President's Commission on Central America. At the time, Kissinger Associates had business interests in that region.

After his citation of Gelb, Lofton concludes: "(1) it does seem imprudent to choose anyone for membership on the PFIAB who runs a business that depends on and profits from the dispensation of 'geopolitical-economic advice,' as Mr. Kissinger says his business does. And (2) this particular case would seem ripe for at least a detailed investigation by the media. And this hasn't happened."

Of John Lofton's points, we have

no disagreement with the first, although we would state the matter much more strongly. Of the second, we appreciate the implication behind the words "at least": Henry Kissinger's conflicts of interest, indeed, would most certainly qualify him for prosecution on several counts, if anybody wanted to pursue the case in the courts. We disagree, however, with the "hasn't happened": This column has repeatedly, and in detail, provided more than enough evidence to whet any investigator's appetite. But let us present more.

Policy by Fiat

Gelb raises several questions on the conflict-of-interest theme, all accompanied by Kissinger or Kissinger Associates directors' disclaimers. The points include: 1) When Kissinger was appointed to be a member of the Central America Commission in mid-1983, Kissinger Associates was advising banks with business in that region. 2) As a member of the President's FIAB, Kissinger would have access to information that would help his business. 3) One Kissinger Associates director, Brent Scowcroft, was also the director of a government commission on strategic issues, the Scowcroft Commission.

Gelb also provides other evidence, *en passant*, that he never follows up. What he provides, in this way, gives a classic example of how Kissinger illicitly puts money in his pocket, and how public policy in the United States may be distorted in the process.

Gelb mentions, for example, that one of Kissinger Associates' clients is the Italian Fiat Corporation. The Agnelli family of Fiat, based in Turin, has emerged as one of the leading motivators of East-West economic and

cultural deals. It was a key participating interest in a June 16-18 East-West trade conference in Vienna, sponsored by the Soviets' Dzhermen Gvishiani. It will be sponsoring a major event on the "Five Year Plans of the East Bloc," in Venice, Italy in 1987. In May of this year, with Henry Kissinger an invited guest, Fiat sponsored a conference on "futurism" in Venice, with Gianni Agnelli himself billing "futurism" as a bridge between East and West. In April of this year, Fiat provided financing for a conference in Milan on East-West economic relations, sponsored by the New York-based Institute for East-West Security Studies.

Since early May of this year, Henry Kissinger has been personally lobbying for the United States to begin a phased military withdrawal from Western Europe. Once a prominent policy figure like Kissinger begins lobbying in such a way, the pace of European trade, strategic, and political deals with Moscow heats up, because clever Europeans, understandably, evaluate such lobbying to represent some kind of policy consensus in the United States. Conversely, Moscow's room for maneuver and economic and strategic gain in Europe, is greatly increased by such policy advocacy on the part of Kissinger.

Question one: How much is Kissinger gaining by such Fiat deals? Question two: How much has Kissinger's policy influence in Washington given the Agnelli-Fiat group the green light for making big deals with Moscow? Question three: How much has Kissinger's advocacy of the phased withdrawal from Europe influenced U.S. policy? Question four: How much have his "business perceptions," gleaned through such relations, affected evaluations passing through the President's FIAB?