

Carter on oil, military policy, Mexico.

Now, the consequences are raising a storm of criticism in Japan. This focuses particularly on the loss of Mexican oil and the military buildup policy. The opposition parties intend to place a vote of no-confidence against Ohira for his actions in Washington on the military question among others. There are rumors that members of the LDP factions of former prime ministers Miki and Fukuda—may vote with them.

At this point it is not clear if the Miki and Fukuda factions and their business backers intend to try another attempt to remove Ohira

Threat to South Korea

Perhaps the most immediate threat to peace posed by the U.S.-Japan-China alliance is the current destabilization by the Carter administration of one of the major Asian opponents of the China card, the government of South Korea. It is no accident that Polyanski included the Korean instability as a cause for the Soviet military buildup and warning to Japan.

The student demonstrators in Korea are now demanding the ouster of Korean Central Intelligence Agency head Gen. Chun Doo-Hwan and Prime Minister Shin Hyon-Hwack as well as an end to martial law. These were not the original demands of the student demonstrations that began one month ago and have now reached the unprecedented level of 2,000 off-campus demonstrators. The Opposition-supported elements among the students received a boost when Carter told Japan's Ohira that KCIA chief Chun had gathered too much power and then conveniently leaked the remark.

The student demonstrators' demands are backed by leading opposition politician Kim Kae Jung, who is believed to be favored by whole sections of the U.S. State Department. Kim had made it clear to the State Department that he regards the current regime as an obstacle to the China card strategy for Asia, adding that he himself will cooperate with the policy.

The "human rights" crowd involved in aiding the students from the U.S. are headed by former U.S. Ambassador to Japan Edwin Reischauer of Harvard and his assistant Edward Baker. The latter works for Amnesty International as head of the South Korea section.

While China's role is not certain, informed analysts believe China is urging North Korean restraint in this situation so as not to give the South Korean military a credible justification for a military crackdown.

Should the South Korean regime be replaced by a pro-China card government in a U.S.-Japan-China-Korea anti-Soviet lineup, the U.S.S.R. may decide it is necessary to go much farther than Polyanski did in warning of the folly of Brzezinski's confrontation politics.

EIR's Frankfurt conference

Planning for India to realize Nehru's dream

A small core of scientific professionals from India and West Europe outlined a detailed blueprint for avoiding mass depopulation and world war at a conference held in Frankfurt, West Germany May 6 and 7. The conference, entitled "The Industrial Development of India—Its Potential, Its Necessity," was sponsored by the Fusion Energy Foundation and the *Executive Intelligence Review*.

The themes of the conference were eloquently summed up by K.D. Malaviya, former Indian Union Minister for Petroleum and Chemicals, the father of the Indian oil industry and a close collaborator of India's first Prime Minister Jawaharlal Nehru. "Without peace there is no development," Malaviya told his audience, "and without development there is no peace."

The economic program presented as the basis for conference discussion—a comprehensive, step-by-step, 40-year plan for developing India from relative backwardness to an industrial superpower—was outlined by Uwe Parpart, director of research for the Fusion Energy Foundation, and Daniel Sneider, editor-in-chief of the *EIR* which published the program. The program itself has been the subject of detailed discussion in the *Far East Economic Review* as the possible path of economic planning to be chosen by the government of India's Prime Minister Indira Gandhi.

Despite the obvious importance of the issues to be discussed by a distinguished list of conference speakers, less than two dozen persons of those who accepted to attend were actually present. Those conference sponsors associated with internationally renowned economist Lyndon LaRouche, who designed the economic model used for the development of the India program, reported that the systematic campaign waged by Club of Rome circles and others to prevent West German representatives of government and industry from speaking and attending was unique to their extensive experience in its scope and intensity.

Malaviya and other conference speakers stressed the increased political courage required from West European governments, industry and labor organizations for

effective war avoidance development plans to be realized.

Ganesh Shukla, editor of the influential Indian weekly *New Wave*, told the audience that it was imperative for West Germany to recover its political independence. Unless Western Europe breaks decisively with its Anglo-American masters, Shukla warned, it will be obliterated by nuclear war, as famine, disease and chaos create multiple flashpoints for East-West confrontation.

The essential role of nuclear power in breaking the constraints on Third World development was stressed by other conference speakers, including Prof. Dr. W. Seifritz of the Eidgenössisches Institut für Reaktorforschung in Würenlingen, Switzerland. Dr. Seifritz presented detailed evidence demonstrating that no policy except massive "brute force" development of nuclear energy can provide the world with enough resources to feed its expanded population by the year 2020.

K. D. Malviya agreed: "Our Atomic Energy Commission is aiming at the installation of 10 gigawatts of nuclear power capacity by the end of this century. My case is that India must produce 50 gigawatts of energy by the end of the century."

The speech of Raghunath Reddy

EIR presents here excerpts of the speech delivered by K. Raghunath Reddy, India's former Minister of State for Industrial Development.

The economic development achieved by India is well-recognized through the world and, to borrow the language of our prime minister, "The world now recognizes the versatility and capability of our industries."

The chief architect of industrial development of India is our great leader Pandit Jawaharlal Nehru. Nehru believed in planning. To him planning did not mean a collection of projects or schemes but a thought-out approach of how to strengthen the pace of progress so that the community advances on all fronts. In order to get over the gaps in technological development, Nehru advocated the utilization of the latest scientific processes and most advanced production technologies for India's development.

The main component of Nehru's strategy of development were (a) a large public sector; (b) cooperative sector; and (c) private sector. The central figure in all planning is no doubt man. Nehru felt that the process of planning should involve the changing of human beings, their thinking and their way of work. While the technical aspect of planning is undoubtedly important, the two would have to fit each other.

Nehru was also conscious of the fact that backwardness in science and technology is the cause of poverty, and utilization of modern technology creates not only wealth but simultaneously employment too. Contrary to

the ruralist approach advocated by some political leaders and world organizations, he was quite clear in his mind that nuclear energy used for peaceful purposes and economic development would benefit mankind, liberating them from poverty, backwardness and suffering. He had given unqualified encouragement to Dr. Bhabha, our famous nuclear scientist. Our success in the field of nuclear energy is mainly due to Pandit Jawaharlal Nehru and Dr. Bhabha.

Our public sector, which again owes its growth to Jawaharlal Nehru, is expected to occupy commanding heights. It is mainly confined to high-capital intensive industries producing capital goods and basic raw materials in certain fields. . . .

Notwithstanding huge investments made by the public sector, the private sector is in command of the lucrative heights. The public sector's share in investment is 58 percent while the private sector's share is 42 percent. In the total profits, the public sector has a share of 21 percent whereas the private sector's share is 79 percent. The concentration of public sector is in the high capital-intensive fields of long gestation period. Hence the low returns are very natural. This has a high degree of relevance in the context of economic surpluses for the purpose of plough-back for investment and development.

The future of industrial development in India depends on (a) the degree of utilization of scientific advances and production technology; (b) energy development; (c) the role of the working class; (d) the contribution that the agriculture base can make for industrial development in providing raw materials and economic surpluses; (e) the number of technical personnel trained in advanced technology; and the most vital of all is (f) the role of the government.

Any government that follows Nehruite strategy of development can utilize all the factors of development mentioned above. Any backward-looking government suffering from obscurant ideas can easily spell disaster.

Our agriculture has a great potential. If water and energy inputs are provided by proper water management and management by utilizing all the perennial rivers and energy supplied by nuclear projects in addition to thermal and hydro projects planned to be developed, the agricultural production can be phenomenal. One can easily have the benefit of rotation of crops, properly planned on the basis of the latest developments in agronomy, genetics, and planned breeding. India can not only solve her food problem but can also become a food granary for the rest of nations which are in need.

... If agriculture is to produce surpluses for development, the pattern of income-distribution has to undergo radical change. This demands not only structural changes in the economic organizations but also heavy industrial development which alone can change the pat-

tern of income-distribution by creating enormous opportunities for employment to those who are found surplus in agriculture. However, without energy, planning for industrial development would be an idle exercise.

Nuclear: the only answer

It is estimated by some experts that if economic growth rates of 4.7 percent is to reach 6 percent, and if there is no change in the present pattern of energy consumption, then our consumption even at a 6 percent economic growth rate by 2000 A.D. would be 470 million tons of coal, 92 million tons of oil and 550 billion kilowatt hours. Even for achieving this moderate growth the implications are undoubtedly staggering. If 11 percent rate of growth is contemplated with a multiplier effect, which alone can liberate people below the poverty line, then the requirements of energy would perhaps be beyond the comprehension of present day planners. Nuclear energy is the only solution and the only answer. Given political will and wisdom, the skilled workers and engineers of India would be able to meet the challenges posed by the developmental patterns of nuclear energy. India does have the natural resources for this purpose.

The finances for development would present stupendous problems. But as Nehru observed, "Finance is important, but not as important as people think. What is important is drawing up the physical needs of the people and then working to produce things which will fulfill such needs. If you are producing wealth, it does not matter very much if you have some deficit financing because you are actually putting money back through goods and services. Therefore, it does not matter how you manipulate your currency as long as your production is also keeping pace with it ..." This is not to minimize the financial support and advanced technology we need from the developed countries.

Aid without fetters

The Lima conference, the UNIDO meeting in Delhi and the Cuban Prime Minister Mr. Fidel Castro's plan have proposed various methods and institutional frames for providing aid without fetters. A country must be free to choose its own technology and not be tied down by conditions of aid. In all humility it must be stated that the present economic crisis and convulsions faced by the developed countries of market economies is mostly due to backwardness and underdevelopment of other countries and peoples struggling to develop. Prosperity and poverty cannot coexist. The laws of economics are dialectical. Poverty ultimately provides cause for economic crisis.

The developed nations have articulated their own group interests, evolved institutional forms for building protective structures for themselves in the shape of OECD, the EEC, the Group of Ten, and the Trilateral

Greetings from Indira

Indian Prime Minister Indira Gandhi sent the following greeting to the May 7 Frankfurt conference on Indian Development.

Since 1947 India has made considerable progress in science and technology. The world now recognises the versatility and capability of our industries. Our aim is to make our country self-reliant. But we wish to ensure that development helps all sections of the people and does not create imbalances in society or in the ecology. It is appropriate to assess our progress now and to look into the future.

My good wishes to the conference on India's industrial development being held by the European Fusion Foundation and the Executive Intelligence Review.

Indira Gandhi

New Delhi April 12, 1980

Commission. There is a network of intellectual, cultural, and military interdependence. It is said that the developed countries control more than three-fourths of world resources and technology.

Though the developing countries talk of self-reliance, self-reliance is not self-sufficiency. International division of labor is inescapable. If this principle is not accepted and implemented, the developed countries of market economy can never be free from economic crisis and convulsions which can sometimes assume the magnitude of nuclear explosions, threatening the very foundations on which these economies are founded. Financial and technological assistance extended by the developed countries to the developing world ...

We are fully aware that our own population by the year 2020 would be of the order of about 1.4 billions. But the scientists have estimated that the world resources can provide, if properly utilized and exploited, for 7 billions population. Our problem today of both developing and developed countries is not Malthus but monetarists and their agencies and instruments like the World Bank, the IMF, and other associated institutions. The policies resorted to by the World Bank is seductive, but welfarism is a sedative. Liberation of mankind from poverty and suffering, want and sorrow is within the reach of man. Both technology and world resources can provide abundance. What is wanting is the political will, determination to achieve the goal, by releasing the creative energies of man for development. If peace is indivisible, development is no less divisible. In fact, peace and development are indivisible.