

# New Arab-Europe Banks Converge On LaRouche IDB Plan

Various financial agreements concluded this week reflect the motion of West European and Arab countries toward the implementation of U.S. Labor Party Chairman Lyndon LaRouche's private International Development Bank proposal. Although such a step-by-step approach is still inadequate to stop the dangerous initiatives of the desperate Rockefeller interests, its momentum is expanding every day, giving these forces tremendous offensive capacity against Wall Street forces tied to the dollar system.

Following last week's announcement of the creation of a Saudi-French Bank (Al Bank Al Saudi Al Fransi), Great Britain is now asserting its grip over the United Arab Emirates (UAE). The Bank of England is sponsoring a monetary reform aimed at reorienting directly toward Western Europe the important oil resources of these otherwise small countries. Various financial joint ventures are being worked out with local interests, including the reorganization of the London-based Edward Bates and Sons merchant bank, whose name will be changed to Allied Arab Bank.

Edward Bates had incurred substantial losses and surviving only through standby facilities to protect depositors provided by the Bank of England in conjunction with First Arabian Corporation, which holds a 25 percent stake in the holding company. Now, the bank will be bailed out by a consortium of investors led by Barclays Bank International, which is to take a 20 percent stake in the reconstituted bank, and including UAE-linked interests such as Al Mubarakah Finance Holding Company, Al Tajir Bank and Sanctuary Investments, together with the Al Hamdoulilah Finance Foundation S.A. from oil-producing Nigeria. Al Mubarakah Finance, registered in Luxemburg, is owned by a number of individuals prominent in Middle-Eastern finances, including the future chairman of Allied Arab Bank, Mr. S.K. Roushdi, and Mr. Shaker, who facilitated a big U.S. military deal with Saudi Arabia and has been an adviser to the Sultan of Oman. The Al-Tajir Bank, registered in the Cayman islands, is a private family concern of Mr. Tajir, the Ambassador of the UAE in London. Mr. Shukri, managing director of the new bank, stressed the Nigerian participation "because of Nigeria's importance as an African country and Arab interest in Africa."

The "Bates salvaging," as described by the British press, is all the more significant in that it ties together Arab, African, British and non-Rockefeller U.S. interests — represented by Mr. Shaker — led by a traditionalist British bank, Barclays, which has just been removed of the Arab boycott list. The new consortium will inject equity of 15 million — a capitalization made in pounds, not in dollars. The old Bates is then expected to become a major new commercial bank with emphasis on financing Anglo-Arab and African trade.

In tandem with the British financial operation, it was reported that the French government is becoming the

main armament supplier of the Emirates. A recent sale involves an unprecedented amount of modern weapons including Mirage jets and tanks. The contract was reportedly won over U.S. competitors.

Furthering the Anglo-French moves, Italy's Prime Minister Andreotti is going to be in Riyadh this weekend, reportedly to discuss the development of a new international monetary system and work out Italo-Saudi banking arrangements similar in purpose to the Saudi-French bank.

In another significant development, the Saudi and Moroccan governments have set up a joint investment corporation to develop direct industrial and financial cooperation between the two countries without World Bank or IMF interference. Agreements of that sort are being prepared by the Saudis with various other Arab countries with the assistance of financial experts hired from or provided by West European banks.

The Saudis are immediately investing \$100 million in Morocco to help build a port to handle phosphate exports. The Moroccans are in turn bailing out an important French company, Gazocean, by opening up a substantial phosphate contract in its favor and taking a 25 percent participation in it through their state-owned office Cherien des Phosphates. Gazocean will now be able to pay back its rescheduled debt to the South-African industrialist Louis Luyt, who recently denounced U.S. covert terrorist operations in South Africa in his publication, *The Citizen*.

The Third World angle of such arrangements has been made clear by an official declaration of the UAE government that the Emirates are more than willing to provide liquidities to help Third World development projects, but not for other purposes. It is moreover reported from Vienna that one of the main topics of the OPEC meeting there is how to participate directly in Third World development projects, without intervention of the New York-based international banks.

The West European banks are meanwhile solving their past conflicts with Third World countries. Exemplary is the agreement reached to nationalize Barclays Bank of Jamaica. Prime Minister Michael Manley told the Jamaican Parliament that letters of agreement would be exchanged and the final detailed accord signed in October. "We intend to use Barclays to direct savings and investments into critical production areas," he said.

In terms of new loans for development projects either in the Third World or concerning key European sectors, an interesting new pattern is emerging: West European and Arab banks are organizing their own consortia, coopting U.S. banks one by one, instead of the reverse procedure which occurred only too often in a recent past. Two key developments involve a "radical" Arab country, Algeria, which is now patching up its recent conflicts with Western Europe in general and France in particular. First, the state-owned Banque Exterieur d'Algerie

will offer a \$25 million five-year capital note through a management group led by Kuwait International Investment Co. and the Union de Banques Arabes et Francaises (UBAF), a financial joint-venture of French state-owned an Arab banking interests. Second, the Algerian state company Sonacome (mechanical engineering) is presently raising \$72 million for seven years, with the guarantee of the Algerian central bank and a syndicate led by Barclays Bank, Lloyds Bank International and the Pittsburgh Mellon Bank. In a similarly conceived operation, the French nuclear fuel processor Cogoma is raising \$52 million through a consortium led by France's state-owned Banque Nationale de Paris — known to be managed by pro-gold officials — and most of the French banks in alliance with Credit Suisse, Deutsche Bank and New York's Bankers' Trust. When asked why his was the

only U.S. bank part of the consortium, a Bankers Trust official stressed their "very good relations" with the French banking community and confirmed that the negotiations had been conducted in Paris — and not in New York or London — with the government of the French Republic.

Although they would deny the importance of these Euro-Arab moves in their public declarations, the New York bankers and related U.S. official circles admit in private that they are "extremely concerned." A top staff member of Senator Frank Church's Subcommittee on Economic Policy, which will meet on August 6, confided to a New York banker that their main problem was whether the Arabs are temporarily taking money out of the major U.S. banks or whether the withdrawals are to be permanent.

## Juergen Ponto Victim Of Carter Administration Assassination

*The following statement was issued on Aug. 1 by Lyndon H. LaRouche, U.S. Labor Party Chairman.*

Shortly before five a.m. this morning word was relayed to me from high-level sources of the best qualifications in the USA, that my own name was on a list of targets of persons to be killed in a wave of new "Baader-Meinhof" assassinations expected to be accomplished in West Germany during the immediate days ahead. Yesterday's victim, Dresdner Bank's Juergen Ponto, was on the same list.

My efforts to track down those who ordered Mr. Ponto's assassination by the government will be sabotaged through both U.S. State Department circles and through contaminated elements of the European nations' intelligence and security organization. Therefore, I am issuing the following vital information to aid relevant governments and honest intelligence and security agencies in tracking down those who dispatched the assassins against Mr. Ponto and to prevent the wave of "Baader-Meinhof" killings now operational.

I stress that my action is my own responsibility and not that of the Federal Republic of Germany (BRD) or other European governments. Although I and my associates are making our information available to all relevant agencies, that in no way implicates those agencies for those forms of anti-terrorist activity which I or my immediate associates take independently. So, therefore, the U.S. embassies in Europe need not annoy any European government concerning the fact of this press release itself.

Juergen Ponto,  
Man of Stature

I deeply regret that my knowledge of Mr. Juergen Ponto must now be forever limited to the fact that I and my closest associates have had a number of close

acquaintances with Mr. Ponto in common. Although Mr. Ponto and I have been on opposite courses on a number of conceptual and tactical issues, my knowledge of him is as a man of stature and extraordinary capabilities and usefulness. Europe and the world will be smaller without him.

Mr. Ponto and I may not have been direct collaborators, but we have worked in similar areas of concern and have acquired the same set of powerful enemies. In brief, the generic name of those enemies is the Carter-Mondale administration, the circles within and around that administration who ordered Mr. Ponto's assassination and who have ordered mine and that of a number of certain persons considered exemplary opponents of the Carter-Mondale administration's energy and monetary policies.

Through high-level contacts within the USA and other countries, I am most familiar with some of the areas in which Mr. Ponto was performing a crucial role. I know that he was involved in delicate, high-level financial negotiations in the Middle East and Latin America, working toward achievements which would have been to significant advantage of those countries and Europe. I know what was at stake in those negotiations, and know that every German worker who is unemployed or might become unemployed now has suffered an injury through the political murder of this outstanding European banker.

It is my informed estimation that Mr. Ponto was in the process of contributing to some of the greatest achievements of his life.

I am enraged not only because of the especially dastardly form of the crime, but because of those many others who are threatened with suffering and worse by the purpose behind this action. We stand close to the verge of thermonuclear war, and in this circumstance Mr. Ponto, working as a banker and a source of advice for European political figures, was contributing to efforts by which not