

Business Briefs

Organized Crime

Betancur to stop U.S. drug-money laundering

The governments of Colombia and the United States are currently discussing "signing an agreement to prevent the deposit of funds generated by narcotics traffic in U.S. banks," reported the Colombian newspaper *El Periodista* on Aug. 18. "This agreement is being analyzed by bankers from both countries, jointly with government representatives."

The Colombian senate is currently debating a law proposed by President Belisario Betancur, which would wipe out all property rights of narcotics traffickers and mandate that all their assets would pass into the hands of the state.

El Periodista reported further that the top anti-narcotics officials of Colombia, Peru, and Bolivia met in Bogota "to coordinate a gigantic plan to eradicate drug traffic."

Environmentalism

Senator Kasten out to block credit for Brazil

Senator Robert Kasten (R-Wisc.), a leading light of the "New Right," has formed an "unusual political alliance" with "environmentalists and anthropologists" to oppose the World Bank's "lending more money for the development of Brazil's north-west Amazon," the London *Economist* reported in its July 13 issue.

An environmentalist group opposing a scheme for turning the Polonoroeste rain forest into small agricultural holdings appeared before the Natural Resources subcommittee of the House of Representatives, but their cause was rejected. They then appealed to World Bank President A.W. Clausen, with no results. Then they went to Kasten, the chairman of the Senate Appropriations Subcommittee, who took up their cause, firing off a "scorching letter" to Clausen, and soliciting the assistance of then-

Treasury Secretary Donald Regan.

Kasten's efforts were supported by Regan, who "put pressure on the American director at the Bank" to stop funding for the project, and who gave orders to the American director of the Inter-American Development Bank, to stop funding for such projects in Brazil.

Kasten is also now working with an environmentalist-anthropologist coalition to stop funding for a hydroelectric project in India and a capital-intensive project in Indonesia. The *Economist* reports that the senator is demanding an end to World Bank investment in any large, capital-intensive projects, insisting that it finance only small projects that are "environmentally benign, energy efficient and respectful of indigenous peoples." "Thus is the New Right wrapped in the mantle of ['Small is Beautiful'] Schumacher," the *Economist* commented.

Economic Forecasting

Italian press highlights EIR's Quarterly Report

Il Giornale, one of the most widely-read conservative dailies in Italy, devoted a full page of its coverage on Aug. 21 to *EIR*'s March 15 Quarterly Report, which demolished the fraud of the U.S. economic "recovery."

Entitled "Shadows on the American Recovery: The Discouraging Quarterly Report of the Washington-Published Executive Intelligence Review," the article provided extensive quotes from the report, and commented: "*EIR* speaks for the real producers, and it can be seen: Its attacks are concentrated against the financial institutions, such as the IMF, the Federal Reserve Board, and the high interest rates policy of its chairman Volcker, as well as against the Wall Street Establishment."

Author Maurizio Blondet reported that *EIR*'s solution to the economic collapse is the reorganization of the world debt, quoting the report's conclusion: "Let's suppose that the yearly debt service be allocated,

instead of being given to the banks, to productive investments: How many new Panama canals could be built with such an amount, how many nuclear power plants, how many development projects could be accomplished?"

Real Estate

Israeli legislators investigate land scams

West Bank real estate scams are being investigated by Israeli parliamentarians, who are looking into the cases of "public figures involved in covering up illegal land sales," including officials who had worked in the defense and agriculture ministries at the time when Ariel Sharon was in charge of those ministries, the *Jerusalem Post* reported Aug. 18.

Although non-Israeli public figures are not presently under investigation, it should be recalled that among the more notorious land-scammers during the past two to three years have been Henry Kissinger and several of his Trilateral Commission partners, including Robert McNamara and Irish Premier Garrett Fitzgerald.

International Trade

Thai leaders alarmed at U.S. import restrictions

Thai officials delivered an aide-memoire to U.S. representatives Aug. 23, charging that the Thurmond-Jenkins Textile and Apparel Act, currently before the U.S. Congress and expected to pass imminently, "unfairly lashes Thailand." The bill would slash Thai textile exports to the United States by 64.4% and cost the country 100,000 jobs. The note was delivered to Rep. Sam Gibbons, chairman of the House Ways and Means Subcommittee.

In the last decade, the Thai textile industry has increased five-fold. The Thurmond-

Jenkins bill, by closing the loopholes in the existing quota system, threatens to destroy this new industry.

Former Thai Prime Minister Gen. Kriangsak is conducting a personal campaign to defeat the bill, and has sent hundreds of appeals to U.S. congressmen to warn that the measure will cause serious damage to the security of American allies, and contradicts the stated U.S. commitment to "free trade."

The Debt Bomb

Bank of England switches line on Peru

Peru's President Alan García "is attempting a strategy of divide and conquer vis-à-vis the international banks, by insisting that Peru will preferentially pay back debts to those banks which lend it new credit," a Bank of England source complained in an interview Aug. 23. Less than a month previously, when García announced a war against the International Monetary Fund in his inaugural speech, the same Bank of England office had been much more sanguine, predicting that García would go the way of Argentine President Raul Alfonsín, who was forced to toe the IMF line after initial resistance.

"Our reading in London is that García means business," the official said. "He keeps repeating that Peru will negotiate directly with the banks, without talking to the International Monetary Fund.

"The concern is that García may be trying to take up the cause of the countries across the continent. We don't know to what extent what he says is just rhetoric, after the election, or something else. . . .

"He says that, when debt payments are resumed, preferences will go to banks which propose to lend new credits to Peru. We see this as an attempt at *divide et impera*."

The banker said that "for the moment, we are taking the threat from Peru most seriously of the countries in Latin America, although Colombia, potentially, is more threatening. It's a bigger country, in a lot of financial trouble." He said that the situations

in Peru and Colombia would be among the featured subjects under discussion when the International Monetary Fund and World Bank meet in Seoul, South Korea, in early autumn of this year.

Global 2000

Houston meeting plots genocide in Mexico

A conference sponsored by the Houston Area Research Council (HARC) Aug. 20-21 mapped out a strategy to smash Mexican resistance to austerity measures and to the "Global 2000" population reduction policy promoted by the Carter administration. The grinning Jimmy Carter himself showed up to propagandize for his genocide program.

The Mexican government is currently under great foreign and domestic pressure to give up its traditional resistance to joining the General Agreement on Trade and Tariffs (GATT), and to open up its doors for foreign financial takeover. This was one of the meeting's principal recommendations.

HARC was set up by George Mitchell, the billionaire oilman and member of the U.S. Association for the Club of Rome—the flagship organization of the zero-growth movement.

Mitchell declared at the Houston meeting, "Many people on both sides of the border view Mexico's population and economic problems as a witches' brew of despair and deprivation that simmers today and threatens to boil over tomorrow. The flood of illegal aliens could easily become a tidal wave, as a result of any major social upheaval."

Mitchell then introduced Jimmy Carter, who announced, "An extension of the Global 2000 report, just relating to the U.S. and Mexico, would be invaluable."

The conference resolved that Mexico's "population problem" must be resolved on the basis of "Global 2000"; that "appropriate technology" is the only means to solve the problem of the growing labor force; and that Mexico must join GATT and open up to foreign investment.

Briefly

● **THE APPOINTMENT** of trade-union leader Jorge Carrillo as Colombia's new labor minister was prominently reported in *Al Amal*, the daily newspaper of the Tunisian Ad Destour party, on Aug. 22. The newspaper published a release by the Schiller Institute hailing the appointment, and stressed Carrillo's role as a fighter against the drug mafias and the International Monetary Fund.

● **TUNISIAN** intelligence sources tell *EIR* that there is an "international conspiracy of silence against Tunisia," in the face of IMF austerity pressures, a strike wave, a threat of invasion from Libya, and massive infiltration of Libyan-backed insurgents. Tunisian officials have concluded that there is an international agreement to allow a full-blown crisis to develop and to become irreversible.

● **KOMMUNIST**, the Soviet Communist Party journal, publishes an article in its current edition by Novosibirsk economist K. Val'tukh, calling for a top-priority direction of investment into basic industry, and above all to steel production, at an improved level of technology. In 1982, Val'tukh had criticized Soviet investment policy, stressing that investment in new technologies was the main requirement for improvement of the Soviet economy.

● **THE PHILIPPINES** must pay up once again, says the IMF. The Fund wants a new peso devaluation, beyond the 60% collapse after the first 12 months of the IMF-imposed austerity regime. Government statistics show that the IMF monetary program is destroying the manufacturing export base of the economy. Imports, largely of raw materials for finishing and assembly, have dropped 10.4% in the first half of 1985; exports are down 10.6%.