

CIA puts economic squeeze on Argentina

by Cynthia Rush

In one of his last acts prior to resigning as director of the CIA, William Webster flew to Argentina on April 30 to help U.S. Ambassador Terence Todman and the Drug Enforcement Administration (DEA) arm-twist the government of President Carlos Menem. Webster was supposedly there to discuss "drug trafficking, terrorism, and continental security" with the Argentine President. In fact, his presence in Buenos Aires intensified pressure which the Bush administration has been exerting on the government to force it to accede to the Anglo-American establishment's strategic goals. As the daily *Clarín* remarked on April 30, "The CIA-DEA pincers won't let the Menemista administration breathe, and threaten to keep squeezing."

Ambassador Todman is the primary agent of the "squeezing," together with Finance Minister Domingo Cavallo, who is referred to in some circles as the "almost prime minister." Todman, in fact, might as well be President. Saúl Ubaldini, head of a faction of the CGT labor federation, said on April 26 that the U.S. ambassador's interference in internal affairs is such that the only thing he hasn't done "is to attend national cabinet meetings." While Webster was still in the country, Cavallo and Foreign Minister Guido DiTella successfully maneuvered the Defense Ministry into giving up control over the Air Force's Condor II missile project, whose "liquidation" Todman has made his personal goal.

President Menem has agreed to virtually everything Bush has asked for. This includes dismantling the institution of the Armed Forces and eliminating its role as a promoter of scientific and technological development; and, at Todman's urging, agreeing to the DEA's demand that the Air Force work with it in detecting clandestine air fields and coca plantations on the Bolivian border. This is a step toward Bush's goal of using the war on drugs to impose limited sovereignty, eventually bringing in U.S. troops to replace dismantled and weakened armed forces.

Target: military R&D

Historically, Argentina's Air Force has been involved in research and development of advanced rocketry and related technologies, whose existence is deemed a threat to the Anglo-Americans. The Condor II project, carried out in collaboration with Egypt and Iraq, was intended to produce a medium-range rocket capable of launching satellites. In April 1990 it

was reportedly halted—at U.S. request—but continued to limp along with limited financial resources, at its secret site in Falda del Carmen. German and French firms were also involved in the project.

According to the May 6 daily *Ambito Financiero*, eliminating the Condor was a matter of "life or death" for Ambassador Todman, who wasn't about to let Air Force resistance to U.S. policy get in his way. In recent weeks, international and domestic media, as well as Western intelligence agencies, have targeted the Air Force, implicating it in corruption and drug-related scandals, while charging that the Condor II project was being financed by laundered drug monies. This latter accusation came particularly from the DEA and from the Israeli intelligence agency, the Mossad.

The intelligence weekly *El Informador Público* of May 3 quoted U.S. sources who insisted that the continuation of the Condor II is an obstacle to U.S.-Argentine relations. The article also threw in the fact that several Western intelligence services, including the Mossad, Brazil's G-2, and Chilean military intelligence, were "in a state of alert" over the fact that Iraq was allegedly rearming; the implication was that since the Condor II project involved Iraq, its continued existence also represented a threat to the West.

Intelligence services cited the secrecy surrounding the Falda del Carmen installation, to which only Air Force personnel have access, as proof that the project hadn't been halted. *El Informador* reported that the Argentine Army feared a military attack on the Córdoba site, because Western nations didn't really believe the Menem government would dismantle it.

A victory for the Anglo-Americans

Todman took care of the problem. On May 3, his friend Cavallo, together with Foreign Minister DiTella, cornered Defense Minister Antonio Erman González and convinced him to relinquish control over the National Aeronautics Research Institute, the Air Force's scientific research center, which had oversight over the Condor II. As the May 7 daily *Clarín* noted, once the presidency has jurisdiction over the center, this means that "there won't be room for secret military projects like the Condor II, a goal long sought by the Bush administration." *Ambito Financiero* commented on May 6 that the Condor will suffer the same "deterioration" as the National Atomic Energy Commission (CNEA), which in 1983 was taken out of the hands of the Navy, which had run it for 30 years. Today, the CNEA is languishing due to lack of funding and tremendous brain drain.

Undoubtedly to prove that he is giving the orders in Argentina, Ambassador Todman visited the Falda del Carmen installation, just a few days before the Defense Ministry relinquished control over the Aeronautics Institute. That visit, according to *Ambito*, symbolically lifted the secrecy surrounding the project, which will now be officially lifted with the change in jurisdiction over the Aeronautics Institute.