EXECONOMICS

U.S. tries to extort 'burden sharing' tribute

by Anthony K. Wikrent

Faithfully following the model of its cherished pagan Roman Empire, the British-directed Bush administration is attempting to erect a system of tribute, in which selected countries "contribute" to defraying the cost of the U.S. military buildup in the Middle East. The Bush regime is using as its coercive instrument the threat posed to 60% of the world's known oil reserves by U.S. forces poised for immediate combat in Saudi Arabia. However, some countries are balking at the U.S.'s bald attempt at extortion.

On Aug. 29, the U.S. National Security Council reviewed and approved an "economic action plan" by which six countries would pay the U.S. at least \$1.1 billion each month to maintain U.S. Armed Forces in Saudi Arabia, and "contribute" another \$10 billion to a fund that would ostensibly be used to support countries—such as Egypt, Jordan, and Turkey—that will be harmed by the economic embargo of Iraq. In effect, countries reluctant to cooperate with the economic and diplomatic isolation of Iraq will be bribed to fall in line with the Anglo-American war plan.

According to the NSC plan, Saudi Arabia is to pay the U.S. \$500 million a month, and provide \$4 billion to the assistance fund, while Kuwait will be tapped for \$400 million each month, and another \$3 billion for the fund. Japan is to give a monthly tribute of \$60 million, while Germany gives \$40 million, and the United Arab Emirates \$100 million. Japan is expected to provide \$1.3 billion to the assistance/bribery fund, Germany \$600 million, and the United Arab Emirates \$1 billion. The amount of tribute to be exacted from South Korea has not yet been determined.

The Anglo-Americans moved quickly to implement their latest neo-colonialist concoction. While British Prime Minister Margaret Thatcher issued a stream of invective against the reluctance of the French and Germans to "participate" in the Gulf imbroglio, Treasury Secretary Nicholas Brady and Deputy Secretary of State Lawrence Eagleburger set off Sept.

4 to personally cajole and intimidate U.S. allies. Bradyburger's first stop was Paris, where they sought French endorsement of the "principle" of "burden sharing." The French made appropriate noises, but managed to evade giving a firm commitment. Next, the duo arrived in London, and consulted with Thatcher for 45 minutes, before descending on Seoul and Tokyo on Sept. 6.

In advance of Brady and Eagleburger in Tokyo was former Secretary of State Henry Kissinger—indicating that the game being played is entirely scripted by the British. Kissinger bluntly told Japanese Prime Minister Toshiki Kaifu that Japan's promise of \$1 billion in aid was not enough to satisfy the U.S., and that more than just financial aid would be required. In the meantime, U.S. Secretary of State James Baker III is traveling to Saudi Arabia, the United Arab Emirates, and Egypt, before arriving in Helsinki for the U.S.-Soviet summit.

Thanks, but no tanks

Kissinger's deployment to meet with Kaifu indicates that the Anglo-Americans are focusing special attention on Japan. Just last month, the Japanese boycotted the U.S. Treasury auction, causing near panic in the circles of those who control such as Kissinger. After the Japanese had initially rebuffed U.S. requests for deployment of Japanese military units to the Gulf, on the grounds that Japan's Constitution strictly forbids overseas military deployments, an outcry was immediately orchestrated in the controlled U.S. media, allowing U.S. Ambassador Michael Armacost, in a highly unusual move, to call in Japanese editors on Aug. 28 and berate them that Americans were feeling "impatience, bewilderment, and exasperation" with Japanese reluctance to agree to the U.S. demands. Armacost arrogantly proclaimed that the Japanese Constitution should not be considered a barrier to Japanese "assistance" to the U.S. military adventure in the Gulf, and

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demanded that, minimally, Japanese mine sweepers help patrol the Gulf.

Relenting, Kaifu the next day announced that Japanese civilian aircraft and ships would transport food, water, medical supplies, and refrigeration equipment to the U.S. forces in Saudi Arabia, and that Japan would also pay to have military equipment transported by planes and ships of other nations. Kaifu was described as "grim and fatigued" as he made the announcement.

The official U.S. reaction to Kaifu's offer was a deafening silence. One American official made clear that only a direct or indirect military role by Japan would be satisfactory, telling the *New York Times*, "There's a limited number of Girl Scout cookies that can be used [in what is] basically a military situation." The next day, the Japanese news service Kyodo revealed that on Aug. 22, Samarec, a major Saudi oil-refining and marketing company, had announced it would suspend its supply of oil products to Japan in September.

Again the Japanese relented. On Sept. 2, Yukio Okamoto, the senior Japanese Foreign Ministry official in charge of relations with the U.S., announced that Japan would ship 800 four-wheel-drive vehicles to U.S. forces in Saudi Arabia, as well as generators and housing units. In addition, Okamoto said that on their return trips, Japanese ships delivering Japanese automobiles to the U.S. would be used to carry military vehicles and equipment, but not weapons and ammunition, from the U.S. to Saudi Arabia. Moreover, the vehicles and equipment would be purchased with Japanese funds. Okamoto indirectly revealed the tremendous pressure the Anglo-Americans had applied on Japan, when he described past confrontations with the U.S. over Japan's large trade surplus as "pseudo-crises" compared to the atmosphere of confrontation and bullying the U.S. is now creating by demanding Japan's military involvement in the Middle East.

The next day, the Japanese government called in the leaders of the Japanese automobile, steel, construction equipment, industrial machinery, electronics, and plastics industries and directed them to make all extra production capacity available to the U.S. war effort, and to bill the Japanese government—not the U.S. government—for the goods produced at cost.

The visit by the boorish Kissinger apparently backfired. On Sept. 5, the day after Kissinger delivered the Anglo-Americans' message to Kaifu, Japan's chief cabinet secretary Misoji Sakamoto told a press conference that Japan would not be bound by U.S. demands, and Finance Ministry officials raised the issue of having the International Monetary Fund and the World Bank provide relief aid to countries hurt by the embargo of Iraq, potentially short-circuiting the NSC plan. Then the Japanese freighter loaded with the 800 vehicles bound for the Gulf was prevented from sailing by officials of the shipping line and of the seamen's union, who argued that the ship and its crew would face danger in the Gulf.

The Anglo-Americans quickly increased the pressure on

Tokyo. On Sept. 6, the *Financial Times* reported that the large Japanese banks have been hit hard by the past months' decline of the Tokyo stock market, and are in need of massive cash infusions. The same day, the *Journal of Commerce* reported that IBCA, the London-based international creditrating agency, has begun reviews of Industrial Bank of Japan, Fuji Bank, Sumitomo Bank, Mitsubishi Bank, Sanwa Bank, and Dai-Ichi Kanyo Bank for possible downgrading of their AAA credit ratings.

Pressure is also being placed on Bonn. After a phone conversation with Bush on Aug. 30, German Chancellor Helmut Kohl on Sept. 1 made an official commitment to upgrade matériel supplies to the Gulf strike force, in addition to a direct share of the financial burden. Reportedly, West Germany will ship containers, tents, and medical supplies to the U.S. forces in Saudi Arabia, and may "lease" an additional 20 ABC (atomic-biological-chemical) reconnaissance Fuchs vehicles of the Bundeswehr to the U.S. for use in Saudi Arabia. But the Germans decided against providing direct financing for U.S. forces in the Gulf, and declare that they will only support actions endorsed by the U.N. Security Council.

As another means of financing its neo-colonialism, the Bush regime is also considering selling \$8 billion worth of armaments to Saudi Arabia, rather than the previously planned \$2.5 billion. The package would include 24 more F-15 fighter jets, produced by McDonnell Douglas, and an undisclosed number of M-1 main battle tanks, produced by General Dynamics. On Sept. 5, the Pentagon announced that McDonnell Douglas had been given a \$1.3 billion contract for 40 F-18s by Kuwait. Both General Dynamics and McDonnell Douglas have suffered under the budget-cutting drive of the Bush regime. Just one month ago, General Dynamics had explicitly said that keeping an M-1 production line open would depend on a big new order from Saudi Arabia.

More and more people perceive that the Anglo-Americans intend to use the threat they have created to the world's oil supplies to extort emergency infusions of looted wealth into the wrecked U.S. economy. On Sept. 1, British historian Paul Kennedy, author of The Rise and Fall of the Great Powers, wrote in the Times of London that the most significant news was not the Gulf crisis per se, but that the U.S. budget deficit is expected to swell to between \$250 and \$300 billion next year. Kennedy noted that while the Gulf crisis has unfolded, the dollar has sagged, world stock markets have tumbled, and Germany and Japan are being asked to pay the costs of U.S. military actions. It is now becoming clear that the real problem is not the atrophied force projection capacities of the U.S., he wrote, but "a failure to recognize that long-term wealth and strength depend on the nonmilitary dimensions of national power," specifically "a flourishing and efficient economic base on which the nation's military strength ultimately rests."

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