
New York/Canada

The spooky case of Quebec's Bombardier

by Pierre Beaudry

The U.S. Senate Finance Committee held emergency hearings on May 28 to evaluate Canadian trade policy as a result of the recent Bombardier coup which shook not only New York City but also the entire United States. The hearings were held on 24 hour notice to a reportedly packed hall.

On May 18, Bombardier, a Canadian subway car manufacturer, was awarded a \$662 million contract for 825 subway cars by the New York Metropolitan Transit Authority, despite the fact that loss of the contract, the largest ever for mass transit in North America, may force the Michigan-based contender, Budd Company, to shut down. Another bidder, Francorail of France, was also eliminated because of the subsidized financial backing Bombardier secured from the Canadian Export Development Corporation at a well-below-market interest rate of 9.7 percent.

As this report will demonstrate, there is more than simply "unfair competition" involved in the Bombardier coup.

Bombardier and Space Research

The notable thing about Bombardier is not the fact that it competes unfairly for contracts, but that it operates as a "deep cover" for Anglo-Canadian military intelligence.

In 1980, Bombardier bought a large tract of land and a manufacturing plant from Space Research Inc., which was reorganized in the late 1970s after having been exposed as an arms trafficker to South Africa. Space Research had been created in 1968 by Edgar and Peter Bronfman of the Canadian Seagram Company family as a shell for running arms and nuclear equipment to Israel, South Africa, and Pakistan. The Bronfmans had been linked in 1978 in the book *Dope, Inc.: Britain's Opium War Against the U.S.*, to leading narcotics traffickers internationally. The old bootlegging family became "respectable" during World War II as a result of their longstanding collaboration with the Brit-

ish Special Operations Executive (SOE), a now nominally defunct agency which was involved in the creation of Space Research.

Another project of the SOE was the creation of an assassination bureau under the corporate cover of Permanent Industrial Exhibitions (Permindex), a firm run by Major Louis M. Bloomfield, a personal lawyer to the Bronfman family, and the former assistant to SOE founder Sir William ("Intrepid") Stephenson. Permindex was exposed by New Orleans District Attorney Jim Garrison as being implicated in the John F. Kennedy assassination and in several aborted attempts against the life of Charles de Gaulle.

The main shipping agent of Space Research, it turned out, was Israel's Zim Shipping Company, a Mossad outfit that was caught in 1978 carrying liquid hashish on one of its ships in New York harbor.

According to its official charter, Space Research was a semi-official branch of the Canadian Defense Ministry; its stated purpose was to perform research for the Canadian Army. The Director of Space Research, Dr. Gerard Bull, a ballistics specialist in Her Majesty's Canadian Army, was formerly posted at Valcartier, near Quebec City. His "Project Harp" was a program to test a 172-foot cannon capable of launching nuclear weapons against Soviet satellites. Bull's actual function was in fact to smuggle weapons around the world, as he admitted under oath during a criminal hearing in Vermont in June 1980.

This operation raised a public outcry in the United States at the time, as it was revealed not only that high-level American officials were involved but also the oldest bank in America, the First Pennsylvania Bank, had lent Space Research up to \$11 million. U.S. figures who were brought on the board of Space Research in the 1970s included:

- Lieutenant-General Arthur Trudeau, former head of the U.S. Army R&D section;
- General Barksdale Hamlett, former commander of U.S. forces in West Berlin;
- Colonel Rogers Gregory, formerly of Norwich University, Vermont;
- Richard Bissell, former Deputy Director for Operations of the CIA.

To facilitate a customs-free border crossing, the Space Research plant was built on land straddling the Quebec-Vermont border at Highwater-North Troy. The company first came to *EIR's* attention when it was discovered to be involved in dirty tricks against *EIR* founder Lyndon H. LaRouche, Jr. through a typesetting front in New York City run by Col. Zvi Aldoubi of Israel's Mossad secret service.

A look at the board of directors of Bombardier gives immediate evidence that it is nothing but a continuation of Space Research under a deeper cover. Bombardier

director Jean-Paul Gagnon is also Vice-President of Valleyfield Chemical, an explosives plant which was wholly owned by Space Research. Gagnon's nephew, M. Chalifou, was general manager of Space Research.

The most important Bronfman asset on Bombardier's board, however, is Pierre Cote, Chairman of Celanese of Canada, and with Charles Bronfman director of the Bank of Montreal and the Cadillac Fairview real estate conduit for dirty money. Cote sits on the board of Domtar Inc. along with Arthur Ross, station chief for New York of Britain's MI-6 intelligence division. Cote is also a member of the Consulting Committee of Royal Trust Corporation, the corporation that bought mobster Meyer Lansky's International Bank of Miami, and sits on the boards of the Canadian Development Corporation and Texasgulf.

Other Bombardier directors include William Ian MacKensie Turner, Jr., President of Consolidated Bathurst, director, Power Corporation, Celanese of Canada, and director, J. Henry Schroeder Banking Corporation, part of the financial network which financed Hitler before World War II; and Sol Simon Reisman, a graduate of the London School of Economics who has spent 10 years as the Canadian representative in international trade negotiations, including GATT, and is known as a trade-warfare expert.

One of the most significant aspects of the military side of Bombardier is its Logistic Equipment Division, specializing in vehicle prototypes for all-terrain rapid troop transport.

According to Bombardier's 1981 annual report, the company expects to considerably expand its aeronautic and logistical capabilities for 1982. It states that it has the ability to "adapt its commercial products for military purposes." Bombardier has contracts with the U.S. as well as the Canadian military.

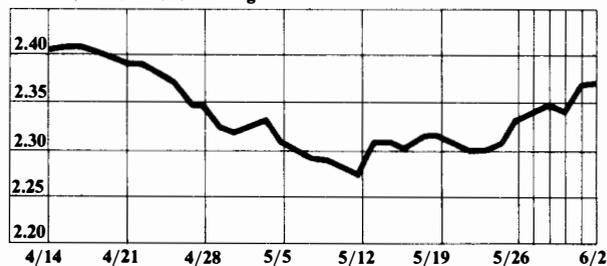
At the time Space Research was exposed, the remainder of the site and equipment was bought by Sheikh Saad Gabr, a funder and controller of the terrorist Muslim Brotherhood internationally. Gabr reorganized his section of Space Research into what is known as Space Technologies, Inc. (while retaining 75 percent of Space Research's former employees). The new company purports to be involved in satellite launching.

In 1979, Gabr founded an Islamic Cultural Center in North Hatley, Quebec, a town—mostly owned by Gabr—located on a lake that straddles the U.S.-Canada border. The center is linked to the terrorist-spawning East-West University of Chicago, the center of activity for the American Ramallah Federation, an umbrella for radical Pakistani groups in the United States which has funded Rev. Jesse Jackson and PUSH. According to Arab diplomatic sources, Gabr's firm is involved in shipping arms to Iran's Ayatollah Khomeini.

Currency Rates

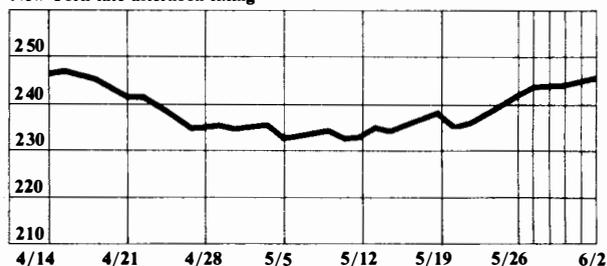
The dollar in deutschemarks

New York late afternoon fixing



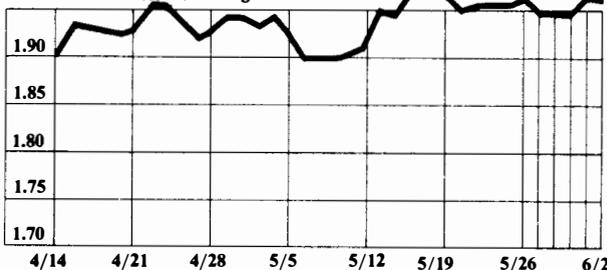
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

