

Continuing that pattern of war-mongering by the British monarchy's U.S. assets, on August 11, the director of the former China asset-handling office of the U.S. Department of Defense (DOD) proclaimed: "Based on the 'Law on Relations with Taiwan,' the U.S. Pacific Command always has a war plan ready for intervening in the military situation in the Taiwan Straits." Regarding the present situation, he said that if Beijing "intends to punish" Taiwan, the U.S. will consider making a military response. During the same time, two carriers of the U.S. Seventh Fleet, the "Kitty Hawk" and the "Constellation," conducted exercises in the South China Sea, close to the Taiwan Straits.

In August, after Lee's provocative statement on the "state-to-state" relation, a discussion flared up about the inclusion of Taiwan in the TMD. A series of extremely stern warnings was published in military publications on the Mainland. In unusually sharp language, these articles wished to remind readers of the fact, that previous military engagements of the U.S. in the region did not end so well for the United States. It was stated, that when China assisted Korea and Vietnam against the "apparently powerful U.S. aggressors," they were "eventually defeated." It was stated that, today, if the U.S. were to engage militarily because of Taiwan, the U.S. would be "operating far from home, [with] its supply lines too long, and [unable to] win a war of attrition." One should not be surprised if the logic of those utterances is more than a bit strained. Such statements should be read as intended to convey a sense of the anger which British assets in Washington are stirring up within China.

The circles in Japan, Britain, and the U.S., such as those formerly associated with retired CIA Deputy Director Ray Cline and his "China Spring" operation, have fanned the flames, and continue to encourage the fraudulent operations of the Lee government against James Soong. Such people are as foolish children, so amused by the games they are playing, that they overlook the fact that the matches with which they play, and the tinder amidst which they are sitting, are both real. The only thing they can accomplish by encouraging the so-called independence of Taiwan, is to throw yet another part of the world into chaos. Furthermore, they are in the exact tradition of the forces who were responsible for the first and second Japan wars against China.

Contrary to such fools and their foolishness, back in the real world, it is a fundamental interest of the U.S., to support the policy of Sun Yat-sen for China today, as this has always been the policy of leading U.S. patriots. Sane U.S. officials will continue to promote a peaceful reunification, by the people of China themselves. If we put the foolish meddlers, such as George W. Bush, back into playpens where they can do no more harm, unification will occur according to the rules which the sovereign People's Republic of China has repeatedly set forth, and has, so far, peacefully honored. It is in the vital strategic interest of the U.S.A., and of the peoples of Asia, that that effort should succeed.

BAC cabal exposed behind German scandals

by Rainer Apel

Were certain circles in the political elite of Canada not corrupt, Karlheinz Schreiber would have been extradited to Germany in September 1999, and he would be on trial in Augsburg, on charges of tax evasion in the range of 23 million German marks (roughly \$14 million).

The Royal Canadian Mounted Police had arrested Schreiber on Aug. 30, in response to a German arrest warrant delivered through Interpol, and had put him in jail in Toronto. A hectic back-and-forth developed, for about a week, between the RCMP, the court, and Schreiber's lawyers, but instead of being extradited to Germany, Schreiber was released on bail on Sept. 8. Since then, he has been a continuous source of rather vague but ominous remarks, in interviews and the like, on the "corruption" of the German political class, which, he has hinted, have been bribed by him.

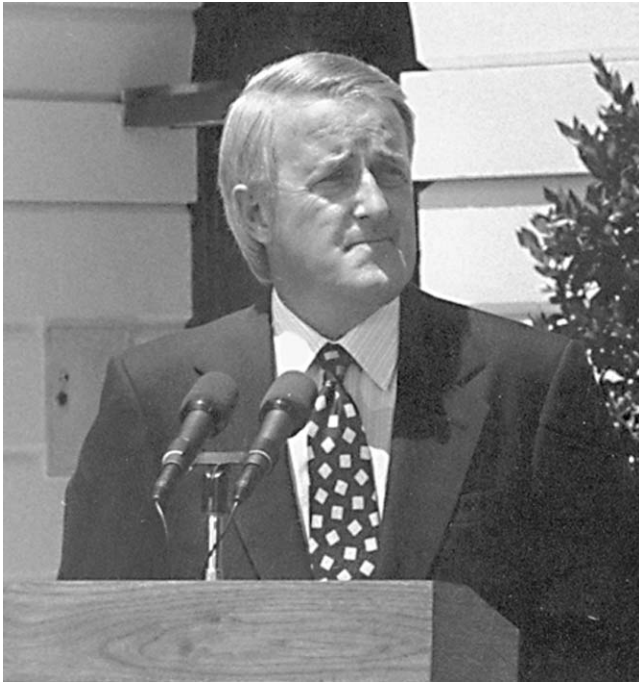
The latest among these interviews, each of which has unleashed another round of media witch-hunts against leading German politicians, notably former Chancellor Helmut Kohl, was with the "Report" TV magazine of Germany's first national channel on Jan. 10, and another with the German daily *Die Welt* on Jan. 12. There, Schreiber hinted that what has become known in the "party-funding" scandals, "has been but the beginning. The real damage to the Federal Republic of Germany is yet to come." Schreiber also said that "many facts that will cause damage to the entire political class" of Germany, would become known in the near future.

Why is Schreiber walking around free?

Apart from the notorious muckraking media and their supporters in the political elite who welcome Schreiber's threats as additional ammunition against, primarily, the Christian Democrats of former Chancellor Kohl, concerned Germans are wondering how it is possible that a man who should be on trial, is walking around in Canada a free man, slinging mud at Germany.

The case of Schreiber, who has been friends with leading Canadian politicians from at least the early 1980s on, exposes the role of prominent circles of the British-American-Commonwealth (BAC), in the destabilization of Germany.

Schreiber was able to walk out of a Toronto jail on Sept. 8, 1999 because two former Canadian cabinet ministers, among others, each put up Can \$100,000 in bail for his release. These were Elmer Mackay, former Solicitor General under Prime Minister Brian Mulroney in the 1980s, and Marc Lalonde,



Former Canadian Prime Minister Brian Mulroney. The British-American-Commonwealth cabal is targeting Germany's political structure using a close associate of Mulroney's, Karlheinz Schreiber.

former Minister of Justice under, and principal secretary of Pierre Trudeau, who was Prime Minister throughout the 1970s.

But these are not the only friends of Schreiber in Canada: There is, for example, Frank Moores, a former Premier of Newfoundland, who has been a business partner of Schreiber since at least the time that Mulroney made Moores chairman of Air Canada in 1985.

And, less apparent than these cases, is Schreiber's closeness to Mulroney himself. That relationship led Schreiber, as the *Toronto Globe & Mail* reported on Sept. 2, 1999, to do the following: "In November of 1995, Mr. Schreiber, as a Swiss bank account holder, was notified that Canadian authorities wanted to freeze his assets. He called Mr. Mulroney to alert him."

Alert him about what? Did he expect Mulroney to intervene with the Canadian authorities, or did it have to do with the fact that at that time, Mulroney was suspected of holding undeclared Swiss bank accounts for kickbacks from several murky deals under his government? The kickbacks were paid to Canadian politicians, in the context of three government contracts, one involving the purchase of 43 Franco-German Airbus planes in 1988, when Moores was chairman of Air Canada, at that time still a state-owned company. Schreiber's name had come up in the investigation of the kickbacks. The Canadian courts ruled that Mulroney was not guilty of holding undeclared bank accounts in Switzerland, and the former

Prime Minister was paid Can \$2 million in compensation.

Schreiber, however, did not get away that easily: The RCMP investigation into his activities continued, and in late 1998, Schreiber felt that his dual Canadian-German citizenship would not protect him enough in Canada, so he travelled to Switzerland. From there, he wrote to leading German politicians, requesting their help in ending an ongoing Augsburg court investigation against him on charges of tax evasion—as he put it, to protect a German citizen from being extradited to Canada by Swiss authorities on an RCMP arrest warrant, which he expected to arrive, sooner or later.

The German politicians he wrote to, among them Bavarian State Gov. Edmund Stoiber, did not suppress the investigation. And, as the Canadian courts had not yet ruled on the RCMP request to look into his Swiss bank accounts, Schreiber chose to stay in Switzerland for the time being.

Schreiber returns to Canada

But in May 1999, the situation worsened for him: The investigators in Augsburg sent a formal request to the Swiss authorities for information on his bank accounts, in connection with several cases of bribes to German politicians and government officials. One of those, Holger Pfahls, a former Assistant Defense Minister, was charged with taking a bribe of DM 3.8 million from Schreiber, for assisting him in the "mediation" of a sale of 36 light German tanks to Saudi Arabia in 1991. In May 1999, Pfahls worked as the chairman of the Asia operation of Germany's Daimler-Chrysler company in Singapore. But before investigators could lay hands on him, Pfahls went underground, escaping the investigation. That same May, Schreiber left Switzerland, returning to legally less steady ground in Canada. And, indeed, in spite of prominent sponsors among the Canadian elite, Schreiber lost his legal case against the RCMP.

But, the RCMP did not arrest him in connection with the ongoing Canadian kickbacks investigations; it put him in jail on the German arrest warrant delivered through Interpol. However, political protection worked well for him: He was released on bail that was paid for him, and, it seems, he returned the favor by starting to make nasty remarks about Germany, remarks that have contributed to the destabilization of the German political class, notably the Christian Democrats, since early September 1999.

So far, Schreiber is only free on bail. A renewed arrest warrant from Germany forced him to appear before a Toronto court on Jan. 6, to testify concerning the German charges of tax evasion. Before appearing in court, Schreiber gave a series of telephone interviews to German media, telling them that what has been made public so far in the German party-funding affairs "has only been the overture."

Apparently, these allegations are going to escalate, at least until Jan. 24, when the Toronto court is expected to rule on the extradition case. Schreiber and his lawyer, Eddie Greenspan, expect the court to rule in their favor, and against Germany.