

Kissinger Watch by M.T. Upharsin

Kiss of death in the Dominican Republic

The Duarte medal, one of the highest honors awarded by the Dominican Republic, was pinned on the chest of Henry A. Kissinger by President Jorge Salvador Blanco at a gala banquet for dignitaries and government officials on the tropical island Dec. 23. Three days later, the island received a Christmas gift of \$50 million from the U.S. taxpayers. This State Department Agency for International Development (AID) grant was for the purpose of paying interest on debts to U.S. and foreign banks.

Attached to the gift was an ultimatum from the International Monetary Fund (IMF) that Blanco repeat in 1985 the fuel price and tax increases which provoked riots and 54 deaths in April 1984. At that time, the IMF demanded the lifting of government price subsidies and controls, including a 300% price increase for basic foodstuffs. President Blanco visited Washington and met with President Reagan, requesting more flexible treatment from the IMF. He also met privately with Henry Kissinger—and then agreed to the IMF's program, returning to Santo Domingo to face a rioting population.

Henry Kissinger finds the Dominican Republic a hospitable place to spend his Christmas vacation, and he goes back again and again to Casa del Campo in the chic \$120 million resort complex built by Gulf & Western on its La Romana sugar plantation. He

stays in the villa Gulf & Western built for its rag label Oscar de la Renta. While sugar is on the wane, the Dominican Republic has become a major cocaine transshipment point into the United States, and Gulf & Western's New York corporate headquarters building has been the scene of at least one major drug arrest of Dominican officials working there.

This paradise is far from the steaming cities where the riots take place. It has every kind of recreation. Some of its cottages are leased to artists; others are rented to those seeking to hobnob with the jaded elites.

President Blanco did everything to elate Kissinger's Christmas spirit. On Dec. 14 he told the press that he had been left "no alternative" other than once again to subject the country to IMF conditions. He explained that if he did not sign, the international bankers (advised, of course, by Henry Kissinger) would cut off all trade financing and seize Dominican assets abroad.

But lo and behold, on Dec. 23 Blanco brought together in a lavish fiesta celebrating Kissinger the public and private officials who will have to "bite the bullet" for the banks. In case any of them imagined Kissinger to be a "has-been," President Blanco insisted, "although Mr. Kissinger holds no government office in his country, his prestige, impact and influence on all United States policies make him a man of the moment." He lauded Kissinger as the man who "because of his accumulated merits was in 1983 awarded the Nobel Peace Prize."

Blanco proclaimed himself "extremely happy to read Mr. Kissinger's monthly articles, which have repercussions in foreign policy because they deal with the problems of war and peace."

Kissinger lauded his host for his "great efforts to promote democracy in the Caribbean."

On to Brazil

Constitutionally banned from being President of the United States, Kissinger envisions himself as the ruler of Brazil, which he calls "the South American country with the greatest potential for substantial economic development."

When Brazil's first civilian President in over 20 years is inaugurated in March, he will find none other than Henry Kissinger waiting on his doorstep, according to Rio gossip columnist Carlos Swann, who claimed the news was leaked by the U.S. embassy in Brasilia on Dec. 4.

Kissinger promptly arranged an interview with the most-watched TV network in the West, Rede Globo, to promote himself as Brazil's advocate in the United States. Kissinger was asked if his firm, Kissinger Associates, would accept a Brazilian government request for advice on how to handle its debt. He replied, "We do not accept governments as clients of our consulting company, but I would be extremely pleased to converse with the government of Brazil and give advice as a friend, not on a contract." If it followed his advice, Kissinger promised, Brazil would become "a new partner of the United States and of Europe, and as such, consulted on solving global problems."

Kissinger called for "a modern adaptation of the Marshall Plan . . . to alleviate foreign debt service, to stimulate a return to more rapid development in Brazil." (What he means by this can be seen by the discussion of the debt-for-equity grab on page 4 of this magazine). The million-dollar-a-year Chase Manhattan Bank adviser added, "What I want to avoid is the perception in Latin America of the United States as a country interested in extorting the maximum amount of money from the region's countries."