



Lie piled on lie

JOEL BLEIFUSS IS ENTITLED TO OFFER HIS BIZARRE viewpoint on the *JFK* film (*ITT*, Jan. 15). He does not, however, have the moral right to do so by the publication of lies. I will point to a few such lies published by Bleifuss.

He seeks to discredit Fletcher Prouty, "Mr. X" in Oliver Stone's film *JFK*, who was there portrayed by Donald Sutherland, and to demean Victor Marchetti, a former CIA officer. Of them, Bleifuss, quoting "a researcher" (unnamed, since he "requested anonymity"), writes that they "represent a dissident, far-right branch of the CIA." Prouty and Marchetti had both offered evidence of CIA involvement in the assassination and thus had apparently won the enmity of the secret informant and Bleifuss. The facts are relevant. Prouty has never been in the CIA. Marchetti resigned from the CIA and, together with John Marks, a fellow of Harvard's Institute of Politics and a leader of the left-of-center Center for National Security Studies, published a book, *The CIA and the Cult of Intelligence*, which was an important attack, from the left, upon the "totalitarian" nature of the CIA.

Bleifuss' shrouded "source" then was quoted as calling Prouty "a Nazi crackpot" and asserted that the film *JFK* was "a propaganda platform for Nazis," ostensibly because it presented Prouty's views. Those who saw the film may remember the Sutherland monologue in which he spoke out eloquently, as Prouty, against the continuation of the war in Vietnam, against the exploitation of the people of Central America, against the overthrow by the CIA and the military-industrial complex of Arbenz in Guatemala and Mossadegh in Iran, the rigging of elections in Europe after World War II by the CIA, and the use by U.S. intelligence forces of "the Nazi intelligence apparatus." Prouty, through Sutherland, called for the end of attacks upon Castro's Cuba. Prouty, through Sutherland, observed that Kennedy had been assassinated because he "set out to withdraw from Vietnam," citing a National Security Advisory memorandum he had authorized. Indeed, it was Col. Prouty, in real life, who helped to draft the memorandum and the Trip Report upon which it was largely based.

For the fictionalized version of the event, see *JFK*. For lies about it, read *In These Times*. For the facts, read *Plausible Denial*, which I wrote and to which Prouty contributed the introduction.

I do not believe that a single statement authored by Prouty in the film differs from an analysis of the same historic event published over the years by *In These Times*.

A question occurs. How can Bleifuss, the "In Person" editor of *In These Times*, write that the film is a propaganda platform for Nazis for presenting Prouty's views when those views are similar to, or identical with, those previously espoused by *In These Times*? A more serious question is also apparent. How dare Bleifuss, writing for an audience of critical, thinking people, rely for his false witness upon a "source," a "researcher," who must remain "anonymous" at his own request? Was Sen. Joe McCarthy ever more blatant? I think not, and I, fresh out of law school in 1951, crossed swords with him on more than one occasion as I represented some of his victims.

McCarthy also published falsehoods and

also relied upon secret informants, but he, at least, was decked out in full wolf regalia and never claimed to be a sheep.

In discussing my book, *Plausible Denial*, during an interview with a Pacifica radio station, KPFA, I had defended Prouty and former New Orleans District Attorney Jim Garrison from several false attacks that had been made upon them in an article published by *Esquire*. For having done so, Bleifuss turned his practiced eye and poisoned pen upon me.

First, he asserts that Mark Lane has written a book about the assassination that "puts the blame squarely on the CIA." News flash: *Time* magazine and CNN have published a poll revealing that three-quarters of American people believe there was a conspiracy to kill President Kennedy, and half of them believe that the CIA was involved. Actually, *Plausible Denial* is in large measure the story of a trial in the U.S. District Court in which I represented Liberty Lobby, Inc., the publishers of *Spotlight*, a newspaper that had printed an article written by Marchetti indicating CIA complicity in the assassination. We won the case, and the forewoman of the jury stated that the evidence adduced at the trial constrained the conclusion that the CIA had indeed killed President Kennedy. These facts have appeared in newspaper reviews of *Plausible Denial* published throughout the country. Word has apparently not yet reached Bleifuss. It was the jury and the evidence upon which they relied that "puts the blame squarely on the CIA."

Bleifuss asserts, regarding the broadcast, that "Lane, however, failed to identify himself as a Liberty Lobby lawyer" and that I failed to identify myself "as the lawyer for the Institute for Historical Review, the California-based organization that posits the Holocaust as a Jewish hoax." All serious charges; all blatant lies.

Of course, I was the lawyer in the trial of *Hunt vs. Liberty Lobby*. I said so repeatedly throughout *Plausible Denial*. I said so in the KPFA interview on several occasions and I have said so on hundreds of national and local radio and TV programs. Bleifuss, I fear, is a liar. He could not have been unaware that he was deliberately making a false statement when he said I had failed to identify myself as the attorney for the defendant in a case that I had tried, won and which I had discussed so often, so publicly.

The assertion that I am the lawyer for the Institute for Historical Review (IHR) is also a false assertion. Various lawyers have over the years represented that organization in various lawsuits. They have been lawyers admitted to practice in California. I have never served as counsel for the IHR.

To have done so is not a dishonorable thing. The ACLU represents David Duke, and honorable and distinguished members of the bar have often represented individuals and organizations that hold to unpopular views and views not shared by their counsel. It is just a fact, however, that I have never represented the IHR.

Likewise, the statement that the IHR "posits the Holocaust as a Jewish hoax" is false. Is there not presently sufficient anti-Semitism in the U.S.? Must Bleifuss invent anti-Semitism even where it does not exist? During September 1991, the allegation as to whether or not the IHR has ever stated that the Holocaust did not exist was subject to litigation. The case was tried in the County of Los Angeles, Superior Court of California, before Judge Stephen M. Lachs, who is Jewish, as am I. Judge Lachs stated that he had read the voluminous record, comprised in part of all the relevant publications of the IHR, and that the IHR had never stated that the Holocaust had not occurred. He ordered counsel for the plaintiff in that case never to state to the jury that the IHR had ever contended that the Holocaust had not occurred. He ordered counsel for the plaintiff not to make such a false statement to the jury. On Oct. 30, 1991, Judge Lachs entered an order dismissing the case against the IHR.

Mark Lane
Washington, D.C.

Joel Bleifuss replies: Will the real Mark Lane please stand up? One of the few honest statements that Lane makes in the above letter is that he is Jewish. In fact, Lane hauls out his religious heritage anytime anyone brings up his ongoing association with the leading lights of America's anti-Semitic far right.

Lane is not so quick to bring up the fact that he was a co-editor of *Zionist Watch*, a publication founded in September 1987 by Liberty Lobby, the largest and most influential anti-Semitic organization in the country. *Zionist Watch* (now called *New American View*) was originally edited by Mark Lane and Victor Marchetti. Lois Patterson, the Liberty Lobby's Board of Policy secretary, once described *Zionist Watch* as a newsletter designed to focus "exclusively on the massive power of Zionism in America and the world ... [and] examine the extent of control by this alien foreign international political force and how it works to undermine our Constitution and its traditions of liberty and national sovereignty."

Lane faults me for quoting an anonymous researcher who described Fletcher Prouty as a "Nazi crackpot." That source, whom I

greatly respect, requested anonymity for good reasons. I would ask readers to take my word on that. And I would ask Lane: Do you really think Prouty is "a straight-laced, patriotic, middle-of-the-road American," as you stated Dec. 20, 1991, during an interview on Pacifica station KPFA?

Prouty sits on the Liberty Lobby's Populist Action Committee. He is now marketing his book, *Secret Team*, through Noontide Press, the publishing arm of Liberty Lobby that also sells the seminal anti-Semitic work, *Protocols of the Elders of Zion*. Finally, the Liberty Lobby paper *Spotlight* (circulation 200,000) reports that Prouty was prepared to go to court, in the Institute for Historical Review (IHR) case Lane mentions above, and testify as a character witness for Willis A. Carto, the founder of Liberty Lobby and IHR.

It was Carto who once wrote: "Hitler's defeat was the defeat of Europe. And of America. How could we have been so blind? The blame, it seems, must be laid at the door of the international Jews. It was their propaganda, lies and demands which blinded the West to what Germany was doing. ... If Satan himself, with all of his superhuman genius and diabolical ingenuity at his command, had tried to create a permanent disintegration and force for the destruction of the nations, he could have done no better than to invent the Jews."

In his new book *Plausible Denial*—No. 5 on the *New York Times* best-seller list (the non-fiction one)—Lane describes his bourbon-sipping buddy Carto as a man who "challenges the power structure, the right of financial institutions, unelected by the people, to rule the nation, whatever their religions or political affiliation may be."

With such praise, Lane might have also made a good character witness for Carto during the above-mentioned court case—if he hadn't been working as the Liberty Lobby's attorney. As Lane points out, he cannot practice in California, and therefore he was not the attorney of record in that state for Carto, the Liberty Lobby or the IHR. But in a deposition for the case taken in New York, "Mark Lane, Esq." is listed as "attorney for the defendant—Liberty Lobby, Inc."

The case in question—California Superior Court Case No. C62 92 24—involved a suit by a survivor of Auschwitz, Mel Mermelstein, against Carto and two organizations Carto founded—Liberty Lobby and IHR. Mermelstein had previously gone to court and successfully forced IHR to pay him the \$50,000 reward it had offered to anyone who could prove that the Holocaust happened. In the course of that trial, Carto said in a deposition: "Certainly there were no Jews gassed at Auschwitz, because there were no gas chambers. There were no Jews gassed at any of the camps in Germany."

Lane maintains in his letter that "the IHR has never stated that the Holocaust had not occurred." Mark Weber, the associate editor of IHR's *Journal of Historical Review*, explained the IHR position on the Holocaust to Paul Rauber of the *East Bay Express*: "If by the 'Holocaust' you mean the political persecution of Jews, some scattered killings, if you mean a cruel thing that happened, no one denies that. But if one says that the 'Holocaust' means the systematic extermination of 6 million to 8 million Jews in concentration camps, that's what we think there is not evidence for."

By James Petras

COMMERCIAL BANK OFFICIALS, U.S. POLITICAL leaders, along with an army of International Monetary Fund and World Bank advisers, have been forever preaching "free-market" doctrines to Latin Americans, Africans and, now, Eastern Europeans. Their enemies are clearly named and the prescriptions are forcefully enunciated: protectionism, state intervention in the market, import quotas, state-to-state arrangements dictating prices and suppliers. Anything smacking of a managed economy, whether political intervention into economic exchanges, fixing terms of trade prices or quotas, is seen as interfering with the market, the ultimate arbiter of efficiency and the only guide to economic growth. The prescriptions put in place with the usual arm-twisting (threatened loan cutoffs, conditional loans, market closures, military coups and intervention in electoral processes, etc.) include dismantling trade barriers, termination of state subsidies to industry and agriculture, opening of domestic markets and elimination of import quotas. Leaders in Latin America yesterday and the Eastern Europeans today docilely follow the free-market rules laid down by their American mentors. As a result, local industries in these regions have been bought out by foreign capital—they were told national ownership was unimportant. Imports have driven local industries bankrupt, but they have been told that will make future enterprises more competitive. In other words, where the American industry possesses a competitive advantage over its Latin American and Eastern European trading partners, the administration proclaimed the universal beneficence of free trade.

The other side of the coin: Another story emerges in U.S.-Japanese trade. Here Japan has a trade surplus of more than \$40 billion, finances more than one-third of the U.S. public debt through the purchase of treasury notes and controls over a third of the U.S. auto market and major shares of electronics sales along with a multibillion-dollar foreign investment advantage. U.S. corporations, unable to sell their inferior autos to the Japanese market, rely on the

U.S. preaches free market abroad, practices protectionism at home

U.S. government to force the Japanese to purchase American products by setting specific goals and market share for each nation's industries. Japan, under political pressure, agreed to double their purchases of auto parts from the U.S.—from \$10 billion to \$19 billion by 1994.

Rather than recognizing internal American weaknesses, the Bush administration

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attempted to blame Japanese trade policies. Yet American cars cannot compete with Japanese cars even in the U.S., where Japanese companies control 30 percent of the market. And Japanese auto producers cannot increase their U.S. market shares because they are under a U.S. negotiated quota system that allocated 70 percent of the market to U.S.-based companies. Japan responded by establishing "transplants," subsidiaries in the U.S., and increased its market share. Japan's offer to purchase \$10 billion in U.S. parts will be supplied in large part (80 percent) by Japanese suppliers in the U.S. Even the corporate executives who accompanied Bush to Japan were aware of the way political intervention shaped the

whole trade negotiation.

"Throughout the trip, the American executives have complained that the Japanese have tended to treat them like sidewalk beggars, doling out commitments to buy American goods out of some sense of public duty and political self-interest rather than any conviction that Japan needs to buy what America is selling" (*New York Times*, Jan. 10). In other words, the U.S. executives in Japan felt the same way that Latin officials feel when they come to the U.S.—as second-class trading partners.

Washington was quite willing to use its political power to compensate for its economic weakness, to negotiate market shares on the basis of political criteria. The notion of managed trade, state-to-state arrangements, is profoundly at variance with any notion of free trade.

Switching feet: Could one imagine the Brazilian government demanding that the U.S. purchase a percentage of its auto parts to balance its trade deficit; could one conceive of the Argentine government telling the IMF that it would allow no more than 30 percent of its market to overseas auto exporters? Can the Latin American governments negotiate with the U.S. to accept targets and quotas on their preferred exports—even if the U.S. produces better products, cheaper? Would the U.S. respond to pressures from Latin America to wring concessions from local industry to allow higher cost, less efficient industries a market share? Obviously not.

Clearly, when the U.S. is in an inferior trading position, as it is with Japan, protectionism, state intervention, managed trade and import quotas are the name of the game. Free trade is a flexible doctrine applicable only when favorable terms of trade exist. Otherwise, the U.S. is one of the most protectionist countries in the world—one in which the state intervenes against the exports of powerful developed countries such as Japan and among less-developed countries of the Third World who are more efficient in specific product lines.

In agriculture, the U.S. allocates huge subsidies for its wheat exports, thus violating the free-market doctrines in its competition

with Australian producers. The U.S. applies countervailing duties on wool, ham, cotton, sugar, rice and dozens of other import commodities to protect local producers. The U.S. has imposed quotas: restricting Jamaica to selling 970 gallons of ice cream a year, Mexico to 35,292 bras and Haiti to 7,730 tons of sugar. And in the middle of July 1991, Washington imposed new textile quotas on Nigeria, Costa Rica, Burma, Panama, Pakistan, etc., while coercing Korea and Hong Kong to cut their textile exports.

State protectionism, state subsidies, state-induced quotas, state-enforced constraints on trading partners—in a word, the economic trade and development policies of the U.S.—violate every free-market precept that they preach to the Latin Americans. In many areas where the U.S. has a competitive disadvantage in the market, the state intervenes to protect inefficient industries and to avoid adding to the mushrooming unemployment rate.

The great fear is political: that the U.S. market will be taken over by overseas exporters and investors, thus compromising U.S. sovereignty and capacity to decide national economic policy. When the U.S. government decides which goods are imported and their prices, they violate the whole notion of consumer sovereignty—the choices are dictated by the sovereign state.

The U.S. faces a sharp decline in the dynamic Asian markets, not just Japan: Malaysian imports from Asia increased from 51 percent in 1986 to 55 percent in 1989; imports from the U.S. fell from 19 percent to 17 percent. In the Philippines, imports from East Asia rose from 42 to 46 percent, while imports from the U.S. fell from 24 percent to 19 percent. To compensate for its declining position in Asia, the U.S. hopes to gain special access in Latin America via the free-trade treaties. However, the free-market policies, while benefiting the U.S. in the short run, have created a stagnant trade and investment region that cannot compare with the dynamic expansion in Asia.

When and if the Latin American governments recognize the positive lessons of state intervention, protection and subsidies that all dynamic industrial countries practice but do not preach, they will recognize that free trade, too, has its value, in the proper time and place. ■

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"This country needs a democratic left. The collapse of communism and the demise of the cold war should be occasions for renewal. . . ."

"There is a democratic dream to be renewed. It is the practical dream of libertarians like Thomas Paine and feminists like Elizabeth Cady Stanton, of socialists and trade unionists like Eugene V. Debs and A. Philip Randolph, of civil rights champions like Rosa Parks and Martin Luther King, Jr. . . ."

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