

Power and Betrayal in Washington **CounterPunch**

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Written by Ken Silverstein & Alexander Cockburn

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How Bush, then Clinton, Let Texaco Break Haiti Embargo

Largely overlooked in the excitement about "Operation Uphold Democracy" are new revelations about the U.S. government's three-year-long policy of propping up the military dictators who overthrew Jean-Bertrand Aristide. As outlined in Treasury Department documents disclosed by *AP* in an important story on Sept. 18, Texaco's Caribbean subsidiary illegally distributed oil in Haiti between late 1991, shortly after the Bush administration announced sanctions in response to the coup, and May of 1994. We have learned that the trade — which directly undermined the declared policy of relentlessly squeezing the junta — took place with the full complicity of not only the Bush but also the Clinton administration.

Texaco bought and distributed fuel from at least 26 tanker ships contracted by the Haitian regime, paying millions of dollars in revenues to the generals. Aware that it was breaking the law, Texaco in mid-1992 transferred its Haitian assets to a specially established Bermuda trust account, a move later deemed also illegal.

Fully aware of Texaco's activities, the Office of Foreign Assets Control (OFAC), the Treasury Department agency which enforces embargoes, sat on its hands. "[Then-Treasury Secretary Nicholas] Brady told me to go slow on Texaco," OFAC director Richard Newcomb explained to aides at a 1992 staff gathering, according to meeting minutes.

Newcomb's inertia angered his staff, which pleaded to shut down Texaco's Haitian facilities. "We have responded to repeated violations with silence," John Roth, OFAC's chief of policy, complained in a July 1992 memo. In another note a year later Roth wrote, "Perhaps the selective and political side to OFAC's 'strong enforcement' of the sanctions ... can be

squared with some cosmic (but not widely known) foreign or domestic policy objectives vis-a-vis Haiti or Texaco."

Unmoved by such criticism, Newcomb continued to stall. His interest in the case suddenly flared anew last month, after his agency's senior criminal investigator, Robert Sheridan, filed a grievance with Treasury charging that the Texaco case had "been deliberately held in abeyance by Mr. Newcomb."

A career government executive, Newcomb is not normally so lax in enforcing regulations. Saul Landau recalls once trying to charter a plane to Cuba for 6:30 p.m., 90 minutes beyond an arbitrary deadline decreed by Newcomb's office. His petition to OFAC was rejected without explanation. More recently OFAC agents have ordered Customs agents at the Miami airport to conduct body searches on Cuban-Americans flying to Havana, to ensure they are not carrying dollars in violations of new rules established by Bill Clinton. Newcomb's rigor in conducting the embargo against Cuba has made him a hero to the zealots at the Cuban-American National Foundation, a group he has addressed on several occasions.

Treasury Secretary Lloyd Bentsen claims that Texaco's dealings with the junta were "left over from the previous administration." However, he has known of the case since at least last November, when he received a memo from Assistant Secretary Ronald Noble informing him that Texaco had "contacted the State Department in an effort to have State persuade OFAC to drop the matter."

Texaco tells *CounterPunch* that the government's posture was identical under Bush and Clinton. Spokesman Dave Dickson says Bentsen, like his predecessor Brady, could have halted Texaco's

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Say it ain't so!

"The disclosure [of CIA payments to FRAPH leaders in Haiti] could revive questions ... about the wisdom of forging secret intelligence ties with public figures implicated in activities that are anathema to U.S. interests, even if learning about those activities is considered crucial."

— R. Jeffrey Smith,
The Washington Post
Oct. 7, 1994

Plagues, Bugs and Poverty

The Passing of the Liberal Technocrats

"TB is a window. It reflects social conditions, crowding, prisons, homeless shelters."

— Tom Frieden, director,
New York Bureau of TB Control

Health reform has gone and the form in which it will reappear in the next Congress won't be a pretty one. Clinton took one of the hottest issues the Democrats had going for them and handed it to a lawyer (his wife) and a business consultant (Ira Magaziner) who jointly managed the truly amazing feat of turning the country against reform. The voters won't even blame the Republicans for killing it off. Why mourn the ludicrous pantechonicon of gimcrack wonkery whose twisted remnants were finally hauled to the crusher in September?

It's time to regroup, stop talking about health exclusively in terms of vast bureaucratic structures — whether "single payer" or any of the other macro-models — and go back to basics. What are the

fundamental health issues in this late twentieth-century industrial society?

The Census Bureau now reports that the number of Americans in poverty has increased to 39.3 million. The Eighties trend towards greater inequality continues. Deteriorating wages are dragging new groups down. Even Robert Reich, secretary of labor, concedes that "We have the most unequal distribution of income of any industrial nation in the world."

The New York City health department has just issued a breakdown of imbal-

The real problems in public health are not infectious diseases, but smoking, guns and suicide

ances in the five boroughs. In Harlem, the Bronx, Bedford Stuyvesant and the poorer sections of Brooklyn the statistics for renal failures, adult bronchitis, asthma, hypertension and (for children) measles, bronchitis, gastroenteritis, volume depletion, convulsions and pneumonia are anywhere from 100 to 700 per cent above city-wide averages.

We talked to Tom Frieden, now in charge of New York's efforts to eradicate TB, about how we should think about health and economic decline. In an earlier incarnation Frieden ran *Links*, a periodical which offered prescient material about the "third worldization" of health in the lower tiers of American society.

First, said Frieden, there are specific epidemics: measles, whose incidence soared in 1990, clearly related to poor vaccination practices and to immigration. AIDS is now increasingly a disease of poor women, intravenous drug users, and a new generation of gay men who have come to maturity without the experience of seeing a cohort of friends die.

TB nearly tripled in New York between 1978 and 1992. The city has about three times as many cases as any other big center, and between four and five times the national average. The rate for central

Harlem is 220 per 100,000 as opposed to 12 in Forest Hills (Queens), 50 city-wide and 10 per 100,000 across the country.

The most important factor in the epidemic was HIV, in areas where TB had never been eradicated (i.e. Harlem, not the West Village). Another major factor was immigration, particularly from Haiti, the Dominican Republic and China. TB remains what it has been for over a century, the leading infectious cause of death worldwide, narrowly ahead of malaria and measles.

Decline in the public health infrastructure was similarly complicit. In the mid-Sixties New York had over 1,000 beds for TB patients, today less than 100. Clinics fell from 24 to 10. Much of this unraveling can be traced to Nixon's switch from categorical federal funding ("use this money to buy TB beds") to block grants to states, where the lobby for TB-ridden indigents was not large. And of course TB flourished in the burgeoning homeless shelters, decrepit tenements, and crowded jails associated with post '72 and, more so, post '80 American cities.

With TB, treatment is prevention. Ensure a patient completes antibiotic therapy and there is one less carrier. Cure all the carriers and you wipe out the disease. So Frieden has concentrated on observed therapy and tracing of patient contacts. Between 1992 and 1993, after a jump in funding, the epidemic began to ebb, with cases dropping from 3,811 to 3,245.

From epidemics (asthma is now a huge problem, of mysterious cause) Frieden turned to a second major topic in the relationship between health and decline: access to health care, and the concomitant inverse care law, those who need it most get it least. As Frieden pointed out, many of the preoccupations of the health care industry are fairly useless. A good guide to what is worthwhile can be found in the "U.S. Guide to Preventive Health Care," which finally emerged from a deliberative federal task force not so long ago.

Frieden offers what he calls a "structural" category concerning illness and class, of which the prime example is smoking, number one cause of preventable disease and death in the U.S. — cancer, heart disease, emphysema — and closely correlated with socio-economic status. The poor smoke more and the tobacco companies target them, just as

Editors
KEN SILVERSTEIN
ALEXANDER COCKBURN

Production
TERRY ALLEN

Counselor
BEN SONNENBERG

Design
DEBORAH THOMAS

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Please call or write our offices.

CounterPunch, IPS,
1601 Connecticut Avenue NW,
Washington, DC 20009,
202/234-9382; 202/387-7915 (fax).