

trends internationally. Sources say that the future plans of a reunified Germany have been a major focus of intelligence analysis.

"The task force," reports the *Boston Globe*, has also studied how protectionism and other trade strategies of foreign countries, such as Japan, affect the ability of American companies to do business abroad; what are the likely foreign reactions to U.S. efforts to counter those trade strategies; and how American dominance is threatened in high-tech industries."

Although there have been credible rumors that CIA and other U.S. agencies have been assigned to engage in industrial espionage against foreign companies, the CIA has denied it. Some intelligence community critics have pointed to the new authority given by the intelligence legislation to the Defense Department to create "proprietary," dummy commercial firms overseas as a cover for collecting military intelligence, as one potential vehicle for such covert operations. It is of note that this is the first time the Congress is authorizing a department or agency, other than CIA, to set up proprietary.

'Nuclear proliferation' scare

The intelligence legislation also mandates an in-depth assessment of worldwide "proliferation developments." The same Senate report identifies "an increasing threat from the proliferation of chemical, biological, and nuclear weapons throughout the world. This threat is compounded by the fact that many of these same countries are acquiring or developing a ballistic missile or other advanced delivery system capability. This is certain to increase in the future."

The proliferation scare is typically used as the cover for blocking Third World economic development of what are known as "dual-use technologies." The same science involved in chemical weapons has broad application in agricultural advances, biological science in medical technologies, and nuclear in energy technologies. Ballistic missile research is the prerequisite for any nation that intends to survive technologically into the 21st century.

The legislation instructs the CIA and the Defense Intelligence Agency, "to produce an unclassified review of proliferation developments, similar in style and format to the annual DIA publication *Soviet Military Power*, providing information on this important issue," by May 1, 1991. The report "should include: 1) a global assessment of the current state of nuclear, chemical, and biological weapon and delivery vehicle proliferation and an estimate of proliferation-related developments expected to occur within the next 5-10 years; 2) specific reports on regional developments (e.g., Latin America; Africa; Near East/South Asia; Far East) focusing on the impact of such developments on regional stability; 3) an assessment of compliance with existing treaties and other international agreements dealing with the proliferation of these weapons of mass destruction; 4) a table listing the confirmed and suspect proliferation-related activities of na-

tions and their capabilities; 5) a table describing the capabilities of ballistic missile and other deliveries systems; 6) a table describing the characteristics of chemical and biological weapon agents and toxins; and 7) a map or maps showing the location of the sites of suspect and confirmed nations involved in the proliferation of weapons of mass destruction."

CIA's Webster charts economic warfare course

Director of Central Intelligence William Webster outlined the administration's "bash the allies" policy in a speech before the Los Angeles World Affairs Council on Sept. 20, 1989, when he announced that the "end of the Cold War" meant that the main threat to the United States was no longer from Russia, but from economic competition. The main enemies now, he claimed, are Germany and Japan. Instead of focusing on Moscow, the agency would give priority to economic matters, since "intelligence on economic developments has never been more important." He went on: "Our political and military allies are also our economic competitors. The national security implications of a competitor's ability to create, capture, or control markets of the future are very significant."

Webster labeled "Japanese and European surplus capital" as "creating some potential risks." He also asserted that "along with the globalization of international finance has come the greater use of the financial system by governments and groups whose objectives threaten our national security."

Again in April of this year, speaking before the World Affairs Council of Boston, Webster said, "As the 21st century approaches, it is clear that economic considerations are increasingly tied to national security issues. There is now universal recognition that economic strength is key to global influence and power."

In September 1989, Webster ordered the establishment of a new directorate of planning and coordination, the so-called Fifth Directorate, to "reach into all levels of the intelligence business" and "stay ahead" in a changing world. Career CIA official Gary Foster was put in charge. During the Persian Gulf crisis, the Fifth Directorate has been responsible for assessing the success of the trade embargo against Iraq, as well as assisting a task force which has been developing contingency plans in case of major disruptions of oil production.