

conflagration, but that he only gave Arafat the excuse to implement the Palestinian plan to “win through violence what he refuses to accept in negotiations.” Thus, the notion that “Arafat is a terrorist” has been revived. The reality is the very opposite.

One has to go back to the framework agreement negotiated in 1995, and made public only last month. It had been negotiated by Yossi Beilin, currently Israeli Justice Minister, and Abu Mazen, one of Arafat’s closest advisers. As we wrote in our Sept. 29 issue, the same assassin’s bullet that killed Israeli Prime Minister Yitzhak Rabin on Nov. 4, 1995, killed that agreement (“The Peace that Was Killed by an Assassin’s Bullet”). It is now reported that the same document was presented to Barak nine months ago, and he rejected it. Instead, Barak drafted his own plan that involved the annexation of settlement blocks encompassing 80% of the settlers and territory where no less than 100,000 Palestinians live.

A review of events since Sept. 28 confirms this assessment. In the days prior to Sharon’s provocation, intelligence chiefs from the Israeli Defense Forces, police, border police, the intelligence agencies, Shin Bet and Mossad, in a meeting in Tel Aviv, determined that Sharon’s visit to Al-Haram al-Sharif would spark a conflagration that Arafat would “exploit.”

As soon as Sharon’s set foot on the Muslim sacred site, a pre-planned military operation called, “Operation High Tide Low Tide,” was implemented. This was, in effect, the contingency plan that was announced by Barak several months ago as a response to Arafat’s threats to unilaterally declare a Palestinian state. The plan calls for the eventual deployment of Israeli armored divisions throughout the West Bank to the Jordan River and the frontier with Syria and Jordan. It would involve the annexing of large blocks of Israeli settlements and laying siege to densely populated Palestinian towns and cities. These centers would revert to bantustans or, more likely, “Warsaw Ghetto”-type Palestinian concentration centers.

According to U.S. satellite intelligence, Israel has been redeploying its forces in preparation for wide-scale military operations in the Occupied Territories.

Contrary to initial reports that the Israelis were surprised by the spontaneous outbreak of clashes among its own Israeli Arab citizens inside Israel, the security forces were not only expecting such a conflagration, but had been prepared for it. The Israeli police had held an exercise on Sept. 6, based on the scenario that Israeli Arabs would show sympathy with the Palestinians if the latter declared a Palestinian state. At that time, it was determined that the police would have to use live ammunition against Israeli citizens; 13 unarmed Arab Israelis died from gunshot wounds in subsequent clashes.

As of this writing, Barak is in the process of forming a national emergency government with Sharon and the Likud Party. Sharon would most likely be made foreign minister.

EIR Hits OAS Coup Against Peru

Since Peruvian President Alberto Fujimori abruptly cut short his third term in office with his Sept. 16 announcement that new Presidential and Congressional elections would be held, the international media have raised a hue and cry over an alleged threat to democracy coming from the high command of Peru’s military, which, it is said, is preparing a coup d’état, to stay in power.

As usual, the media lie. As *EIR*’s Ibero-American editor, Dennis Small, said on Peruvian national television on Oct. 8, there is, indeed, a live coup attempt ongoing in Peru—but it is not being run by Peru’s military, but rather by Wall Street’s dope bankers, operating through the Organization of American States (OAS), which is working on turning the OAS-run “dialogue committee,” the supposed forum for government-opposition talks on democratic reforms, into the de facto government of Peru.

Small explained that Wall Street and Co. are driven, as *EIR* founder Lyndon LaRouche has explained, by murderous hysteria over the disintegration of their financial system. Their strategy in Peru is similar to that employed in Colombia, where the purported “peace process” committee ensconced in southern Colombia, has become the de facto seat of government, where the narco-terrorist killers of the Revolutionary Armed Forces of Colombia (FARC) dictate the terms of surrender to Colombia’s government. In the Peruvian case, Small said, the OAS coup is directed, step-by-step, by the new OAS Deputy Secretary General, Luigi Einaudi. Fanatically committed to imposing limited sovereignty upon the Western Hemisphere, the ever-arrogant Einaudi has served as the United States’ foremost anti-Peru “hand” from his start at the RAND Corp. in the mid-1960s, through his 25-year State Department career, and his more recent stint at the notorious Inter-American Dialogue.

Small’s charges were aired on the well-watched Sunday political analysis show, “Contrapunto,” on Channel 2 TV, as the last five minutes of a hard-hitting 20-minute program exposing the international offensive aimed at taking apart Peru’s Armed Forces and their alliance with Fujimori over the last decade. The next day, the daily *Expreso* gave favorable, detailed coverage to Small’s interview, under the headline “U.S. Interests Behind Campaign Against Armed Forces” (see below). Channel 2’s television program and *Expreso*’s news article informed millions of Peruvians of LaRouche’s analysis of why foreign financial powers are out to overthrow the Fujimori coalition.

EIR’s intervention set off hysteria. Two prominent oppo-

sition dailies, *La República*, the mouthpiece for the narco-terrorist São Paulo Forum interests in Peru, and *Liberación*, on Oct. 9 ridiculed Small as a “know-nothing,” and denounced his charges as “ridiculous,” “delirious,” and “absurd.” *La República* followed up the next day with a pathetic slander against LaRouche, whom they labelled a “neo-Nazi,” while calling Small (who is Jewish) “the representative of an anti-Jewish group.”

LaRouche’s influence in Peru is one of Wall Street’s biggest concerns. An Aug. 31 *Los Angeles Times* article on the crisis in the Andean countries let the cat out of the bag. The newspaper complained that Fujimori’s Peru had only “globalized” economically, while politically, “the regime has hardened its tone with anti-U.S. diatribes and a strange affinity for the far-right ramblings of the U.S.-based Lyndon LaRouche movement.”

The televised broadcast of Small’s charges — in fact, they were the third consecutive Sunday airing in Peru of comments by spokesmen for the LaRouche movement — clearly indicated that the civic-military nationalist alliance associated with the Fujimori government has not given up the fight for Peruvian sovereignty, and continues to pay close attention to what LaRouche has to say.

The military issue is critical. With Fujimori now a lame duck President, the National Intelligence Service (SIN) set to be dismantled by the end of October, and its chief architect Vladimiro Montesinos in precarious exile, Wall Street is focussing its fire on the military, the one institution left standing which can hold Peru together as a nation, and which remains under the leadership of firmly committed nationalists.

Through its agents in the opposition, Wall Street is demanding a sweeping purge of the military officer corps — some speak of purging 30%, at minimum — starting with the head of the Joint Chiefs of Staff, Army Gen. José Villanueva Ruesta, whom they seek to drive out by December, at the latest. Wall Street’s media outlets insist, as a *Washington Post* article asserted on Sept. 30, that “the test of whether we are on track toward real democratic elections will be in the decision of the new Army command.”

Wall Street’s premier mouthpiece, the *New York Times*, suggested on Oct. 1 that the OAS take charge of this decision. It demanded that the OAS’s “dialogue committee . . . discuss who will take charge of the election apparatus, changes in the election rules and even which military officers will be permitted to succeed the top commanders of the army set to retire in December.”

“Permitted,” no less.

Documentation

The Peruvian daily Expreso ran the following article, entitled “U.S. Interests Are Behind Campaign Against the Armed Forces,” on Oct. 9:

“Washington became hysterical over Alberto Fujimori’s proposal to create a United States of South America,” stated U.S. analyst Dennis Small, who declared that last week’s campaign against the Armed Forces obeys the interests of Wall Street’s financial centers.

In statements to *Frecuencia Latina* [Channel 2], he added that they would not tolerate a government like Fujimori’s, and his alliance with the Armed Forces. That is why, he said, “the instrument through which they are operating is the OAS, and, especially, through Luigi Einaudi, who is the brains behind all this.”

United South America

According to Small, what really happened is that President Fujimori gave a speech on Sept. 1 at the South American Summit in Brasilia, where he proposed integration for the creation of a United States of South America.

The idea he presented was to achieve economic and infrastructural integration, especially between Brazil and Peru, to replace the current economic model of the International Monetary Fund. “This kind of proposal threatens the international financial system, which is hanging by a thread,” [Small] said.

Fujimori’s proposal, on top of the role which Peru’s civic-military alliance has played against narco-terrorism, he said, meant that Washington was at the end of its rope. “They decided on Sept. 1 that they were going to topple the Fujimori government, to break the link between him and the military; that’s why they launched the Montesinos case,” he emphasized. He said that on Sept. 8, U.S. Secretary of State Madeleine Albright met with Fujimori and gave him an ultimatum, and, from that moment, all the developments which Peruvians know, were unleashed.

“That’s when they gave the green light, not because of the Montesinos affair, but because of the international financial crisis and Fujimori’s proposal in Brazil,” he said.

Coup Danger

For Small, there is, indeed, a danger of a coup, but it does not come from the Armed Forces, but from the OAS-sponsored dialogue committee. “It is a group of persons whom no one elected, but who have been imposed from abroad, and are taking on all the attributes of a government,” he pointed out.

He specified that although [the State Department’s] Plan Colombia is tied to the campaign against the Armed Forces, it is not a direct relationship. “[Plan Colombia] is a proposal which has no possibility of defeating the FARC, but rather it is a vehicle for imposing limited sovereignty on the nations surrounding Colombia, so that they will participate in a multi-lateral military operation.” He added that it was Albright, who travelled to South America at the end of August, who proposed to the governments of the region that they should permit military bases to be established in the Amazon. . . .