

# • Tells the Facts and Names the Names • CounterPunch

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## ■ Serving Big Oil

**"Observations:** Shell operations still impossible unless ruthless military operations are undertaken. ... **Recommendations/Strategies:** Wasting targets cutting across communities and leadership cadres."

—Nigerian government memorandum, 1994, on the need to wipe out local resistance to Shell, an oil company controlling 50 percent of the country's crude production.

## Too Close to the Sun?

### Rupert Murdoch's Pet Senator

**A**ny day now Rep. Tim Johnson of South Dakota will formally announce his candidacy for the senate seat now held by the three-term Republican Larry Pressler, a man long and widely derided in Washington as an imbecile of epic proportions and most recently noted for his efforts to sell Public Broadcasting to Rupert Murdoch.

Johnson is South Dakota's sole representative, a popular campaigner who polled more than 60 percent in last year's Democratic debacle. Though no slouch at campaigning himself, Pressler was in a three-way semi-squeaker in 1990.

Mentally frail, morally inert, and sustained in his forthcoming fight against Johnson by silo-sized dispensations from the telecommunications industry, Pressler has in the past profited from the realism of South Dakota's voters, who apparently regard his spineless ductility as irrelevant so long as he votes for farm supports and brings home some bacon.

Jokes about Pressler accompanied him from the beginning of his congressional career, when he bucked the Watergate crash for Republicans and won a House seat in 1974. Cruel commentary also accompanied his ability to make any pledge that might enhance his political standing.

Although Pressler claims to be a Rhodes scholar, he left Oxford about halfway through his prospective term there. He took the South Dakota bar exam twice, failed twice and prudently declined the third attempt which would, on South Dakota rules, have been his last.

Having won office with the promise that he would serve only two or three terms in the House, Pressler also said he

would rebate 10 percent of his salary to the taxpayers, a pledge thus far unredeemed.

Through the 1970s he led a mostly spectral existence, propelled into fame only by dint of an unflattering front page story by Al Hunt in *The Wall Street Journal*, which noted his obsession with press releases touting his meager achievements ("New York Times Carries Pressler Drought Letter"). Hunt also drew attention to Pressler's elasticity of political principle, which — from among many examples — had him assuring a constituent that as regards choice, he supported "the right of individuals to make their own decisions", while simultaneously co-sponsoring a constitutional amendment to prohibit abortions.

Pressler entered the senate in 1978, exhibiting dimness in mental candle-power that prompted even Sen. Edward Kennedy to ask of a former senatorial colleague, "Has he had a lobotomy?"

Two years later the young senator was summoning the TV cameras to boast that he had been deemed honest by the FBI during the Abscam sting. Those who have viewed the Abscam video tapes secretly made by the FBI say that the funniest parts of the tapes come when Pressler is desperately trying to figure out how to take the bribe he is being offered without going to prison, and when Mel Weinberg, the FBI middle man, is proclaiming to a second FBI agent dressed up as an Arab sheikh that Pressler will win the 1980 presidential race and that the money will help him do so. This claim was too much even for Pressler, who interrupted Weinberg to admit that he didn't expect to win, but that he was running for president because he was

unknown and this would heighten his visibility.

A major blow to the Pressler presidential bid came amid the rollerskating craze, when *People* unexpectedly cut a long-planned, laboriously organized photo op of the Dakota legislator on skates. Pressler was crushed, and lost heart.

**L**ike the tick that waits twenty years for a cow to pass below, then leaps to sudden opportunity, Pressler's moment came with the Republican capture of the senate last year. His long years in the Commerce Committee suddenly paid off. Senators senior to himself, such as Ted Stevens, hastened off to other billets. Pressler became chairman of the committee, gaining oversight of all broadcasting, cable, and telecommunications regulations, and hence of a \$250 billion industry in the midst of internecine warfare and volcanic change.

A hilarious though (for obvious reasons) somewhat deferential story in *Cable* described the extraordinary scene in

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late March as nearly a hundred lobbyists for the telecommunications and cable industries, plus assorted senate aides, chortled and roared as the wretched Pressler attempted to preside over mark-up of the Omnibus Telecommunications Act of 1995. "He makes Quayle look like Kissinger," lamented one industry executive to *Business Week*.

Industry newsletters such as *Broadcasting & Cable* used the words "chaotic" and "bizarre" to describe Pressler's un-

## Pressler, the ranking Republican in charge of media regulation, now approaches the industry he oversees and demands vast sums of money.

sure grip on the proceedings and what the industry regarded as a sell-out to Democrats like Ernest Hollings of South Carolina and Bob Kerrey of Nebraska. Sen. Bob Dole allegedly fumed at Pressler's maladroitness and threatened to take over floor management of the bill himself.

Central to the concerns of Pressler and of Dole is not the shape of telecommunications and broadcasting in the next millennium but the ability of the industry to supply enormous amounts of campaign cash, vital to Pressler's forthcoming defense of his senate seat and to Dole's presidential campaign.

Already in January and February, Lars-Erik Nelson had described in savage columns in *New York Newsday* how Pressler, stuffing campaign contributions from the broadcasting industry into his campaign chest, was assisting in Rupert Murdoch's bid for the frequencies held by public broadcasting companies. By the spring, Pressler was aboard a slush express, travelling to Hollywood where Murdoch, Alan Ladd Jr., Sherry Lansing, Ted Turner, Jack Valenti, Lew Wasserman and other powers in Tinseltown had lent their names to an invitation for a \$500 per person cocktail party at Paramount, checks payable to "Friends of Larry Pressler". The invitation noted: "As Chairman of the Commerce Committee, Senator Pressler plays

a unique role in setting the broadcasting, cable television, telephone and other telecommunications policies that will shape America's communications infrastructure into the next century."

The disbursements proffered by the media moguls far outstrip the bribes offered by the "sheikh" and his FBI colleagues fifteen years ago. The ability of Murdoch to make Newt Gingrich a multi-millionaire, even on a \$1 contract, is a matter of common sense. The Murdoch publishing house can print and dispatch enough copies to the stores and wholesalers to loft the work immediately onto the bestseller charts. Such lists are based on the number of books distributed to the stores and wholesalers, before returns are counted. Or the books can be reckoned, by the accountants, as permanently sold.

With Pressler, the corruption is as glaring. The ranking Republican in charge of media regulation now approaches the industry he oversees and demands vast sums of money. In earlier days the Dakota senator's inanities were comical and picayune. He denounced the use of congressional staffers for campaign purposes yet used them to write his book, *U.S. Senators From the Prairie*. He pledged homely ways yet rolled about Washington in a Lincoln limousine. He promised frugality to the taxpayers yet used \$400,000 of their money to send, in his 1990 campaign, nearly three million pieces of mail to his home state constituents — ten for every household in South Dakota. But now his venality has gone big-time.

**P**ressler has survived political crisis before and may totter out of yet another tight corner. It wouldn't be the first time he has endured ridicule but made good his escape.

Not so long ago senate colleagues watched in bemusement as Pressler rose from a meeting and mistook a closet door for the exit. Once immured, Pressler realized his mistake but apparently thought that the best strategy would be to stand pat, wait until everyone else had quit the room, and then effect a quiet getaway. His plan was foiled when a few colleagues decided to sit him out. Fifteen minutes later a red-faced Pressler made his exit at last. ■

# Exporting Violence:

## *Clinton's Proliferation Policy*

**F**laccid in most of its endeavors, the Clinton administration has brought immense energy to the lucrative business of peddling conventional weaponry abroad. The Turkish troops who in late March attacked Kurds in southeastern Turkey and Iraq went into combat with U.S.-supplied F-16s, Black Hawk helicopters, M-60 tanks and cluster bombs. U.S. weapons are being used in 45 of 50 regional conflicts now underway around the globe.

The Pentagon handles most arms exports, selling or giving weapons to foreign governments through its Foreign Military Sales program. The State Department oversees the Direct Commercial Sales (DCS) program, by which defense contractors make private sales to foreign military and police forces.

Details about the DCS program are hard to come by, since only deals worth more than \$14 million must be reported to Congress. In theory, State allows the sale of weapons destined for a "defensive" role. It will not vend arms to an "aggressor" nation.

We have received previously undisclosed information about the DCS program and found that, in practice, State authorizes sales to virtually any nation capable of paying for its purchase. This is not surprising. An advisory panel set up by State to review weapons export policy is dominated by arms industry officials representing the very firms that make the bulk of overseas sales.

Under Clinton, the U.S. has exported tens of billions of dollars worth of weapons annually, and now holds a 70 percent share of the world market. Last year's four biggest buyers were Israel, Turkey, Saudi Arabia and Malaysia, perhaps explaining why Clinton is opposing an arms sales "Code of Conduct" which would block weapons transfers to nations with poor human rights records.

The President has enlisted virtually all sectors of government to the arms export drive. For the first time, diplomatic personnel are explicitly authorized to offer marketing assistance once a deal has been approved. In another precedent, industry officials pitching deals are

now allowed direct access to foreign officials, a practice that allows bribes and other lures to be offered in more discreet fashion.

Traditionally, much of the DCS trade involved the sale of small arms, but in recent years State has authorized companies to export major weapons systems. During the Clinton years, State has sanctioned the sale of tank engines to Israel, trainer aircraft to Taiwan, and Black Hawk helicopters to Mexico.

The State Department bureau that runs the DCS program is called the Center for Defense Trade (CDT), a more accurate name than the Office of Munitions Control, the agency it replaced in 1990. It approves all but a tiny fraction of the roughly 50,000 export licensing requests it receives from military contractors annually.

In 1994, the Center rejected only 156 of 17,907 requests for Type 5 licenses ("permanent export of unclassified articles"); 45 of 1,903 requests for Type 73 licenses ("temporary export of unclassified articles"); and 8 of 226 requests for Type 85 licenses ("temporary or permanent export or import of classified articles or technical data"). Reflecting the Center's lighthearted attitude, CDT bureaucrats in mid-1992 approved a license for a company that months earlier had been found to have illegally diverted aircraft parts to Iran, which State customarily portrays as Terror Central.

We have also found numerous DCS deals with Guatemala, which George Bush formally banned from receiving U.S. military aid in December of 1990 due to army involvement in the death of an American innkeeper, Michael DeVine. Ten months after this supposed cutoff, the CDT permitted the sale of \$100,000 worth of small arms to government forces.

The flow of weapons to Guatemala, still technically prohibited from receiving military assistance, lasted throughout the remainder of the Bush years and continued after Clinton took office in 1993. Records show that on four occasions during the first half of that year — on February 15, April 20, June 11 and July 13 — CDT officials authorized sales

of rifles and pistols to Guatemala worth nearly \$2 million.

Other countries purchasing arms through the DCS program include El Salvador, Colombia and Saudi Arabia. In the Saudi case, the CDT in 1994 okayed the sale of bodychains, used to restrain prisoners and banned as cruel devices in most European countries.

We have the roster of the Defense Trade Advisory Group (DTAG), the panel set up by State to offer counsel in regard to the DCS program. Of 60 members, 57 come from the arms industry.

The group is headed by William Schneider, a veteran of the military-industrial complex and undersecretary of state for security assistance during the Reagan/Bush years. One especially enthusiastic DTAG member is Joel Johnson of the D.C.-based Aerospace Industries Association. Reflecting the judicious approach he brings to the committee, Johnson once told the *Los Angeles Times* that he "would feel more guilty selling sugar-coated breakfast cereal to kids" than he does about selling weapons abroad.

The three non-industry members of DTAG are two lawyers and Janne Nolan, a polite centrist from the Brookings Institution. Questioned about the objectivity of the group by the office of Sen. David Pryor (D-AR), State Department officials pointed to Nolan as providing balance.

The gun-ho attitude of the 57 arms industry executives on the panel may be explained by the fact that almost all their companies are arms exporters under the DCS program. During fiscal 1994 Motorola (represented by Robert Martin) received 1,127 licenses from State; McDonnell Douglas (Burton Bacheller) received 373; and Northrop-Grumman (Ramona Hazera) received 125.

DTAG is not a policymaking body, but it has lobbied the Clinton administration on proposals it reviews, such as revisions in export regulations and the president's Conventional Arms Transfer Policy. "DTAG has frequent, high-level access to the people who are making policy," says Lora Lumpe of the Federation of American Scientists. "People from the arms control community are completely shut out of that loop."

Clinton, it barely needs saying, pledged during his 1992 campaign to curb the sort of arms trade now taking place with his urgings. ■

# Punch Bowl

## FUTURE BATTLEFIELDS

A topic of periodic concern at CounterPunch is the emerging field of "non-lethal weaponry", Pentagonese for arms that, for example, disorient enemy pilots or scramble a hostile nation's computer systems. Readers may recall our profile of Dr. John Alexander (Vol. 1, No. 10), Los Alamos Laboratory's manager of non-lethal defense research, whose past activities — diving in the Bimini Islands looking for the lost continent of Atlantis, investigating reports that space aliens may be abducting humans — are of some concern given that he controls billions of dollars in federal research money.

Some weapons systems being investigated by Alexander and his fellow researchers appear to be far from non-lethal. A CounterPunch subscriber recently sent us an article from the Institute of Electrical and Electronic Engineers' *IEEE Spectrum*, "The future battlefield: a blast of gigawatts?", which discusses the promising work underway in the area of high-powered microwave

weaponry (HPM). In a section on "Troop Vulnerability", Carnegie Mellon University's H. Keith Florig, notes that "microwave-induced changes in brain temperature of only a few degrees have been shown to cause convulsions, unconsciousness, and amnesia in rats".

Florig concedes that deployment of anti-personnel microwave weaponry might raise troubling "ethical issues". As he put it, "HPM weapons that merely stun the nervous system temporarily seem, like short-acting chemical agents, to be more humane than lethal force. But HPM weapons that blind, burn, or bake people to death are likely to be viewed as an abhorrent addition to the arsenal."

## PAY-BACK TIME: BUSH & BARRICK

In his White House tenure, George Bush energetically and successfully opposed reform of the 1872 Mining Law, which allows companies finding mineral deposits on public lands to work their claims while paying no royalties and scant fees to the federal treasury. The biggest beneficiary of the statute was American Barrick Resources Corp., a Canadian firm that between 1987 and 1992 extracted \$8.75 billion worth of gold from a mine in Nevada. During that period, the company paid just \$80 million in corporate income taxes.

American Barrick has now seen fit to reward Bush for his services. The former President has been selected to join the firm's advisory board, which includes Brian Mulroney, the former Canadian prime minister; Karl Otto Pohl, ex-head of Germany's Central Bank; Howard Baker, former Senate leader; and Vernon Jordan, a partner at the Washington law firm of Akin, Gump and a close friend of Bill Clinton. Board members receive a salary of \$15,000 per year, as well as stock options.

Jeffrey St. Clair, editor of *Wild Forest Review* and the person who alerted us to this story, called Barrick's headquarters in Toronto to inquire about Bush's new position. A company spokesman told him that Bush had been selected to serve on the board because of his expertise as

a geopolitical strategist. Barrick, no doubt, is planning to expand its overseas operations and deems Bush's contacts with Third World despots from mineral-rich lands to be useful in that regard.

Opponents of the 1872 law have been trying to repeal it for decades. It appeared they would succeed last year, but Republican senators from Western states blocked action. Just to be on the safe side, American Barrick bought the Nevada land where it operates, paying the Interior Department \$10,000. The estimated value of minerals on the site is \$10 billion.

## NAFTA: THE BRIGHT SIDE

With Mexico still plunged in economic crisis, the media have discreetly dropped all talk of the colossal economic benefits brought by NAFTA. Still, from the corporate point of view, the trade agreement has not been without its charms.

A new report from the Institute for Policy Studies finds that CEOs at the 26 U.S. firms with at least 1,500 employees in Mexico have received vast salary increases since NAFTA was approved, while their Mexican employees have seen real wages plummet along with the peso. The average 1994 compensation package for top executives at the companies was \$2,651,825, up nearly one-third from 1993. Most of their Mexican wage slaves took home somewhere between \$1,000 and \$3,000 for the year.

Ford's CEO, Alexander Trotman, received a 320 percent pay increase last year, taking his salary up to \$8.1 million, or 2,003 times the average annual pay of Ford's Mexican workers (\$4,044). Allied Signal, a leader in the corporate drive for NAFTA, has during the past 18 months fired 260 workers at three U.S. plants, moving those operations to Mexico. Company CEO Lawrence Bossidy earned \$12.4 million in 1994, substantially more than the total earnings — \$7.8 million — for Allied's entire Mexican labor force of 3,810 employees.

## CUPID & PSYCHE

Buttons seen at a Green Bay, Wisconsin, beauty contest for Republican presidential hopefuls, with Bob Dole and other contenders in attendance: "Republican Women ... Like Men"; "Send Dr. Kevorkian To The White House". ■

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