
Fact Sheet

Behind the attack on Argentina's President

by an EIR Investigative Team

Former Secretary of State Henry Kissinger and the Cisneros Group of Venezuela are the central figures behind the present destabilization of Argentina's government and its new President, Carlos Saúl Menem. The effort is being coordinated through the Project Democracy apparatus, whose CIA-backed "secret government" gained notoriety for trading arms for hostages with Iran's Ayatollah Khomeini, and revolves around a scandal involving Menem's newly appointed finance minister, Nestor Rapanelli.

Rapanelli took office on July 15, following the unexpected death of Menem's first finance minister, Miguel Roig, on July 14.

In Ibero-America, the Project Democracy apparatus is determined to eliminate those national institutions which stand in the way of U.S. strategic arrangements with the Soviet Union. These include the armed forces, nationalist political movements, and even the Catholic Church.

It is likely that Henry Kissinger's highly publicized trip to Caracas on July 5-6, and his subsequent visit to Buenos Aires July 8 for Menem's inauguration, was to coordinate this campaign. Kissinger's trip to Venezuela was organized by Gustavo Cisneros, whose family's involvement in money laundering and other drug-related activity was documented in the book *Dope, Inc.* and its Spanish-language version *Narcotráfico, S.A.*, both published by EIR. Among other things, Kissinger's trip to Caracas was intended to strengthen Cisneros's influence inside the cabinet of President Carlos Andrés Pérez.

On July 18, Caracas media reported that Rapanelli, the executive vice-president of the Argentine grain cartel Bunge and Born was implicated in a multibillion-dollar fraud scandal in Caracas, which occurred when he worked as a director of the Venezuelan grain-importing consortium, Gramoven, from 1984-88. Bunge and Born holds stock in the Venezuelan company.

Gramoven is charged with overbilling and fraud in its dealings with Recadi, the Venezuelan agency which determined who would receive U.S. dollars at preferential rates (rather than at the free-market rate) to pay for imports. Ven-

ezuelan Judge Guillermo La Riva López issued an arrest warrant for Rapanelli on May 26, but Rapanelli's involvement became front-page news only after he was named to Menem's cabinet.

Destroy national institutions

The scandal's objective inside Argentina is to create the conditions under which any nationalist elements which might help shape policy for the Peronist government can be destroyed. A major target is Col. Mohamed Alí Seineldín, leader of the army's nationalist faction for whom Henry Kissinger holds a particular hatred. Under the guise of offering his "assistance" to Carlos Menem, Kissinger's objective in traveling to Buenos Aires was to tell the new President to take action against Seineldín.

Kissinger has vented his rage against the military leader before. In a 1984 trip to Argentina, Kissinger warned Argentina's authorities to be on the alert against the possible emergence of "new Qaddafis" from inside the armed forces, a crude reference to Colonel Seineldín, whose nationalism and strong Christian faith are seen by the Kissinger gang as "fanatic." The July 21 *Washington Post* carried the same message. The *Post* praised the steps the new President has taken to deal with Argentina's economic crisis, but warned "Menem has to deal with an army that . . . is full of ambitious officers who like to play around in politics."

The Venezuelan angle

The Recadi scandal inside Venezuela is itself suspect. In 1986, a Venezuelan Senate committee investigated the affair and closed it officially. But in March and April of 1989, Judge La Riva reopened the case and issued arrest warrants for several Venezuelan executives and for Nestor Rapanelli. The publicity given the case by Venezuelan media has served to divert public attention away from the severe austerity program imposed by President Carlos Andrés Pérez, and from any suggestion of involvement by former President Jaime Lusinchi and the ruling Democratic Action (AD) party, under whose government the misconduct occurred.

Statements issued by Venezuelan media and political figures, many of them linked to the Cisneros group, have contributed to the creation of a violently anti-Argentine and anti-Menem environment inside that country.

The following points are relevant to the Cisneros family's role in this case:

- Nicomedes Zuloaga, one of Gramoven's executives who is also charged in the case, reported that the U.S. embassy in Caracas was directly involved in providing pricing data subsequently used in a separate university study to "prove" that Gramoven had spent \$5 million more than it should have for grain imports between 1984 and 1986. The Cisneros clan maintains close ties to the U.S. embassy, through media magnate José Rafael Ravenga.

- In an interview published in the July 20 *Diario de Caracas*, Zuloaga strongly defended Nestor Rapanelli, and remarked that attacks on the Argentine minister were “ill-intentioned rumors invented by the Cisneros.” In an early June interview, Zuloaga pointed out that any competent investigation of Gramoven must also include an investigation of Gustavo Cisneros, who served on the consortium’s board at the same time as Zuloaga, but who, curiously, has not been charged in the case. In the same interview, Zuloaga pointed to the role of Venezuelan Sen. Carlos Tablante, of the leftist Movement for Socialism (MAS), who is leading the congressional investigation of the Recadi affair. “You should ask Tablante who finances him,” Zuloaga said.

- Tablante is “owned” by the Cisneros clan. On their orders, following the 1985 raid on *EIR*’s Caracas office, he set up an “anti-drug” committee, as a cover for the Cisneroses having been named in *EIR*’s book *Narcotráfico, S.A.* That raid resulted in the banning of the book in Venezuela.

- Arpad Bango, a top Cisneros agent, is one of the figures “collaborating” with Carlos Tablante in the investigation of Gramoven, according to the June 7 issue of *Diario de Caracas*. In 1985, on Gustavo Cisneros’s orders, Bango prepared the raid against *EIR*’s Caracas office, which resulted in the arrest and subsequent expulsion of its correspondents from Venezuela, and the banning of the book *Narcotráfico, S.A.*

- Zuloaga has charged that the “extreme left” is behind the attack on him. A June 2 article in the Caracas daily *El Nacional* reported that Judge La Riva López, who issued the arrest warrant for Rapanelli, was forced out of the Venezuelan armed forces in the early 1970s because of his pro-Communist sympathies, and his stated refusal to combat the guerrillas. La Riva was repeatedly investigated for refusing to obey orders, and was reportedly involved in a plot to assassinate then-President Rafael Caldera. According to Agence France Presse, Argentine deputy Eduardo Varela Cid has charged that La Riva is also involved in drug trafficking.

- Venezuelan journalist José Vicente Rangel, a leftist with ties to Moscow and Havana, is among those attacking Rapanelli and Menem, claiming in the July 22 issue of the Caracas daily *El Nacional* that this is a case “which has to do with corruption and the administration of justice in Latin America,” and chastising Carlos Menem for “overreacting” in his defense of his finance minister.

An ‘orchestrated’ scandal

President Menem charged on July 20 that the attacks against Rapanelli were “orchestrated” and an attempt to interfere with Argentina’s economic development plans and the reconstruction of its devastated economy. Menem commented that “I wouldn’t be surprised if these accusations originated with the Fundación Plural, linked to the government of [former President] Raúl Alfonsín.”

- Venezuela’s *Diario de Caracas*, the paper which launched the July 18 attack on Rapanelli, was founded by two violently anti-Peronist Argentines: Tomás Eloy Martínez and Rodolfo Terragno, the latter public works minister in Alfonsín’s cabinet. Menem noted that the Fundación Plural “may have used that foreign paper [*Diario de Caracas*], founded, among others, by ex-Minister Terragno.”

- Terragno, when he resided in Caracas some years ago, served as an adviser to Carlos Andrés Pérez.

- Eloy Martínez is a leading member of the Fundación Plural, one of several organizations set up under the Alfonsín government to promote the International Monetary Fund’s brand of “democracy.” These include the Fundación Arturo Illia, the Fundación para el cambio en democracia (Foundation for Democratic Change), and the Fundación para la concertación del crecimiento (Foundation for Harmonization of Growth), all of which work closely with Project Democracy’s major asset, the Democratic Party’s National Democratic Institute for International Affairs (NDI), funded by the National Endowment for Democracy.

- In April of 1987, the Fundación Arturo Illia helped NDI organize a major conference in Buenos Aires on the topic of “constitutional reform,” attended, among others, by former U.S. Vice President Walter Mondale, Carlos Andrés Pérez, and Alfonsín. “Constitutional reform” is one of Project Democracy’s codewords for launching attacks on the nation-state, and promoting parliamentary systems over those of constitutional democracies whose “strong executives” are viewed as troublesome obstacles to their policies.

- NDI sponsored the December 1988 conference in Santo Domingo, entitled “Civil-Military Relations: The Case of Argentina.” Attended by representatives of the Arturo Illia Foundation, among others, the conference’s primary topic was how to further dismantle the institution of the armed forces, and eliminate nationalist tendencies, under the guise of making them “more democratic.”

- Tomás Eloy Martínez writes for *El Periodista* in Buenos Aires, a pro-Soviet publication which has repeatedly attacked the institution of the armed forces, and particularly singled out Col. Seineldín. Following the January 1989 terrorist attack on the La Tablada military base in Buenos Aires, Eloy Martínez and *El Periodista* defended the Trotskyist group Movement of All for the Fatherland (MTP), whose members led the assault, and accused the military of violating the terrorists’ human rights.

- It was *El Periodista* which lent credibility to charges by MTP lawyer Jorge Baños that Seineldín and Carlos Menem were “plotting a coup” to overthrow then-President Alfonsín, a charge which became the justification for the armed assault on La Tablada. At that time *EIR* reported on the MTP’s links to the CIA’s Central American drug-trafficking apparatus, through such figures as Nicaragua’s Eden Pastora and fugitive narco-banker Robert Vesco.