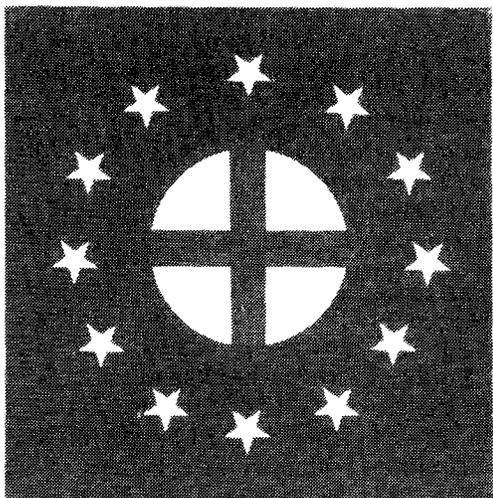


COUNTERINTELLIGENCE



Symbol of the Pan European Union

In this section

This week's Counterintelligence report presents Part 3 of our serialization of a lengthy exposé of Otto von Habsburg and the Pan European Union that will be released in pamphlet form by the European Labor Party in West Germany. The pamphlet, *Are the Goals and Activities of Otto von Habsburg and his Pan European Union Unconstitutional?*, was prepared as a report to the Special Party Convention on the European Parliamentary elections of the European Labor Party held in Bonn on Jan. 28. The convention approved a slate of candidates for the June 10 elections headed by the party's Federal Chairman Helga Zepp-LaRouche.

Parts 1 and 2 traced the Pan European Union back to its founding in the 1920s and 1930s, the explicit geopolitical content of the policies of its founder Count Richard Coudenhove-Kalergi, an admirer of Hitler's fascist movement, and the continuation of those policies by Habsburg. Through his European networks, Habsburg organized for a postwar PanEurope of the Regions, preferably including the restoration of the feudal Habsburg Empire. Our report this week continues with a delineation of Habsburg's international network organized around Habsburg's Center for Documentation and Information in Madrid and the Mont Pelerin Society.

Who is Otto

Part 3 of an ELP exposé of what's behind

Otto von Habsburg's international friends

"You can really tell a man by the company he keeps" is an apt proverb describing Otto von Habsburg. He would never be caught dead publicly advocating coups against sovereign nations or the legalization of marijuana, but his associates within the Center for Documentation and Information in Madrid, hailing from such countries as the United States, the Federal Republic of Germany, the Republic of Mexico, and Colombia, are doing just that.

Several weeks before this pamphlet was written, West German Chancellor Helmut Schmidt attacked von Habsburg as politically "immature" and a potentially bad representative of West Germany in the European Parliament. Habsburg advocates a one-man dictatorship in times of national emergency and the death penalty, both of which are unconstitutional according to the West German Basic Law. Habsburg has also been attacked by West German Social Democratic parliamentarian Axel Wernitz, a member of the Interior Committee of the West German parliament, because Habsburg was illegally and surreptitiously granted West German citizenship by the state of Bavaria so he could run in the June 10 elections to the European Parliament as a West German "conservative" candidate. According to both the laws of West Germany and Austria, the land of Habsburg's birth, dual citizenship can only be held in exceptional cases — and Habsburg is not one.

Archduke Otto has also been ridiculed by another West German Social Democratic parliamentarian, Bruno Friedrichs, following the Archduke's appearance before the West German Federal Army, the Bun-

von Habsburg?

his Pan European Union

deswehr, where he posed as a legitimate politician dedicated to the West German republic. Friedrichs said that no man advocating a one-man dictatorship and the death penalty has the right to pose as a legitimate politician before West German troops.

All of these attacks were correctly aimed at, first, defeating Otto's selection as a West German "conservative" candidate to the European Parliament and, then — if necessary — defeating his campaign for the June 10 elections. But no one has yet realized that the international "company" that Otto keeps makes him and his anticonstitutional statements in West Germany look mild by comparison.

Habsburg's associates are now organizing the legalization of narcotics and coordinating the "cold" or "hot" coups against constitutional governments that will force a new feudal dark ages on the globe. That is the goal of most of the membership of the Center for Documentation and Information that Habsburg heads, and of its overlapping economic policy-making institute, the Mont Pelerin Society. Who are Habsburg's notorious associates?

Alvaro Gomez Hurtado: A leading Colombian oligarchist and publisher of *El Siglo* and *Sintesis Economica*, Alvaro Gomez Hurtado has been calling for the legalization of marijuana since at least August 1977, and supports various "shoot to kill" orders against public demonstrations. His father, Laureano Gomez, Colombian President from 1950-1953, organized the genocide and murder by torture of at least 300,000 leftists and liberals during the civil war known as "La Violencia" from 1948-1957 — a war to bring back the colonial feudal empire of Habsburg Emperor Charles V.

Although Otto could not publicly reward Laureano for committing the same crimes that Heinrich Himmler had, he did reward Laureano's son with membership in the Center.

Leon Degrelle: This Belgian "Quisling" was a leader of the Rexists in the 1930s and 1940s until his membership in Himmler's Waffen SS forced him to seek asylum in Spain in 1945. In 1953, Konrad Adenauer revealed the fact that Degrelle was in contact with the anti-Constitution conspirators around Werner Nauman in North Rhine Westphalia. Nauman was Josef Goebbels State Secretary for Propaganda. In 1959, the weekly *Der Spiegel* reported that Degrelle was one of Habsburg's leading contacts in Madrid, despite his claims to being antifascist.

Andres Marcel Sada: A student of Baron Ludwig von Mises, Sada was one of the founders of Habsburg's Mont Pelerin Society. In addition to being a member of the Center for Documentation and Information, Sada leads the "golpista" (coup) wing of the reactionary Monterrey group of businessmen in Mexico. On April 1, 1976, Mexican President Luis Echeverria denounced over nationwide TV a secret Monterrey "golpista's" meeting as "the hooded ones" and "Christians who are not Christians.... Also in the last century," Echeverria added, "some bad Mexicans... went to bring us an Austrian Emperor from the House of the Habsburgs."

William F. Buckley, Jr.: The self-proclaimed ringmaster of American conservatives, Buckley meets with Habsburg at the Madrid Center at least three times a year. Despite Buckley's American cover as a proponent

of "law and order," he has been advocating the legalization of marijuana since 1972.

Habsburg and Walter Lippmann

Habsburg's personal metamorphosis from the pudgy, aristocratic fop whom his widowed mother, the former Empress Zita, kept in girls' dresses as long as possible, to his present day leadership of a collection of putschists and drug dealers holding membership in the Mont Pelerin Society, the Madrid Center, the "Black International," the Knights of St. John of Jerusalem, and the Knights of the Golden Fleece, took place under the auspices of Austrian Count Coudenhove-Kalergi and American Fabian Walter Lippmann during World War II.

This cooperative arrangement was simple enough: Coudenhove-Kalergi provided the international contacts he had acquired through his founding of the Pan European Union in the 1920s, while Lippmann provided American backing and American exiles for the Count's sycophants, among whom numbered Otto von Habsburg. By the time the Count died around 1970, Otto had become president of the Pan European Union, a post he holds to this day.

By 1938, it was obvious to both Coudenhove-Kalergi and Habsburg that they could never hope to create an aristocratic restoration in Europe. Although Coudenhove-Kalergi's Pan European Union enjoyed the protection of Hitler's Director of the Reichsbank, Hjalmar Schacht, and of the *London Times* and Winston Churchill, it was clear that the British were counting on Hitler to destroy the Soviet Union first, before orchestrating the restoration of the Habsburg Empire in Europe.

Habsburg himself was thoroughly hated throughout all of Europe. He was a grim reminder of the misery the Habsburg family had brought to Spain and the Danube basin. His popularity had reached a low when, in 1935, the Austrian fascist dictator Schuschnigg, whose army had murdered hundreds of workers in the February 1934 massacres, offered to return confiscated Imperial Habsburg property and investments in Austria to Otto. Habsburg refused, suspecting that he would never live the scandal down if he accepted. But certain members of his family insisted that it was Habsburg tradition that family property came before blood.

During Hitler's forced annexation of Austria in 1938 the Anschluss, Otto wrote for *The New York Times* and *Le Petit Parisien* protesting the rape of Austria. When Hitler retaliated by ordering his SS to kidnap Habsburg, he began to acquire a new reputation as an "antifascist." He sought asylum in Paris, where he was immediately spotted by the American Ambassador and Lippmann confidant, William C. Bullit. Although Bullit was considered the "State Department socialist" be-

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cause of his support for the Bolshevik Revolution, his marriage to John Reed's widow, and his selection by President Franklin D. Roosevelt as the United States' first Ambassador to Moscow, he immediately took Otto under his wing and arranged for his entry to the United States. For the time being, Bullit was to be Habsburg's controller until he had proved ready for bigger projects under the direction of Coudenhove-Kalergi and Lippmann.

It was Bullit who arranged for Habsburg to meet with Franklin Roosevelt in March 1940 and at a Quebec conference organized in 1943 by MacKenzie King, where Habsburg also met with Churchill. Otto has tried to make much of these meetings, arguing that he convinced both Roosevelt and Churchill to support an Austria independent from Germany after the war. But there is no indication that Roosevelt ever wanted anything else but a free and independent Austria after the war.

One meeting that Habsburg does not too frequently mention is his meeting in October 1942 with U.S. Under Secretary of State Sumner Welles, also arranged by Bullit. Although Habsburg claims that he merely stated how the Südtirol German language ethnic region of Italy must be returned to Austria, he does not say that Sumner Welles was advocating both a partition of postwar Germany into three independent rump states and "an economic federation in Eastern Europe, similar to the Danubian federation proposed in 1919." This Danubian federation, of course, was the foot-in-the-door for the restoration of the Habsburg Empire that both Habsburg and Coudenhove-Kalergi supported.

In addition to meeting government officials in Washington, where Otto kept an office staffed by his brother Felix and his personal adviser, Count Degenfeld, Habsburg went on several speaking tours through-

out America arranged by Bullit. Habsburg whistled through small-town America and graced businessmen's luncheons and ladies' society clubs with the presence of an anti-Hilter Archduke. These engagements netted Otto favorable publicity in the small-town American press. Even major American dailies wrote favorably that the son of the last Austrian Emperor was now a democrat. During his second tour, in February 1941, he spoke in over 80 towns.

The only political mistake Habsburg and Bullit made was to call for an Austrian Legion in the U.S. Army to be composed of refugees who would fight for Otto's Austria. The idea was that the U.S. taxpayer would foot the bill for equipping a special Austrian brigade that would occupy Austria after the war and more or less install Otto as the military governor. This Austrian Legion even existed on paper in the U.S. Army for three months beginning November 1942, until both a lack of volunteers — less than 20 refugees would give their lives for Otto — and Russian objections killed that project. However, it continued to be a good joke among Austrian refugees in the United States.

Despite this political blunder, Otto was accepted by Coudenhove-Kalergi in 1942 as his closest collaborator. It was apparently the right time for Otto to move into the circles around Walter Lippmann which would later form the Mont Pelerin Society.

The Origins of the Mont Pelerin Society

During the early part of World War II, while Habsburg was lecturing in America, Count Coudenhove-Kalergi was setting up what would become the Mont Pelerin Society and the Center for Documentation and Information at his Research Seminar for European Federation at New York University in New York City. The sponsors for the Research Seminar included William C. Bullit, Eustach Seligman of the Jewish Seligman financial family, Henry Morgenthau, Sr., whose Morgenthau Plan called for the deindustrialization of Germany, and John W. Davis. Although Davis is not as well known as the other three major sponsors, he was a top investment banker connected to the House of Morgan and other British banking interests. He earned his place in American history by insisting that the Royal Institute of International Affairs' New York branch be called the Council on Foreign Relations "because that way people won't think it sounds British." Lippmann was one of the founders of the CFR, whose members and lectures included Davis, Bullit, and Morgenthau.

Coudenhove-Kalergi also organized the precursor to his Pan European Union while in exile at New York University, called the Pan European Conference. The Council of the Conference included Austrian Baron Ludwig von Mises, who later founded the Mont Pelerin

Society, José Antonio de Aguirre, the former Prime Minister of the Autonomous Basque Republic, Fernando de Los Rios, the former Minister of Justice and of Foreign Affairs of the Spanish Republic, and Richard Schüller, the former Undersecretary of State of Austria. Other notables included Louis Marlio, a member of both the Institute of France and the Brookings Institution, and Arnold Zurcher, a New York University professor who was director of the Institute of Postwar Reconstruction.

In 1947, von Mises, together with another Austrian economist-in-exile, Friedrich August von Hayek, who taught at the London School of Economics from 1931-1950, merged their networks to form the Mont Pelerin Society. Von Hayek saw the society as a direct continuation of Walter Lippman's prewar economic organizing. Under von Mises and von Hayek an entire generation of North and South Americans would be taught how to apply Lippman's liberal, Manchester School economic theories. The most well-known application is the economic program Mont Pelerin President and Nobel Prize winner Milton Friedman would write for Chilean dictator Pinochet.

In the early 1950s, Habsburg set up in Madrid the Center for Documentation and Information — an offshoot of the Coudenhove-Kalergi and von Mises networks in Spain. He set up his Center in Madrid in order to avoid the publicity associated with the Mont Pelerin group. But the affiliation between the two became obvious as Mont Pelerin members would stop in Madrid to meet with Habsburg personally.

Aristocratic members of both groups were offered even more organizations to join. Certain associates of Habsburg, who were controlled from London, Canada or Israel, usually turn out to be members of the British Knights of St. John of Jerusalem (Knights of Malta), whose commander is Queen Elizabeth II of England. These are the "hooded ones" that Echeverria denounced in Mexico, and they largely overlap with members of the Mont Pelerin Society, particularly in Mexico. Although Habsburg is the commander of the rival continental Order of the Golden Fleece, a noble order under his personal control, he feels hostility toward the Knights of St. John of Jerusalem. Due to his lineage, Habsburg holds the title of King of Jerusalem, too.

The postwar expansion

Following World War II, Habsburg's network expanded to three international centers: the United States, Mexico, and Colombia. Our analysis begins with the most criminal of Habsburg's associates — the Gomez family in Colombia, which organized the torture deaths of 300,000 Colombians in the ten-year civil war, La Violencia.

Colombia: From 1930-32, Laureano Gomez Castro was Colombia's Ambassador to Germany. When he returned in 1936, he set up a newspaper, *El Siglo*, that openly supported Hitler and backed his persecution of the Jews. Gomez, in particular, praised Hitler for his "work ethic," which, sans praise for Hitler, is the stock-in-trade of the Mont Pelerin Society to this day:

"(Hitler) has proven that it is possible to wage a long, difficult, and immensely costly war without money. The Jews thought they could boycott Germany by removing all the gold and transferring it to the U.S. They were mistaken. The Führer has made a truly miraculous discovery: he has found that he and his people can get along on the work standard...."

During the Spanish Civil War, Gomez gave the following speech calling for a restoration of the Habsburg Spanish colonial empire at a closed door meeting of the Colombia Falangists:

"All Spain, coming forward as the solitary fighter for Christian culture, has taken the vanguard step of all nations of the occident in the reconstruction of the Empire of Hispandad in whose Falange we inscribe our names with indescribable joy....

... We are able to exclaim with a cry that comes forth from our deepest feelings — Arriba España, Catholic and Imperial!"

Gomez ended this speech with the fascist salute. The reconstruction of the Spanish Empire that he saluted was the Habsburg colonial empire. By 1942, *El Siglo* had received 100,000 pesos from the German Press Attaché in Bogota, Gottfried Schmidt, to build a new printing plant.

In addition to being one of the documented Nazi collaborators in Colombia during World War II, Gomez and his crew of Habsburg restorationists attempted two coups against the Colombian government — in 1939 and 1944 — before Gomez became President through blatant vote fraud in 1950. Once President, Gomez declared a war of extermination, *La Violencia*, against the "liberal heretics," an action that matches any atrocity ever committed by the Nazi SS. Gomez's followers were bound by blood oaths, similar to the initiation oath of the Knights of Columbus in Mexico today:

"(I promise to) disregard the age, sex, or station of victims... to cut open the stomachs and wombs of their women and smash the heads of the babies against the rocks and walls... to secretly employ the poison cup, strangulation, the sword, dagger or bullet without consideration for the honor, rank, dignity or authority of the persons, whatever their status in public or private life may be, such as I may be ordered at any time"

In their book, *La Violencia en Colombia*, German Guzman Campos and Orlando Fals Borda describe how Gomez's murderers, called parjaros, "made up a brotherhood, a mafia of disconcerting lethal efficacy" that killed liberals, leftists, communists, and peasants without mercy:

"At the hands of the parjaros, members of Liberal Party directorates and committees were killed, with great precision, with no respect for place or station, with no anticipation of punishment for their crimes...."

Despite the restorationists' claims of respect for the Catholic Church:

"... inside the parish church at Belen de Umbria, for example, a well-known citizen was shot to death while attending mass. The crime went unpunished...."

Women and children were also the specifically targeted victims in this deliberate re-creation of the Thirty Years War. Newborn babies of Liberal parents were thrown up into the air and caught on the ends of a dagger; pregnant women were killed by having their wombs ripped open, the fetus removed and sometimes replaced with a chicken; or the fetus was chopped to pieces or brought for the father to witness its destruction. Liberal women would be killed to insure no Liberal children would be born. Another practice by Gomez's Conservatives was to collect the ears of their Liberal victims as evidence of the numbers they had slaughtered.

The government's official statistics of those killed during *La Violencia* are 180,253. The actual figure comes closer to 400,000.

In 1952, as it became clear in Colombia that Gomez would have to go, his son Alvaro Gomez Hurtado began to build up a reserve power base internationally by becoming a founding member of Habsburg's Madrid Center, along with another European oligarchist, Italy's Amintore Fanfani. Alvaro Gomez Hurtado also took over the editorship of *El Siglo*, in which he frequently published Habsburg's articles on "free enterprise." Since both men were educated by Jesuits, it is not surprising that Alvaro Gomez has complained in his editorials that the "humanist" faction inside the Catholic Church has succeeded in imposing its world view of how man's creative powers are reflected in scientific and technological progress.

Since the Carter Administration took over the White House by vote fraud in 1976, which allowed another oligarchist, Zbigniew Brzezinski, the son of a minor Polish nobleman, to dictate American support for Colombian oligarchists, Gomez has been organizing for both a coup and the legalization of marijuana in an attempt to break the National Union Council (CNS). The CNS is a coalition of Liberal, Conservative, Catholic,

and Communist trade unions that are organizing to stop the austerity and militarization of the Colombian economy. To oppose this, Alvaro Gomez supports his brother-in-law, Justice Minister Hugo Escobar Sierra, and Defense Minister Luis Camacho Layva in their repressive laws against public demonstrators and in their imposition of the "emergency measure" of September 1978 which effectively institutionalizes military justice and martial law.

Alvaro Gomez himself is also leading the campaign to legalize the marijuana production in Colombia as the new "cash crop" that will allow the country to pay off its foreign creditors. In August 1977, Gomez wrote in *El Siglo*:

"Colombians must think very seriously about legalizing marijuana immediately.... First, because it will yield us foreign exchange. And second, because we have proven that to prohibit it, to help a country that is not interested in its promotion, is damaging to the morals of those charged with enforcing the law."

Although Gomez and his propagandists — such as the Jan. 29, 1979 issue of *Time Magazine* with the cover story, "The Columbian Connection" — would like to give the impression that Colombian farmers and peasants support the legalization of marijuana, the largest Colombian agrarian federation, FANAL, issued on Jan. 30 a condemnation of Gomez's campaign:

"Aware of the treasonous campaign being carried out by information services to create in Colombia a climate favorable to the legalization of marijuana, the National Agrarian Federation (FANAL) states:

1. In the name of the Colombian peasantry, FANAL rejects the dishonest campaign in favor of the legalization of marijuana and declares persona non grata and traitors to the country all those "denationalized" ones who try to promote the legalization of this harmful drug in the country. These "denationalized" ones are the same who are trying to impose a fascist regime in Colombia modeled on those of the Southern Cone in order to ensure their marijuana economy.

2. It is ridiculous and imbecilic to think that marijuana production benefits the peasant sector; it is inconceivable to think of replacing food production for the nutrition of the Colombian population, especially children, with a drug which is harmful to the health and to the morale of our population..."

Mexico: If Colombia is the best example of the genocidal crimes of the pro-Habsburg restorationists, then Mexico is the best example of how Otto von Habsburg's international networks, dating back to the colonial em-

"Habsburg was thoroughly hated throughout all of Europe. The Austrian fascist dictator ... offered to return confiscated Imperial Habsburg property and investments in Austria to Otto. Habsburg refused, suspecting that he would never live the scandal down if he accepted."

pire of his ancestor, Charles V, overlap with members of the Mont Pelerin Society and their students.

As President Luis Echeverria Alvarez stated in his public TV denunciation of the "hooded ones," there is perhaps no nation on earth more aware of what Habsburg oligarchical rule means than Mexico. It was the Habsburg Emperor Charles V, about whom Otto wrote a laudatory biography, who initiated the looting policies of the 16th century, reducing Mexico's Indian population from something over 12 million to less than 2 million people in the course of three generations. It was a direct descendent of Charles V, and a great-great-uncle of Otto, Maximilian of Habsburg, who was "installed" as "Emperor" of Mexico in the 1860s by the British-backed oligarchy, working through the French puppet, Napoleon III, to stop the Mexican republican Benito Juarez.

In the 20th century, it is the students of Austrian Baron Ludwig von Mises, the associates of Italian oligarchist Amintore Fanfani, and the traitorous Mexican networks loyal to the Buckley family of the United States that provide Habsburg with his circle of associates in Mexico.

Von Mises and von Hayek founded in Mexico the following societies as the basis for their Mont Pelerin Society:

* Institute of Social and Economic Research (IISE).

* Free School of Law. Founded in the 1940s by Gustavo R. Velasco, a personal friend of von Mises, the school has produced the core of the current gang of Mont Pelerin fascists in Mexico, including José Angel Conchello, leader of the National Action Party who openly acclaims the theories of Hjalmar Schacht, Hitler's central bank president.

* Institute of Iberoamerican Integration (III). This is one of the principal centers of recruitment for the paramilitary gangs deployed by the Mont Pelerin restorationists.

— to be continued