

## LaRouche in India: how to end the world depression

by Paul Zykofsky, New Delhi Bureau Chief

*This statement was released in New Delhi, India, April 23.*

Prominent American economist and political leader Lyndon H. LaRouche, Jr., who is on a two-week visit to India, paid a call today on the Prime Minister, Mrs. Indira Gandhi. Mr. LaRouche, accompanied by his wife Helga Zepp LaRouche, spent more than 35 minutes with the Indian leader and had what was described as a cordial exchange of views.

Mr. LaRouche, a former candidate for the Democratic party nomination for President in 1980 and presently chairman of a national faction of the Democratic party, the National Democratic Policy Committee, has been touring India, meeting various groups, including prominent scientists, and speaking publicly at scientific institutions and universities.

Mr. LaRouche delivered a major policy address today on "A New Approach to North-South Relations" before the Indian Council of World Affairs in New Delhi. He called for a new "grand design" for a new world economic order based on a three-way agreement combining "East-West" and "North-South" in a "general comprehensive agreement on broad lines of planning and policy" for concrete objectives in economic development.

Combining U.S.-Japanese-Western European assistance to the Soviet Union for the development of the Ural and Siberian regions, such cooperation would in turn create new productive capacities which could be exported in the form of capital goods to developing countries for "joint projects in three-way trade." "We would agree,"

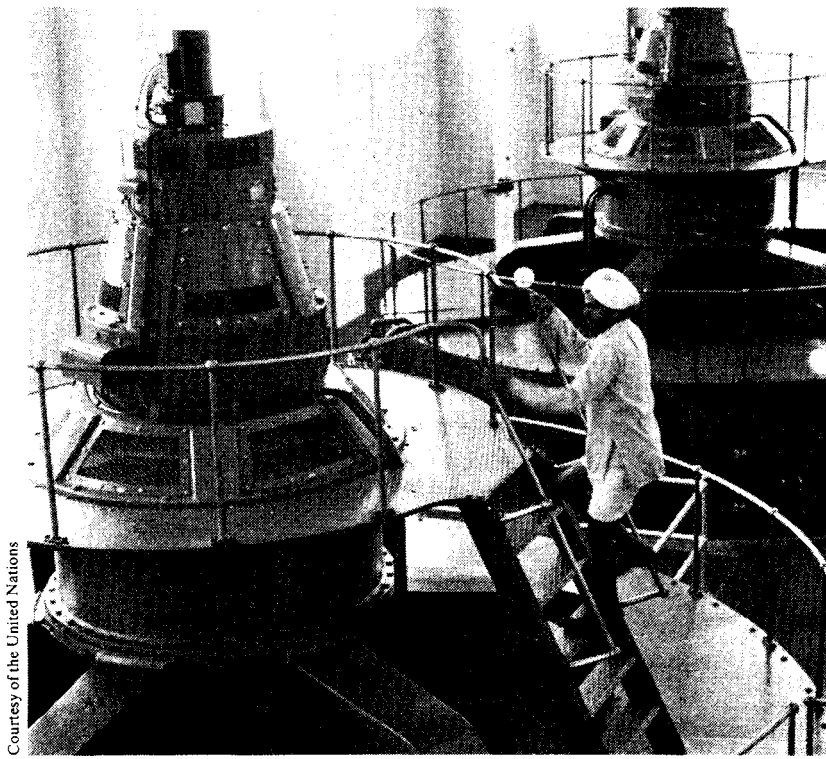
Mr. LaRouche told the Indian audience, "that over a period of 25 to 50 years, certain general economic projects have to be accomplished, organizing new credit mechanisms to facilitate meeting those objectives.

"Only such a grand design," Mr. LaRouche stressed, can avert the crisis of world depression and thermonuclear war that now faces the world. "New proposals for North-South relations are pointless as long as they are technical because the problem is two-fold," he said. "First of all because the dominant institutions of Western Europe and the United States—the Anglo-American forces centered around the Bank for International Settlements, the International Monetary Fund, the City of London and the New York banks—are absolutely determined to crush the developing sector economies to facilitate their depopulation.

"The second aspect of the problem," he continued, "is the presence of the British system of economics, the economics of oligarchism, of 'free trade' economics, against which the American Revolution was fought and the American System of economics developed."

Mr. LaRouche concluded his policy address with a call for developing nations to "ignore the Brandt Commission nonsense" and make unilateral initiatives to "stop world depression, not by peace negotiations, not by disarmament, but by creating conditions under which peace negotiations are unnecessary and under which disarmament does not require negotiation."

"Therefore, I propose that the developing nations and/or spokesmen of them, whether official or unoffi-



Courtesy of the United Nations

*Twenty-nine years ago the first hydro-electric generator of India's Tilaiya Dam was switched on. In an international order based on scientific and technological progress, India would be an indispensable bridge among "North," "South," "East" and "West."*

cial, make a unilateral statement to this effect: that there be international cooperation on East-West, North-South development in an interrelated manner; that conditions of political stability and peace be premised on the mutual self-interest of the parties in economic development. Because this is a time of crisis, and because that which I have been proposing since 1974 has been suppressed and rejected and made a figure of attack by prevailing institutions, those very institutions have weakened themselves in conditions of depression.

"Now perhaps we can intervene and appeal to the conscience of nations, nations which now themselves despise these institutions.

"If we give leadership, if you of the developing sector give leadership this time when your intervention is needed, perhaps even to stop World War III, perhaps you will succeed when peace and crisis negotiations have failed."

## ***'The United States must stop Britain'***

*The following article appeared April 23 on the front page of the progressive national Indian daily, The Patriot, published in New Delhi, during a two-week tour to India by EIR founder Lyndon LaRouche.*

The U.S. will face a major foreign policy debacle if it

does not stop Mrs. Thatcher's government from carrying out a threat of armed action against Argentina on the Malvinas (Falklands) Islands issue, according to the Chairman of the National Democratic Policy Committee of the United States, Lyndon LaRouche.

A noted U.S. economist, Mr. LaRouche is currently on a visit to this country.

If the U.S. "does not oblige the British fleet to turn back, and if, as a consequence of the U.S. failing to do that, hostilities break out between Argentina and British forces, then the entire international strategic situation would deteriorate.

"This would mean that the entirety of Latin America would turn against the United States, which would have no credibility in foreign policy in any part of the world," Mr. LaRouche said in an exclusive interview.

Mr. LaRouche, who was a contender for the Democratic Party's nomination in the last Presidential election in the U.S., is accompanied by his wife, Helga Zepp-LaRouche, head of the European Labor Party.

The Monroe Doctrine was enacted after two American frigates, *The Essex* and *The Constitution*, cleared the British fleet from most of the South Atlantic and a good deal of the South Pacific during 1812 to 1815, he recalled. In this war the U.S. allied itself with what became Argentina, and the Malvinas Islands.

Mr. LaRouche described the British actions as a flagrant violation of international law and the principles underlying the arrangements the U.S. has entered into with Latin American countries. "From the standpoint of

## Mexico's growth plans under further attack

by Timothy Rush

On April 20, the same day a new 17-point austerity package was announced by Mexico's economic cabinet, one of the country's most powerful business ideologues sounded the call for an assault not just on the Mexican economy but on the very idea that Mexico has the potential to become a great industrial power.

Agustín Legorreta, head of the Swiss- and French-controlled private banking giant Banamex, declared that Mexico's "principal error" of the past four years was to have grown at over 8 percent per year, and that it was now reaping the harvest of such temerity with a sharp devaluation of the peso, rapidly rising inflation, and massive international indebtedness. He particularly singled out Mexico's industrial port-development program and expansion of steel capacity as the kind of "wrong priority" which had pushed the "all-important source of dollars, the tourism industry" into the background. Mexico's destiny is at best, he declared, that of "reaching an intermediate stage of development."

Legorreta's manifesto to a business meeting, which was reproduced verbatim in all the major Mexican papers the next day, stood in the sharpest contrast to President López Portillo's exhortation at the beginning of his administration's historic industrialization drive: "Think big." López Portillo's instruction to his planners was to think of Mexico at the portals of the 21st century, and build so that Mexico in two decades would be ranked as an industrialized, not a backward, nation. Legorreta's counter-theme on April 20 can be summed up: "Think little." He was joined on the podium by foreign businessmen who demanded that Mexico join GATT and roll back its restrictions on 100 percent foreign investment.

Legorreta could make his call not because of any intrinsic failure of the industrialization effort. A joint study by the *EIR*, the Mexican Association for Fusion Energy (AMEF), and the Fusion Energy Foundation in early 1981, demonstrated that Mexican growth rates of 12-15 percent per year are both feasible and desirable.

Legorreta could speak as he did only because Volcker's high international interest rates and the fall-off of oil consumption in the advanced sector had already created the depression conditions elsewhere which Legorreta indicated he had "not the slightest doubt" of being able to reproduce in Mexico.

U.S. law, the Malvinas Islands have always been Argentine territory *de jure* and the British presence there has always been in violation of the law."

He said that under the Monroe Doctrine and various treaties ratified by the U.S. Senate, "British military action against sovereign states in the Western Hemisphere, as opposed to some colony or semi-colony is an act of warfare against the U.S."

Replying to a question whether the British government would succeed in gaining the support of the U.S. on the grounds of the NATO alliance and the so-called alliance between the U.S. and Britain, Mr. LaRouche said it was difficult to say. There were two factions in the U.S. "One is the Anglophile section which at present dominates the State Department and Secretary of State Alexander Haig. There are also people in the naval services and the Pentagon, who for special reasons, support the British in this crisis. Furthermore, the U.S. Anglophile banking community supports the British on this question, but they may not be able to sustain that position, because their own financial interests are very much at stake in this crisis. So there is a conflict between the Anglophile group and the second faction, some simple patriots who do not have these British complications."

Mr. LaRouche said that Israelis and others could use the diversionary implications of the South Atlantic crisis for unleashing an adventurous action in West Asia [the Mideast—ed.].

He expressed the view that Lord Carrington, former British Foreign Secretary, set this mess into motion deliberately. The Argentine press had made it clear in January of this year that Argentina was going to occupy the territory unless the British came to terms in negotiations. So when the talks in New York reportedly broke down in February, Lord Carrington knew that the Argentines were determined to intervene and occupy the Malvinas.

Mr. LaRouche pointed out that the area that it includes one of world's richest fishing grounds used by Argentina. It is also an area that is reputed to contain oil deposits on the order of magnitude of the North Sea. So essentially what the British were trying to do was to use the *de facto* occupation of the Malvinas Islands to attempt to steal some of the richest oil reserves and fishing grounds in the Patagonian shelf.

At the same time they were building camps inside Argentina, trying to pull a coup d'état and trying to break up and steal the Argentine national oil company. These were issues that primarily triggered this explosion to rage on the part of the Argentines. That is why the British refused to negotiate.

Mr. LaRouche will call on Prime Minister Indira Gandhi during his stay in the country. He is scheduled to meet planners, economists and scientists.