

# Business Briefs

## Agriculture

### U.S. farmland being bought up by nobility

An official at the Kansas City, Missouri-based Oppenheimer Industries, Inc., which specializes in brokering U.S. farmland, reported that, presently, 1% of total U.S. arable farmland is owned by "titled European, primarily German, nobility, and/or families with wealth going back generations," and that the figure could be as high as 5% within a matter of years.

"At the moment, the Swiss are taking the lead in buying up U.S. farmland for the elite and the very wealthy, who see land as the source of wealth. . . . This is definitely creating a trend toward absentee-landlordism, by necessity. . . . There will be fewer farmers yet, each with more land. . . . It is feudal in theory. . . ."

The Oppenheimer official said that the trend toward this "physiocratic" land-buying began in the mid-1970s, as high-interest rates and other factors began to make it impossible for farmers to pay the prices for tractors and other high-technology equipment needed to run a farm. The trend is particularly pronounced, in his view, in California, New Mexico, and Illinois, in the latter case "involving flight capital from rich families in Argentina and Brazil."

## 'Free Enterprise'

### India banking scandal reveals drug ties

In a new scandal that could have important implications for the international war against drugs, the Indian government arrested three of the country's top bankers during the last week in February on charges of lending millions of dollars to firms obviously not creditworthy. This money was being funneled out of the country to phony firms based in London.

One recipient who received \$150 million is the London-based Rajinder Sethia, owner of Esal, a flim-flam investment venture. Sethia is also a close associate of Bombay mafia boss Antulay. Bombay is the major transshipment point for drugs going through India and also for export of opium grown in India.

It is very likely that the crackdown on the highest levels of finance in the country is a continuation of the investigation into the assassination of Indira Gandhi, as were recent spy scandals. It is known that the Indian government believes that drugs were central to the terror networks that carried out the assassination. During the first week of March, Indian authorities also began sweeps of major airports and rail terminals, making three major busts of heroin and hashish smugglers.

## The Invisible Hand

### One in 10 in U.S. now uses cocaine

The Congressional Select Committee on Narcotics Abuse and Control issued a report in early March claiming that, at present, more than 20 million Americans use cocaine regularly, and that there are more than 500,000 heroin addicts among the American population.

Twenty million Americans is almost one-tenth of the entire U.S. population!

The committee, headed by New York Democratic Rep. Charles B. Rangel, also claims in its report that sales of illegal drugs grossed more than \$110 billion in 1984, and have climbed \$10 billion per year since 1978. It says that the most "startling" new trend is the development of a network of "clandestine" cocaine laboratories across the United States for processing the drug.

The report criticizes the Reagan administration for failing to provide enough funds for the U.S. Drug Enforcement Administration (DEA), the Coast Guard, and the U.S. Customs Service to stop the smuggling of drugs and to "enable them to effectively

control the massive smuggling and distribution of cocaine, heroin and marijuana affecting the United States." It also demands more money for drug-abuse and -prevention centers.

## Foreign Exchange

### Japanese group demands Yen offshore market

A government committee in Japan has sent a report to the Japanese Ministry of Finance calling for the internationalization of the yen through decontrol of "Euroyen" transactions and the creation of an offshore financial market in Tokyo. The formula was proposed by the Committee on Foreign Exchange, headed by Yoshihiro Inayama, chairman of the Keidanran, the Federation of Economic Organizations. It follows the advice given by Henry Kissinger, who took a jaunt to Tokyo in January as a representative of the Amex banking combine.

The plan would turn Tokyo into a center of speculation, and turn the yen into a new "funny money," as was done to the dollar during the 1970s. The aim is twofold: to use the yen to help bail out the international monetary system, and to use the yen as a new instrument for looting Asia.

The faction represented by Inayama takes just such a policy view. In February, a Keidanren delegation was in Bangkok, where it told the government that Thailand has enough industry and should now focus on exports of raw resources and services. In answer to a reporter, the Keidanren delegation head came out against the construction of a canal through the Isthmus of Kra.

In a speech before the Columbia School of Business last year, John Hennessey, chairman of the Credit Suisse-First Boston group in London, called for the restructuring of the international financial system to allow for "perpetual speculation" 24 hours a day. This looting machine would be controlled by 10 big banks internationally, with the major centers for the operation being London, New York—and Tokyo.

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## The Debt Crisis

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### Ibero-American leaders urge coordinated action

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Several Ibero-American heads of state who met in Montevideo, Uruguay the first week in March for the inauguration of that country's new President issued a common declaration on the continent's debt and economic crisis.

The growth of democratic systems in Ibero-America is "menaced by the most profound economic crisis since the 1930s and by the transfer of resources to the advanced-sector nations to meet debt payments, which aggravates social tensions," the statement said. The document, signed by the Presidents of Argentina, Bolivia, Colombia, Guatemala, Nicaragua, Spain, and a representative of Brazilian President-elect Tancredo Neves, emphasizes that previous regional meetings in Quito, Ecuador, and Cartagena, Colombia, have provided a "viable solution" for further action. The serious problems afflicting the region must be dealt with in a multilateral framework, "incompatible with those conditionalities [of the International Monetary Fund] which damage national sovereignty and frustrate the irrevocable goal of self-sustained, independent development."

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## Science and Technology

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### Italian economic daily promotes SDI

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The Italian economic daily *Il Sole 24 Ore* published an article on March 1 detailing the prospects for Italian participation in the SDI. The article, entitled "Antimissile lasers in Rome's plans," states: "Possible Italian participation to the SDI program, both as a transatlantic cooperation version or as a more European version, as the French want, is a theme which will become very popular in the short term. And it would be wrong to

think that Italy cannot contribute much. From impressions gathered in the scientific community, it seems that Italy will be able to contribute in three specific sectors which are key to the strategic defense: the studies on directed energy (particle beams), the applications of some types of lasers, and probably macro-optics, that is, large size mirrors."

After emphasizing the spin-off effects that such a participation will have in civilian sectors, such as steel and health, *Il Sole 24 Ore* indicates that the Italian financial quota in such a project would be between 15,000 and 20,000 billion lire (from \$7 to \$10 billion).

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## Famine

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### New conditionalities for African nations

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Sudan, the first country being visited by Vice-President George Bush, is one of many now being forced to accept new IMF conditionalities. The London *Times* hinted in early March that Sudan's President Numeiry will agree to change his economic policy to make it more acceptable to the International Monetary Fund. Meanwhile, 1.5 million refugees from Ethiopia and Chad are on the verge of starvation, plus 5.4 million Sudanese.

Mauritania, one of the six countries listed by the U.N. Food and Agriculture Organization as the worst affected by famine, has just implemented IMF measures, increasing the price of basic foodstuffs. Guinea, another desperately poor nation, has asked France to allow it to join the "French franc zone" in Africa; France has agreed—on condition that Guinea implement IMF conditionalities, especially the reduction of the employees of the state sector. In Africa, the state sector is virtually the sole employer, with each employee supporting 15 or 20 others persons.

Countries formerly seen as "Marxist-Leninist" or pro-Libyan, such as Burkina Faso (Upper Volta), Ghana, Benin, and Madagascar, are now turning towards the United States, hoping to get help. What will the American response be?

# Briefly

● **ARMANDO SANCHEZ** Bueno, a leading member of Venezuela's ruling Acción Democrática party, warned in early March that "foreign groups are seeking to get a hold of Venezuela's oil," taking advantage of the country's current debt crisis, and that foreigners are buying up Venezuela's public debt on foreign markets, giving them leverage against the government and allowing them to pay lower interest rates than the government on that debt.

● **CHASE MANHATTAN** Bank officers were instrumental in setting up the First Interamericas Bank shut down on March 1 by Panamanian authorities after the discovery that the bank was laundering Colombian drug money.

● **LUIS ESCOBAR CERDA**, the finance minister of Chile until his replacement in early February, had been general manager of the Santiago branch of the world's premier dope-money laundry, the HonkKong and Shanghai Bank, prior to becoming finance minister. Escobar's main job was negotiating the foreign debt with the International Monetary Fund.

● **THORNTON BRADSHAW**, the Aspen Institute bigwig who chaired NBC-TV's parent company, RCA, during NBC's campaign of outrageous slanders against Lyndon H. LaRouche, is now stepping down as chairman of RCA. Bradshaw's retirement is the third in a series of reorganizations at NBC since the network's "First Camera" slander of LaRouche, which include the removal of "First Camera" from the air and a thorough shakeup in the news division.

● **THE U.S.**, once a key exporter of both nitrogen and ammonia fertilizer, has become an importer of both, according to a source at the Fertilizer Institute in Washington.