

Kissinger Watch by M. T. Upharson

Grand jury probing Henry's business partner

Developments in the federal grand jury investigation of the shady Swiss-based firm Marc Rich A.G. for conspiracy might instead expose the organized crime empire behind the secretive financier's most famous business associate—Henry A. Kissinger.

Judge Leonard Sands has ordered the holding company for Twentieth Century Fox Film Corp., of which Henry Kissinger is a director, to cease financial transactions with Marc Rich. Rich, which owns 50 percent of Twentieth Century Fox, is among the world's largest trading companies, with annual sales of \$10 billion. Under intensive federal scrutiny for alleged price fixing, Rich attracted U.S. government scrutiny by what federal prosecutors described as possible "shams" designed to conceal assets. After being fined \$2.5 million and under threat of seizure of \$55 million worth of U.S. subsidiaries, Rich agreed to supply Judge Sands and the grand jury with requested subpoenaed documents.

The Swiss government suddenly came to the rescue, impounding Marc Rich A.G. documents under the Secrecy in Banking articles of the Swiss criminal code. Then agents of the Clarion Corporation, a former U.S. subsidiary of Rich believed by federal prosecutors still to be under its control, loaded two crates full of documents to fly back to company headquarters in Zug, Switzerland, where it is believed that the Swiss government would impound them. An anonymous tip and fast action by federal agents caught the plane moments before takeoff, and the documents were retrieved.



Why did *Izvestia*, the official organ of the Soviet government, drop its characteristic denunciations of "the multinationals" and come to the defense of Rich? In an Aug. 17 article titled "Open Blackmail," the paper accused the Reagan administration of delivering "an open threat, an attempt to interfere into the internal affairs of Western European countries through the threat of economic sanctions."

Why is Marc Rich risking its entire financial empire to withhold documents in what would seem on the surface to be an income tax case? And why has the Swiss government created an international incident over the financial affairs of an unsavory commodity trader? Could these documents implicate Henry Kissinger in international financial manipulation?

This line of investigation is suggested by examination of the man who brought Henry Kissinger and Marc Rich together, Denver independent oil man Marvin Davis. Davis, who bought

Twentieth Century Fox with Rich as his silent partner, placed his close friend Henry on the Fox board at a reported salary of \$50,000. A protégé of the late Meyer Lansky, the organized crime kingpin, Davis is a top funder of Dope Inc.'s Anti-Defamation League of the B'nai B'rith and has a substantial interest in Toronto Dominion Bank, linked to the drug trade. Davis is the owner of the *Denver Post*, the mouthpiece of "Rocky mountain high" liberalism.

Trilaterals plan Pacific Basin moves

The second annual conference of the "World Forum" convened in Vail, Colorado Aug. 26-28 for a discussion of "Trade Policy Issues," featuring a keynote speech by Henry Kissinger. The conference was slated to consider "issues related to economic recovery, to trade, and to structural imbalances in industrial countries. Wherever appropriate, it is to also maintain a regional focus on the Pacific Basin."

EIR's on-the-scene correspondent will have a report next week on the meeting, which was convened by former President Gerald Ford, and included former world leaders Helmut Schmidt, Valéry Giscard d'Estaing, Malcolm Fraser, and James Callaghan.

Kissinger will be keynoting a conference in Hong Kong Oct. 28-29 on the topic "Political and Economic Developments in Asia in the 1980s."

Henry met in April with Chinese Foreign Minister Wu Xueqian and discussed setting up a firm in Hong Kong called Everbright Industrial Corp., to promote sales of "high technology" to China, according to a report by syndicated columnist Jack Anderson. Kissinger would be a consultant in the firm, which would be run by Wang Guangyin, an entrepreneur who is said to hold a diplomatic passport and cabinet rank and to report directly to Chinese Premier Zhao Ziyang.