

Matrix court case in U.K. shows: EIR was right on Iraq war

by Joseph Brewda

On Nov. 9, the British government was forced to drop its case against a British manufacturer charged with illegally selling military-related machine tools to Iraq from 1986 through to the August 1990 Iraq invasion of Kuwait. The case, first reported in our Nov. 20 issue (p. 40), fell apart after British Trade Minister Alan Clark admitted on the stand that Matrix-Churchill's sales were in accordance with official, if covert, British policy to foster war in the region, claiming that "the interests of the West are well served by Iran and Iraq fighting each other, the longer the better." *Realpolitik*, he said, was the basis of British policy.

The unexpected release to the court of 500 sensitive government documents confirmed Clark's admissions. The documents demonstrated that the British government itself, in violation of a U.N.-mandated British government ban on militarily related sales to both Iran and Iraq, and in violation of its statements to Parliament, had been secretly authorizing the firm's militarily related tool sales to Iraq. The last shipment was authorized by a meeting of the British cabinet on July 19, 1990, and was shipped to Iraq on July 27 of that year.

Simultaneous with this cabinet meeting, U.S. and British officials, including U.S. Ambassador to Iraq April Glaspie, were confidentially encouraging the Iraqi government to invade Kuwait, a former region of Iraq which was then involved in financial warfare against it. The Anglo-American press was already dominated by reports that the Iraqis intended to move into Kuwait; behind the scenes the Anglo-Americans were telling the Iraqis to go ahead. Two weeks after the meeting, and one week after the last arms shipment, then British Prime Minister Margaret Thatcher and her puppet George Bush were screaming that Saddam Hussein was the "new Hitler"—on account of the Aug. 2 invasion, which the British and U.S. governments had encouraged through such sales and assurances.

If you were reading *EIR* during the spring and summer of 1990, you would not be surprised by the Matrix-Churchill revelations, nor would you have been caught flat-footed by the then-coming war. By March 1990, U.S. statesman Lyndon LaRouche and his associates were warning in *EIR* that the Anglo-Americans were plotting a new Mideast war tar-

geting Iraq, among other states, to divert attention from the financial crisis, and to isolate Germany and Japan. That coming war was a featured cover story of this magazine on July 20, 1990, even while the Anglo-Americans were luring the Iraqis into their upcoming Kuwaiti invasion.

At the time, LaRouche's warnings were wildly denounced as "conspiracy theories" or "anti-Semitic" by so-called Mideast experts and other "well-informed sources," in Britain, the United States, France, and Germany. Even within the Arab world, many figures dismissed the warnings, foolishly believing that their nation would never be betrayed by Washington and London.

Apparently, LaRouche, behind bars, is a lot smarter and much better informed than the experts. Of course the Anglo-Americans who were plotting the war, knew a war was coming: They were simply lying. Many citizens believed in the statements of the U.S. government and establishment news media, and were afraid of being attacked for holding "conspiracy theories."

The great financial mudslide, and war

On March 6, 1990, imprisoned statesman LaRouche issued an international release warning that "London's petroleum cartel" and "Henry Kissinger's masters in London, the International Institute for International Affairs," were "orchestrating a new Mideast war." LaRouche's release, referenced in a March 16 editorial in *EIR*, warned that this war plan was driven by the desperate financial situation facing the Anglo-American establishment. These were the same forces, he stated, that rigged the 1973-74 oil price hoax through the 1973 Israeli-Arab war, which was itself required for financial reasons.

LaRouche specified that there was a "destabilization being planned in terms of Iraq, in terms of Iran, in terms of the Gulf states, in terms of Egypt, in terms of Algeria," and that the Anglo-Americans were also intending on toppling Lebanon's then-Prime Minister Michel Aoun (who was toppled in September 1990). "We see," LaRouche said, "all of the devil's brew needed to start a Mideast war afoot. . . . All that it requires, virtually, at this stage, is someone to orchestrate the mess." He added that "around [Ariel] Sharon,

obviously, the mess is being orchestrated. The [Edgar] Bronfman-Sharon relationship shows up very clearly, in Sharon's effort to get a new Middle East war going. . . . So, we had better wake up. Perhaps someone is orchestrating a new Middle East war. As a matter of fact, we know they are." LaRouche later specified that the war would occur after the United States' November 1990 congressional elections.

In our lead financial article in that issue, "LaRouche Asks, Will Bush Try Fiat to Stop Mudslide?" *EIR* elaborated on the financial breakdown sparking the war plot, based on a March 4 interview that LaRouche gave on the world financial situation.

"We're heading into a great financial mudslide internationally," LaRouche told his interviewers, warning that the Anglo-Americans would be attempting to control or divert their impending collapse by "administrative fascism" and related repressive measures. "The reality" of the financial collapse "cannot be suppressed," he emphasized, but he noted that the "effect of the waves and the winds can be diverted by a breakwater to hit the society in a different fashion than one might expect." In this regard, LaRouche analyzed, "what the United States is doing to Japan and the operation which is being run through [Lawrence] Eagleburger-Kissinger, London-Bronfman circles, against Germany" was an attempt to "divert the waves."

EIR feature story reveals plot

On July 2, LaRouche issued another international release, entitled "Israel Is Planning for War," warning of the effort to cook up a new war. The release was part of an *EIR* cover story published on July 20, entitled "Israel Gets Ready for a New Mideast War." The statement was ridiculed by "informed sources" in Europe and the United States for being "anti-Semitic" and "paranoid."

"The state of Israel is now marshaled, in preparation for a war, which, from one standpoint, might be described as Israel's attempted 'final solution' to the Arab problem," LaRouche began. "This means a war, presumably against Iraq and other states, and the destruction of Jordan." "As long as we have the present combination, in Israel, and as long as the present agreements among the government of the United States, the government of the United Kingdom, and the Soviet Union persist, we say now that a war in the Middle East will break out either within weeks or within months, varying with conditions."

LaRouche noted that the pretext for the coming war would be "by aid of a provocation orchestrated in much the same way that Hitler orchestrated the so-called Polish provocation which launched World War II."

LaRouche added that the war had been planned by the British, Israeli, and U.S. governments since 1986. LaRouche tied the plan to the 1986 effort to shunt off Jews emigrating from the Soviet Union via Austria to Israel, rather than to the United States. The plan had been aided by a smear campaign

depicting Austrian President Kurt Waldheim as a former Nazi.

LaRouche explained that the Bush administration would be making "cosmetic, public relations gestures" to convince the credulous—Oh, see, we are against war in the Middle East, and we don't think it will happen anyway. "Bunk," LaRouche said, "the United States government is *committed* to a war in the Middle East."

In an accompanying article entitled "Superpowers Prepare New Mideast War, 'Final Solution' to Arab 'Problem,'" this author added that among the objectives of the coming war would be "the elimination of the PLO as a force in the region; the overthrow of Jordan's King Hussein; and the humiliation and possible overthrow of Iraq's Saddam Hussein. Once these objectives are reached, Israel and Syria intend to make Jordan into the 'homeland' for Palestinians driven out of the occupied West Bank and to complete the Syrian annexation of Lebanon. . . . Iraq is the one country in the region which does not fit into the regional condominium, and is the enemy of Syria and Israel alike. Iraq is the most likely point for a full-scale war."

In a second accompanying article, "Malthusians Reshape NATO for 'Out-of-Area' Wars," Mark Burdman warned that the coming "Mideast war would in effect give means for triggering the new era of 'North versus South' confrontations," to better secure expanded looting rights over former colonies. The policy was later proclaimed as the "new world order."

Targeting Germany and Japan

From the beginning, as LaRouche warned that the Anglo-Americans were planning to provoke a new Mideast war, he emphasized that its top targets were Germany and Japan. Germany, recently reunited, together with Japan, represented a potential alternative financial and economic policy to the Anglo-Americans. The Anglo-Americans were particularly fearful that Germany would embrace an economic reconstruction policy outlined by LaRouche in 1989, the "Productive Triangle," which would align France and Germany in a policy of vastly expanding European industrial development. The proposal was linked to a policy of industrializing newly liberated eastern Europe, rather than allow it to be looted by the Anglo-American-controlled International Monetary Fund.

In a release issued on July 15, 1990, LaRouche emphasized the role of the so-called "Ridley affair" in setting the conditions for the coming war. During July, the Thatcher government, then prompting Iraq to invade Kuwait, was simultaneously launching a major propaganda campaign against Germany, terming it the "Fourth Reich."

The provocations were linked to an interview that then British Trade and Industry Minister Nicholas Ridley gave to the British magazine *Spectator*, published on July 12, 1990. In the interview, Ridley characterized moves toward forming

a joint European monetary policy as “a German racket designed to take over all of Europe.” The French, he ranted, were “behaving like poodles to the Germans,” and complained that “the German deutschemark is always going to be the strongest currency” because of German industrial practices. He concluded, in this wild provocation, “I’m not against giving up sovereignty in principle, but not to this lot. You might just as well give it to Adolf Hitler, frankly.” He asserted that the only alternative to German dominance was playing off other powers against Germany. “We’ve always played the balance of power in Europe.” It has “never been more necessary than now, with Germany so uppity.”

In his July 15 statement, LaRouche noted that the “big news” following the just completed, disastrous Group of Seven economic summit in Houston, Texas, was that the Ridley article was linked to the Mideast war drive. “What happened,” LaRouche noted, “was that during the course of the summit, a British, influential magazine, controlled by close friends of Henry Kissinger, had prepared an article by a minister, Ridley, in the Thatcher cabinet. This article compared Helmut Kohl, the chancellor of West Germany, to Adolf Hitler, and virtually came to the edge of declaring war against Germany.”

He noted that “Kissinger’s friends, linked to the Soviets and controlling presently the public opinion of the government of Israel, include the Hollinger Corporation, the Bronfman interests, and the interests of billionaire publisher, the Soviet-linked Robert Maxwell. These are the fellows behind the Thatcher government scandal; these are the fellows plotting the war in the Middle East; these are the fellows who play a key part in ruining and bankrupting your bank and the United States in general. It is time to get the friends of Henry Kissinger out of the governments of Israel, Britain, and the United States.”

While Ridley resigned, he continued to rant that Germany threatened to become a “Fourth Reich.” Still later, Ridley raved that Germany was again responsible for killing Jews, by building up Iraq’s military machine.

Now, documents released in the Matrix-Churchill case show that this same Ridley was central to the effort to lure Iraq into the war through the promised support signaled by the arms shipments, including during the same period he launched the attack on Germany. According to these documents, Ridley sent a confidential memo to Thatcher in June demanding that the Matrix-Churchill shipments to Iraq proceed without interruption, despite the fact that the shipments violated British law. It was this memo, according to the London *Guardian*, which obliged the cabinet to meet on July 19, where guidelines authorizing such shipments were adopted.

Among the effects of the invasion, was the provision of a pretext for the Anglo-Americans to occupy the Gulf oil fields, thereby putting the Anglo-Americans in a position to cut off Germany and Japan from oil supplies, a plan advocated by Kissinger as far back as 1975.

Matrix-Churchill: setting up Iraq for the kill

by Dean Andromidas

Court revelations in the ongoing Matrix-Churchill case are demonstrating that Iraq, in the period leading up to the Persian Gulf war, was given military technologies by Britain like any other strategic ally or NATO partner. The most sensitive technologies, particularly for its nuclear program, were given, not through intermediaries or fronts, but openly, with the approval and oversight of the highest levels of the British government. From the evidence, President Saddam Hussein and the Iraqi leadership in Baghdad were being conned into seeing themselves in virtually the same strategic relationship with NATO as NATO member Turkey—which had conquered half of Cyprus, a neutral country and home of Britain’s most important military installations in the eastern Mediterranean, with relative impunity. This was an important aspect of duping Iraq into thinking that they had Anglo-American backing for the invasion of Kuwait.

A high-level retired NATO commander, when asked to comment on the Matrix-Churchill case, told *EIR*: “It reminds me of the ‘centerline B machine scandal’ of the 1970s. Do you remember? The centerline B machines were the American-manufactured machine tools that enabled the Soviet Union to manufacture the ball bearings needed to MIRV their ICBMs. That sale was approved by Henry Kissinger.” Through that sale, Kissinger was able to hold the world hostage to his SALT treaty and the mutually assured destruction (MAD) nuclear warfare doctrine.

The source confirmed that it would be impossible for such leading defense contractors to export their products to a country like Iraq, let alone be bought by Iraq, as Matrix-Churchill was, without the approval and oversight of the highest levels of government. Matrix-Churchill makes machines similar to the centerline B machines.

Matrix-Churchill was just as important a defense contractor as Vickers, British Aerospace, or any other household name in the defense industry establishment in the United Kingdom. They build computerized numerically controlled (CNC) lathes. These are used for the manufacture of a range of sophisticated military ordnance ranging from artillery shells to fuses used in nuclear warheads. The source confirmed that the defense industry and the military establishment and intelligence community are all one entity, with financial community input. The depiction of Matrix-Churchill’s managing director as an “informant” for MI-5 and MI-6, with the press adding flourishes depicting him leading “a