

Clinton policy successes stymie his British foes

by Jeffrey Steinberg

Through a recent series of policy successes, President Bill Clinton has sent the enemies of his presidency scrambling, and has reconsolidated his grip on the Oval Office after it had been weakened earlier this year by the British intelligence-run Whitewatergate affair.

The turnabout began in June, with the successful cooling-out of a mooted nuclear showdown with North Korea—a conflict orchestrated from the outset by the United Nations International Atomic Energy Agency (IAEA). Not only did Clinton capitalize on the diplomatic breakthrough achieved by Jimmy Carter during three days of talks with North Korean leaders, but bilateral talks in Geneva, begun early this month, now hold the potential for a significant turn in U.S. postwar policy. Namely, for the first time in decades, the United States is actually supporting the delivery of nuclear power technology to a Third World nation.

Next, Clinton stood down a concerted attack on the U.S. dollar, led by such British and allied financial houses as S.G. Warburg, N.M. Rothschild, George Soros's Quantum Fund, and Banque Bruxelles Lambert. The dollar-dumping spree was accompanied by propaganda from the London *Financial Times*, the *Times* of London, the London *Daily Telegraph*, and other European newspapers proclaiming the U.S. currency a victim of "lack of confidence" in Clinton's foreign policy acumen. The purpose of the dollar bashing, and of the accompanying Clinton bashing, was to force the President to acquiesce to yet another raising of interest rates by the Federal Open Market Committee on the eve of the President's crucial week-long trip to Europe the second week in July, capped by the Group of Seven summit in Naples, Italy.

Clinton held firm, and the Fed backed down on the planned interest rate hikes.

Support for new Eurasia initiative

Clinton's European trip has proven to be another boost for the administration, and yet another serious blow to his enemies, particularly in the London Tory establishment.

During a tour of the Baltics and Poland, Clinton picked up on themes he struck during his last visit to Europe, commemorating the 50th anniversary of the D-Day landing at Normandy. He told Baltic heads of state and Poland's President Lech Walesa that the United States rejects any arrangements that would leave Central Europe as a "gray zone" subject to Great Power spheres-of-influence games. He explicitly rejected a Russian request that Moscow be given a veto over any former Warsaw Pact states being granted full membership status in NATO, and promised Poland that it is "first in line" for NATO membership.

Underlying these statements was a quiet but crucial American show of support for recent continental European initiatives to build a Eurasian rail system as the cornerstone of an economic recovery, based on what Germany's Chancellor Helmut Kohl earlier this year called a return to "industrial banking" policies. Plans formally adopted—over British objections—at the recent European Community summit in Corfu, Greece, based broadly on the 1989 "Productive Triangle" proposal authored by Lyndon LaRouche, will see early construction of 11 high-speed rail lines, integrating Europe with a similar rail system planned during Russian President Yeltsin's recent meeting with Chancellor Kohl in Bonn.

Thus, Clinton has given his de facto support to the very policies that were sabotaged in 1989 by British Prime Minister Margaret Thatcher and U.S. President George Bush. He has also gently informed the French that the U.S. administration prefers to see improved Franco-German ties, instead of

a revival of the "Little Entente."

A blow to Hollinger Corp.

The other blow to the would-be Clinton bashers came in late June with the release of the interim report by Special Prosecutor Robert Fiske, absolving White House and Treasury Department officials of any culpability in the Whitewater affair, and upholding the original U.S. Park Service findings that White House deputy counsel Vincent Foster's death was a suicide. Although high-visibility congressional hearings into this first phase of the "Clintongate" business are scheduled to begin on July 28, the first round of Fiske findings has taken much of the steam out of the assault on the presidency. The pundits who were forecasting Clinton's early demise have grown silent.

The would-be Clinton-slayers at the Canada-based Hollinger Corp.—a British intelligence front—and among U.S. neo-conservatives are scrambling to redeploy their assets in anticipation of a longer battle against the presidency. But Hollinger Corp., headed by Canadian-born Conrad Black, which has led the media assault on the Clinton presidency since autumn 1993, is in deep financial trouble as the result of a tabloid war with *Times* of London owner Rupert Murdoch. Both newspapers have been in a cutthroat battle for the past six months over who would gain the lion's share of credit—and revenue—for destroying Clinton.

In May, Hollinger chief Black quietly sold off £73 million of stock in his company, apparently in preparation for a bold move to grab a bigger share of the London tabloid market through a reduction in the price of the *Telegraph* from 48 to 30 pence. When the *Telegraph* announced the price reduction in late June, Murdoch immediately responded by lowering the price of the *Times* from 30 to 20 pence. The Hollinger stock price collapsed by 35%. According to the June 25-26 weekend edition of the *Financial Times*, British investors then screamed bloody murder over Black's blatant insider trading maneuvers, dumping his own stock on the eve of the price war gamble. Black has been subsequently cut off from his usual sources of credit in "The City," and Murdoch has seized the opportunity to make a takeover move against one of Hollinger's major press holdings in his native Australia, the John Fairfax Group.

Tough times for the ADL mobsters

One of the chessboard moves currently being made by the enemies of a strong U.S. presidency, involves the redeployment of the chameleon Anti-Defamation League (ADL) of B'nai B'rith back into the Democratic Party. Throughout the Reagan and Bush years, the ADL had been the backbone of the Project Democracy neo-conservative apparatus at the heart of the "secret government." The ADL happily slammed the Sandinista regime in Nicaragua as "anti-Semites"; urged American Jews to back George Bush and Oliver North's secret wars in Central America, Afghanistan, and Africa;

propagandized for Thatcher and Bush's "little colonial war" against Iraq; and championed Israel's would-be generalissimo Ariel Sharon through the 1982 Lebanon invasion and the brutal suppression of Palestinians in the Occupied Territories.

But with the drive against Clinton now stalled, the ADL has been working around the clock to reestablish its credentials inside the liberal wing of the Democratic Party, in order to wreak havoc against the President and his policies from within. Its primary calling card: a 190-page diatribe against the "Religious Right," which has grabbed headlines all over the country and has sent the blood pressure of Pat Robertson, Jerry Falwell, and some other Christian fundamentalists soaring.

But the ADL propaganda barrage, aimed at currying favor at Democratic National Committee headquarters, has also run up against some serious problems. The ADL carried some pretty heavy baggage into the redeployment effort. It spent most of 1993 fending off police investigators who had stumbled upon a nationwide ADL espionage ring targeting civil rights organizations, Arab-American groups, Jewish peace activists, and Lyndon LaRouche. The ADL was caught funneling illegally obtained FBI and local police dossiers on legitimate American political activists to the old South African regime and to the Likud apparatus in Israel. The picture emerged of an ADL taking up the mantle of the late FBI director J. Edgar Hoover's Counterintelligence Program ("Cointelpro"). Three civil suits that could cost the ADL \$25 million are still wending their way through the state and federal court systems in California, and a recent article in the St. Paul, Minnesota *Pioneer Press* has the ADL in such financial hot water that they have been forced to shut down four regional offices.

But while ADL officials had looked forward the prospect of a sharp though dim-witted counterattack from the "Christian Right," thereby enhancing their credentials with the Hollywood and New Age set inside the Democratic Party, the League got considerably more reaction that it had bargained for—particularly from some of its former closest allies in the Jewish activist community.

In early July, two longstanding neo-conservative ADL allies went public with attacks against the League. William Kristol, former top aide to Vice President Dan Quayle and now a GOP electoral consultant, tore into the ADL for creating a bogus rift between mainstream Republicans and "Religious Rightists." And Mona Charen, a syndicated columnist, penned a July 6 story jabbing at the ADL's role in manufacturing anti-Semitic scares: "Alas, there is the crude but undeniable fact that the ADL is in the anti-Semitism business. The more it finds, the greater its prominence, and the easier it is to raise money. It is playing upon ancient fears and worries of American Jews—and is doing so dishonestly, with quotes taken out of context and flagrantly false accusations. It rails at imaginary enemies and betrays true friends."