

and a return to guaranteed civil and political rights. A month ago, this kind of activity would have been met by virulent repression.

A State Department spokesman compared the new mobilization of the political parties of the 1970 "Hour of the People" coalition which led to the overthrow of General Levingston and the eventual return of Juan Peron in 1973. Peron then unleashed the fascist AAA (Argentine Anti-Communist Alliance) apparatus of his party to butcher its own nationalist wing.

This time, the strong man behind the Peronist-dominated political coalition is Admiral Emilio Massera, the raving fascist member of the three-man junta who has repeatedly used his terror machine and control of the Navy to sabotage President Videla's independent foreign policy initiatives, most notably his fostering of relations with Venezuela and the socialist countries. For his militarist exploits in "defense of the liquid fatherland," (Massera's term for the ocean!), Massera is lavishly paeaned in the British press.

Admiral Massera was given an additional boost by the British Crown when it awarded Chile three islands in the Beagle Channel off the Argentine coast. The provocative and unfounded decision gave Massera the platform to launch his naval campaign to defend "Argentine liquid territory against mutilations." Massera is well trained in British geopolitics, and is one of the loudest spokesmen of the South Atlantic Treaty Organization (SATO), a pet project of the London-based Institute for Strategic and International Studies. SATO also happens to be the stated objective of Grondona, as he detailed last May in Brzezinski's *Foreign Policy*.

Propelled by the notoriety of his naval exploits, Massera is now moving to take over the presidency, and City of London interests tied to Brzezinski's NSC are heading up his international campaign. Larry Birns, head of the Council on Hemispheric Affairs and collaborator of NSC "human rights activists" like Robert Pastor, accepted on Dec. 8 an invitation from Argentine naval intelligence to publicize Massera's "presidential campaign." Birns told this news service several weeks ago that he supports Massera despite his known involvement in the fascist death squad apparatus, because "any divisions you create in the junta are good. It weakens the military."

For the occasion, Massera adapted his stance. In an interview with *Nacional*, a prominent Caracas daily, he said that calls for "democratic systems through popular consultation are made because we (the armed forces — ed.) don't know how to rule." Civilian participation, he said, is necessary because "its as though a civilian took the helm of a ship. He'd have to accept my advice; I'd have to tell him go this way, steer in this direction." Massera also said he favors amnesty for political prisoners such as former President Isabel Peron.

Beneath the demagoguery, Massera's internal policies favor British interests as does his wild militarism. During a tour of Colombia in June 1977, Massera labeled technological development as subversive, charging that "the contemporary world, hypnotized by a dazzling technology, seems to live the illusion of an unlimited process of perfection."

Massera's candidacy in collaboration with the fascist

wing of the Peron movement propelled by Brzezinski's human rights advocates is meant to check the "developmentalist" group centered around retired General Juan Guglielmelli. There will be no lull in repression of the working class and political parties who continue resisting the dismantling of the economy.

General Guglielmelli has been organizing military men and industrialists around a "national security doctrine" — explicitly meant to counter Massera's British doctrine — based on a program for national development which he traces to Alexander Hamilton. Fiercely opposed to both the British and the Rockefellers, Guglielmelli last week attacked the economic policies of Massera's allies as treasonous capitulation to those monetarist interests. The General urged "organizing the nation around not only the development of our raw materials, but the optimum and unhalting development of our productive forces." Ironically, he is appealing to the model of U.S. industrialization policies instituted against the British, at a time when the U.S. government has nearly abandoned its own heritage.

## Einaudi: Mix Military, Civilian Rule To Guarantee Latin Debt Payment

"Kissinger's Kissinger for Latin America," Luigi Einaudi, told a Columbia University seminar on "Militarism and Democracy in Latin America" last week that the U.S. should try to replace existing military regimes in South America with "mixed military-civilian constitutional rule."

Although he has lost most of his political clout with Henry's departure from office, Einaudi retains his title as Director of the Office of Policy Planning of the Inter-American Affairs section of the U.S. State Department, and is working for a return to Dr. Kissinger's lethal brand of "realpolitik".

Einaudi's approach is best seen in his analysis of Peru. There he recommends "stabilizing" a coalition between the centrist faction of the Army headed by President Francisco Morales Bermúdez, the Social Democratic blackshirts of the APRA Party, and the oligarchic interest groups. "If we can help Morales Bermúdez keep the pendulum from going all the way to the right, we are strengthened in dealing with other military regimes in South America," declared Einaudi. He cautioned that the "holding of the center" would be a difficult task "since the excesses committed in the First Phase (of the Peruvian Revolution) mean that a regime à la Pinochet is likely." Einaudi stressed that Peru can not now establish a real democracy, since it is very risky to hold "elections in a period of economic unrest, but elections in all countries can be managed to some degree."

Speaking that same day in Lima, General Morales Bermúdez retracted previous promises of a return to complete civilian rule in 1980 and declared that "neither the civilians nor the military will have absolute responsibility in the future for what happens in Peru".

### *Covering His Tracks*

What Einaudi left unsaid was his own role in creating the conditions in which a bloodbath modeled on the coup in Chile is the most likely outcome in Peru. He attempted to cover his operations in Peru, and similar Kissinger crimes against the Allende government in 1973, by blustering to the assembled academics that the "role of the military in South America has bloody little to do with the Americans, whether military or other."

During the question period, however, a reporter documented in detail the methods Einaudi used to entrap the progressive Peruvian leaders, and then drive them from power. Einaudi's opportunity came in June 1975 when General Jorge Fernández Maldonado, the heir apparent to the presidency and the leader of the radical nationalist faction of the Army, nationalized Marcona Corporation's iron ore mine. The Kissinger-linked Marcona Corporation played the "evil imperialist" role by organizing a worldwide embargo on Peruvian iron. Marcona and the Rockefeller banks added a boycott which wiped out credits to Peru and brought the country to the brink of bankruptcy in early 1976. Einaudi was the key man in then proceeding to the "Second War of the Pacific" scenario created by his colleagues at Rand Corporation, by inflaming previously amicable Peruvian-Chilean relations to a state of imminent regional warfare.

During the crisis period, Einaudi visited Peru five times in the role of the "friendly advisor" to the military, warning them that Chile would be armed if Peru persisted in the Marcona confrontation with the U.S. Within a month after Fernández Maldonado finally conceded to compensate Marcona generously for the expropriation, Maldonado, debt moratorium advocate Foreign Minister de la Flor, and Agriculture Minister Gallegos, a supporter of capital-intensive investment, were all purged from the government. The way was clear for an IMF takeover of the country.

Einaudi responded to the charge by conceding, "I was up to my neck in the Marcona negotiations,... I congratulate you on your information, though I deplore your interpretation." He pleaded that the audience believe him that he did it "to help solve a thorny problem between Peru and the U.S." While admitting that the Rand scenario of regional warfare "could have been

used to create havoc," he claimed that he had only sought to pacify a conflict inherent between the two countries. However, Einaudi let down his guard in reference to Fernández Maldonado whose name, he said, "is on the final Marcona settlement documents and can be used by the (present) government if necessary".

### *The Economic Game in this Hemisphere*

Einaudi's "healthy principle" was that the hemisphere belongs to Rockefeller and that any military or civilian regime seeking support from competing world powers must be smashed. He offered a repeat performance of what he had told centrist Peruvian officers to turn them against Maldonado and de la Flor in 1976: "The Peruvians have bought themselves a peck of trouble by dealing with the Russians. . . . The Russians are not a player in the economic game in this hemisphere. The Russians have been useless to the developing countries in the North-South talks. You don't want to be in big debt with the Soviets; it makes debts with the real economic forces so much harder to resolve."

Einaudi said he began his career as a political and psychological profiler of Latin officers at the Rand Corporation in 1962 where he observed the new reformist and nation-building concerns being shown by Peruvian officers. During study trips to Peru in the 1960s, and especially after the Peruvian Revolution of 1968, he ingratiated himself with the progressive officers by defending their views against the knee-jerk "anticommunism of conservative Senators and Pentagon traditionalists." In fact, he became the hero of the graduating class of the Peruvian Center for Higher Military Studies (CAEM) by hosting its visit to Rand in 1971 and telling it how "Pentagon stupidity" was botching the war in Vietnam.

As a result, even while he was destroying the only Peruvian government ever committed to social and economic development, Einaudi was looked upon by parts of the Communist Party and by the progressive generals themselves as "Peru's friend in Washington." He claimed at Columbia that his posture as a Peru advocate was so convincing that "the Chileans consider me a Peruvian agent."