
The Bronfmans: Part II

The 'ozone depletion' hoax

Rogelio Maduro investigates the windfall profits Edgar Bronfman will reap because Du Pont controls the patented substitutes for chlorofluorocarbons.

One of the biggest financial swindles in history is now being perpetrated right before the eyes of millions of unsuspecting victims. The swindle is named "ozone depletion," and its immediate mechanism is the banning of chlorofluorocarbons (CFCs), one of the most versatile and useful chemicals known to man, and their replacement with much more expensive (and patented) chemicals. The swindle will make tens of billions of dollars in profits for the major participants involved in it.

As readers of this magazine know, the danger of "ozone depletion" is a hoax. There is no solid evidence that the ozone layer above the Earth which filters out harmful ultraviolet radiation, has been depleted; and the famous "ozone hole" in Antarctica, actually a "thinning" of the ozone layer, was discovered by ozone research pioneer Gordon Dobson in 1956, years before CFCs were in wide use.

Alex Cristoforo, Agency's office of Atmospheric and Economic Analysis, estimates that under the present guidelines of the 1987 Montreal Protocol for reducing CFC use, chemical corporations holding stocks of CFCs are going to make \$6 billion extra in profits, just as a result of the increase in prices. Under the protocol, U.S. production of CFCs is capped at 1986 levels, while the demand for CFCs, in refrigeration and other uses, has already increased 20%, creating shortages and a concomitant price increase. This \$6 billion in clear profits, however, is just the tip of the iceberg. There are hundreds of billions of dollars to be made over the next decade.

Sources have pointed *EIR* to one specific individual as being the most responsible for the signing of the Montreal Protocol and the present drive to phase out and ban CFCs: Edgar Bronfman. Although Bronfman started out most closely associated with the Seagram's whiskey interests, he now has a far-reaching financial empire, and during the 1980-85 period, Bronfman conducted a systematic raid on E. I. du Pont de Nemours & Co., effectively taking over control of the

corporation by 1985 from the du Pont family.

Family members say Bronfman's takeover was an "inside job" carried out with the help of Irving Shapiro, former chairman and still member of the board of Du Pont. Shapiro's meteoric rise

enigmas of modern corporate history. The family members, most of whom have chosen to remain anonymous, told *EIR* that Bronfman's family company, Seagram's Whiskey Distillers, now controls approximately 35% of the stock of Du Pont and that the du Pont family is kept out of any management decisions, which are now carried out by Bronfman's henchmen.

The two token du Ponts left on the board of directors of Du Pont, Irene du Pont, Jr., and Edward B. du Pont, are "Bronfman's towel boys," according to Lewis du Pont Smith, one of the heirs of the du Pont family fortune. According to Smith, "Bronfman's influence over management decisions of the Du Pont corporation is enormous. He is the chairman of the finance committee of the board of directors, which wields the most power inside the company. Bronfman has imposed the Seagram's management advertising and other corporate management strategies on the Du Pont corporation."

Irving Shapiro now refers to the Bronfmans as the new du Ponts of Delaware, according to the *Wall Street Journal*.

Lewis du Pont Smith has been the target for the last four years of a vicious legal vendetta by his family, in which Bronfman is said to have played a certain influential role behind the scenes. Smith's control over his own du Pont stocks has been legally removed, effectively silencing his opposition to Bronfman's policies inside the corporation. Other du Pont family members opposed to Bronfman's takeover have remained publicly silent, but many have privately supported Lewis du Pont Smith's fight.

One authoritative source who has been following the issue carefully, told *EIR* that he estimates that Edgar Bronf-

CFCs are not depleting the Earth's ozone layer

EIR has thoroughly documented the scientific evidence that CFCs are not depleting the ozone layer. Here are some of the facts.

Environmentalists allege that it is the chlorine in CFCs that destroys the ozone layer when it reaches the stratosphere. However:

- The Antarctic scientific station at McMurdo Sound, where all the "alarming" and "catastrophic" high levels of chlorine are being recorded, is barely 10 km downwind from Mt. Erebus, an active volcano. In 1983, measurements at Erebus showed that more than 1,000 tons of chlorine were being spewed out by the volcano every day, an amount nearly equivalent to the production of chlorine in CFCs worldwide;

- About 36 million tons of chlorine per year are released by passively degassing volcanoes, when there are no great volcanic eruptions, compared to a mere 750,000 tons of chlorine in CFCs;

- The "ozone hole" in Antarctica (the supposed proof of the negative consequences of CFCs) was first discovered by Gordon Dobson in 1956—years before man-made CFCs were in widespread use;

- Soils capture and break up as much as 50% of some CFCs present in the atmosphere, while ocean water can break up another 5-10%, which means that very few CFC molecules ever reach the stratosphere;

- Ultraviolet radiation reaching the United States decreased 0.7% between 1978 and 1985, exactly the opposite of what the "ozone depletion" liars predicted.

man personally stands to make over \$10 billion over the next several years through the "ozone depletion" swindle.

The Bronfman protocol

The role of Edgar Bronfman in the Du Pont corporation is critical in understanding the mechanics of the "ozone depletion" swindle. Up until 1986, Du Pont chemicals was the most ardent defender of CFCs in the world; then suddenly it did a "bootlegger's turn," coming down on the side of the environmentalists and calling for a phaseout and banning of CFCs.

Du Pont's betrayal took U.S. industry by surprise, and led to the negotiations which resulted in the signing of the Montreal Protocol under the auspices of the United Nations Environment Program in 1987. The Montreal Protocol mandates a 50% reduction in the use of CFCs by the year 2000. The critical element in the success of the conference, despite the lack of any scientific evidence, was the support that Du Pont corporation gave to the phaseout and eventual ban of CFCs. Shortly after the harsh terms of the Montreal Protocol were revealed, Du Pont announced that it had already patented chemicals that would replace the CFCs that were being banned.

In discussing the events leading to the company's sudden reversal, du Pont family members and former Du Pont employees singled out the role of Edgar Bronfman. They told *EIR* that in 1980, when his takeover of the Du Pont corporation began, Bronfman started to force radical changes inside the company. Was one of these changes a conspiracy to force the replacement of tried and true CFCs by a new technology that would allow Bronfman's Du Pont to acquire monstrous super-profits? The subsequent turn of events certainly lends credibility to this scenario.

The 'corporate environmentalists'

Some of the charges made by former Du Pont employees were corroborated by the new chairman of the corporation, E.S. Woolard, on May 4, 1989. Woolard, who is said to have been Bronfman's hand-picked choice as the chairman, told the members of the U.S. Chamber of Commerce in London: "We in industry have to develop a stronger awareness of ourselves as environmentalists. I am personally aware that as Du Pont's chief executive, I'm also Du Pont's chief environmentalist. . . . We should seek out those opportunities to align ourselves with the environmental community and demonstrate where environmental and industrial goals are compatible. In other words, I am calling for corporate environmentalism. . . . Environmentalism is the mainstream."

Citing Du Pont's record on the environment, Woolard emphasized, "In 1986 we led industry support of international negotiations that resulted in the Montreal Protocol."

Du Pont's chairman stated later on: "The third obstacle that can get in the way of our becoming corporate environmentalists, is the technocracy of modern industrial corporations. . . . We sometimes position ourselves on an environmental issue on the basis of available technical or scientific data alone. We have been too inclined to act as though public wishes and concerns matter less than the technical opinions of scientists and engineers. *But in fact, public opinion must be dealt with regardless of the technical facts*" (emphasis added). In other words, scientific truth is irrelevant, and only public opinion, as shaped by the environmentalists, matters.

Woolard ended his speech: "Industry has a checkered past of successes and failures in environmental matters, and as a

result, manufacturers have been painted many colors in recent years. That will have to change. In the future we will have to be seen as all one color. And that color had better be green."

As we shall soon see, environmentalism, especially when it drives the competition out of business, can be very profitable for corporations. "Green" may be the color of trees, but it is also the color of the dollar bill.

Who finances the environmentalists?

The critical element in the whole swindle, is to convince the consumer, who will ultimately pay the enormous costs of a CFC ban, that there is a danger to the ozone layer from the use of these chemicals. This is the role of the news media and the environmentalists, who are carrying out a well-financed and orchestrated campaign to brainwash the public into believing that Doomsday is near, without the slightest shred of scientific evidence. Leading scientists around the world have thoroughly refuted the "ozone depletion" hoax (see *EIR*, April 28, 1989 and June 9, 1989).

What is the total financial "take" of these environmental groups, and who finances them? The sources of a large portion of the contributions such groups receive are not revealed to the public; however, at the Foundation Library, one can find records of each grant given to environmental groups by a network of tax-exempt foundations controlled by America's blueblood families.

A review of 1988 contributions reveals that environmentalist groups received over \$400 million in grants last year, to carry out the "ozone depletion" and other assorted environmental hoaxes. The Ford Foundation is the biggest funder of the environmentalist movements worldwide, giving several hundred million dollars in just the past few years.

One of the trustees of the Rockefeller Brothers Fund, another major funder of the environmentalists, is former Secretary of State Henry A. Kissinger, a very close associate of Edgar Bronfman. Another trustee is Russell E. Train, chairman of the World Wildlife Fund and Conservation Foundation. Train, a member of the Trilateral Commission and Council on Foreign Relations, is probably the most important figure in the environmental movement worldwide, after Prince Philip of Great Britain. Train's protégé William K. Reilly, a former chairman of both the World Wildlife Fund and the Conservation Foundation, is now the head of the Environmental Protection Agency (EPA) and is in charge of enforcing the phaseout and eventual ban of CFCs.

Shortly after the signing of the Montreal Protocol, the World Resources Institute, one of the key environmental think-tanks pushing the "greenhouse effect" and "ozone depletion" hoaxes, received a \$25 million grant from the MacArthur Foundation. The chairman of the MacArthur Foundation at the time was Thornton F. Bradshaw, who was also a trustee of the Rockefeller Brothers Fund and the Con-

servation Foundation. Bradshaw's corporate affiliations are impressive: chairman of RCA Corp., director of Atlantic Richfield Co., First Boston Inc., and NBC. During his tenure directing NBC, Bradshaw turned the broadcasting conglomerate into a propaganda machine for the environmentalist movement.

Those who are bewildered by the amazing bias shown by the major television networks toward the environmentalists, had better start looking at who really owns the environmentalist movement and what it is being used for.

The CFCs swindle

At present, the world production of CFCs is approximately 1.2 million tons a year. CFCs are one of the most benign and versatile chemicals ever invented, and have found a wide array of uses: refrigeration and cooling, blowing agents in foams and insulation, and industrial solvents. Halons, a related group of chemicals also controlled under the Montreal Protocol, are the most effective firefighting chemicals known to man, and play essential roles in the protection of electronic and computer equipment, and in the military.

CFCs and halons cost between 50¢ and \$6 per pound, and the world market amounts to about \$3 billion a year. CFCs are a very important business for Bronfman's Du Pont, which controls 25% of the market and has annual sales of approximately \$750 million.

There is very intense competition in the production and distribution of CFCs, so at present the profit margins are very slim. The patents for all major CFCs expired many years ago, and small chemical companies have challenged the chemical giants in their production. Most significantly, foreign nations have been building impressive capabilities for manufacturing CFCs that will challenge the chemical giants in a rapidly expanding Third World market.

Du Pont claims that the alternatives they have developed for CFCs will be only three to five times more expensive. Scientists involved in the research to create these compounds, however, dispute this public relations assertion, and maintain that we are looking at chemicals a minimum of 10 times more expensive than CFCs. The baseline is that under the best scenario, the market then jumps from \$3 billion a year for CFCs, to \$9 billion a year for the CFC replacements. The increase is effectively a tax on the consumer.

If prices increase 10 times or more for these replacements as compared to CFCs, we are then minimally dealing with a \$30 billion annual market. Unlike the present market in refrigerants and other CFCs, the profits to be made under these conditions will be phenomenal, since the chemicals will be patented, Bronfman's Du Pont could charge exorbitant prices.

Furthermore, the proposed replacements for CFCs are not only more expensive, but they are more corrosive, toxic, and inefficient. These alternates are not compatible with over 80% of the \$135 billion in installed equipment that requires

CFCs in the United States. Most of this equipment, which includes refrigerators and air conditioners, will have to be scrapped and replaced with equipment that is compatible with the CFC replacements, at an enormous cost to the consumer. The unsuspecting consumer may soon find himself paying \$200 to have his car air conditioner recharged instead of \$30—if it can be done at all.

According to Tony Mash, U.S. spokesman for Britain's Imperial Chemical Industries (ICI), a fierce race is on to

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discover and patent chemicals that can replace CFCs at 10-15 chemical-producing corporations.

Mash said that any corporation that "wants to play the game" must spend hundreds of millions of dollars to find alternates. Leading the race are Du Pont, ICI, and Allied Signal, all of which have already patented chemicals that are more inefficient than CFCs, but nevertheless can be used under a CFC ban.

Du Pont, which is in the lead by far, has revealed that it has already spent \$145 million in research and intends to invest over \$1 billion in the next few years in research and production. ICI has spent over £100 million (about \$160 million) for research and development. The rewards and potential profits in this race are enormous. Failure, if the public realizes that CFCs are *not* depleting the ozone layer, could be very costly.

Third World will be hit hard

One of the immediate results of banning CFCs will be to drive Third World chemical producers out of business. Third World chemical industries do not possess the research capabilities to manufacture alternatives to CFCs. Furthermore, in March of this year, spokesmen for Du Pont and Penwalt corporations announced that construction of chemical factories for production of CFCs in the Third World had been halted, and existing contracts to build CFC factories will not be honored! The new company policies are to export CFCs to these nations for a few years until "phaseout," when Third World nations will have to buy the rather expensive substi-

tutes (which they can't even use in their existing equipment).

A CFC ban will halt the drive by underdeveloped nations, notably including Brazil, India, and China, to provide their people with refrigeration. Much of the food produced in the Third World spoils from lack of proper storage and refrigerating capacity.

It is estimated that millions, possibly upwards of hundreds of millions of people, will die as a result of a ban in CFCs. This is a fact that has been even acknowledged by ozone depletion "guru" Robert Watson. In a recent interview with syndicated columnist Alston Chase, Watson confessed that "probably more people would die from food poisoning as a consequence of inadequate refrigeration than would die from depleting ozone."

Preventing the Third World from building a refrigeration capacity is one of the stated purposes of the malthusian environmentalists now making policy in Washington. EPA chief Reilly made this very clear in July when he stated, "The prospect of seeing countries move forward with major development plans involving, as we heard in China, a proposal for 300 million new refrigerators possibly based on CFCs, makes very clear that we must engage them in this process and bring them to participate in the science."

Those nations that have refused to sign the Montreal Protocol are being threatened with economic warfare if they do not capitulate. The racism and ugliness of this campaign was clearly evident from a March 23 commentary in the *Christian Science Monitor* by Frederic A. Moritz, former Asia correspondent for the newspaper.

Moritz writes: "Third World countries could stonewall on the CFC issue. They could demand trade, credit, or direct financial assistance before they will agree to curb present or future emissions of harmful substances such as CFCs. . . . It's true that the poor need economic development even more than those who have already made it. . . . But these kinds of arguments can easily degenerate into a disguise for a kind of international blackmail. 'Subsidize us more or we will dirty up your environment,' is the implied threat.

"This kind of threat is extremely serious, since global pollution generated anywhere can move by water or air to threaten health and welfare worldwide. Governments and politicians who argue that dirty economic growth is necessary to help the poor in Third World countries blur the issues. . . . No one needs poison air or water—be they poor or rich, living in developed countries or in the Third World."

The "ozone depletion" scare is a scientific hoax which will only benefit professional environmentalists and those corporations that obtain sole rights for the chemicals that will replace the CFCs. The evidence warrants a full investigation by the U.S. government of the activities of Edgar Bronfman and his accomplices. Justice, and the lives and livelihood of millions, demands that the U.S. government take immediate action.

Next installment: "The Cartel."