EIREconomics

U.S. mobilization stalls Biodiversity Treaty vote

by Rogelio A. Maduro

The international environmentalist movement suffered a serious setback this month, in its plans to create a new world order through environmental regulations. The Biodiversity Treaty, the most important framework treaty for the ecological-fascist new world order, was *not* ratified by the U.S. Senate, even though just weeks before, its backers had considered ratification a sure thing. Despite repeated attempts by Senate Majority Leader George Mitchell (D-Me.) and Sen. Patrick Leahy (D-Vt.), the treaty was not even brought to the floor of the Senate for debate and a vote.

These developments reflect the impact of a bipartisan mobilization in which EIR and the political movement of Lyndon LaRouche played a central role. LaRouche Democrats have been campaigning against the treaty in electoral races around the country. Also active against the treaty were the "wise use" movement, made up of millions of citizens who are fighting against environmental extremism; several trade associations; and a group of senators led by Robert Dole (R-Kan.), Jesse Helms (R-N.C.), and Larry Craig (R-Id.), who led the fight to prevent the treaty from being brought to the floor for a vote. Constituent pressure alerted many senators to the fact that there were very important and controversial issues involved in the treaty, and that it could not just be slipped through before recess.

The shelving of the treaty (at least for now) demonstrates that the environmental movement is a paper tiger after all. Despite an alert sent to all their members and supporters, the World Wide Fund for Nature, the Sierra Club, the Wilderness Society, and their sponsors in the news media were unable to

mobilize any significant grassroots support for the treaty. The opponents of the treaty, in contrast, mobilized more than a million citizens who either called, faxed, or wrote to the Senate opposing the treaty.

The setback for the green agenda is a clear signal that a shift is occurring in American politics, according to those who organized this citizens' revolt. They argue that the American people are fed up with environmental frauds and regulations and they are willing to make their voices heard. The entire eco-fascist legal structure and enforcement apparatus being set up in the United States by the environmentalists is now vulnerable.

Legacy of the Bush presidency

The Biodiversity Treaty mandates fundamental changes for national governments, industry, society, and even religion (see EIR, Sept. 2, 1994, "Malthusians Push 'Biodiversity' as New Religion"). It mandates the adoption of a new philosophy of government with a vast system of laws and regulations based on the doctrines of "biodiversity protection," "ecosystem management," and "sustainable use." This effort represents a transformation of present constitutional forms of government to one where, as U.S. Vice President Albert Gore has written in his book Earth in the Balance, "the environment becomes the central organizing principle of our society and economy."

The Biodiversity Treaty became international law on Dec. 29, 1993, after being ratified by more than 30 countries. According to Prince Philip's World Wide Fund for Nature,

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the main group behind the treaty, more than 60 countries have ratified it so far. But ratification of the treaty by the United States is considered essential, since most underdeveloped countries ratified the treaty in the belief that the United States would finance the huge costs of implementing it.

The treaty is the legacy of the Reagan-Bush years, and especially of George Bush's administration, which put into place all the necessary precedents for it. The Montreal Protocol, banning the manufacture of chlorofluorocarbons (CFCs), was used as the precedent for the Biodiversity Treaty, and was signed in 1987 by the Reagan administration and reaffirmed by President Bush. In addition to the Montreal Protocol, the Bush administration implemented a whole series of environmental treaties that deprive the United States of its full sovereign rights through legislation. The Bush administration was responsible for the revision of the Clean Air Act, for example, which incorporated the most draconian aspects of the CFC ban.

Resistance grows

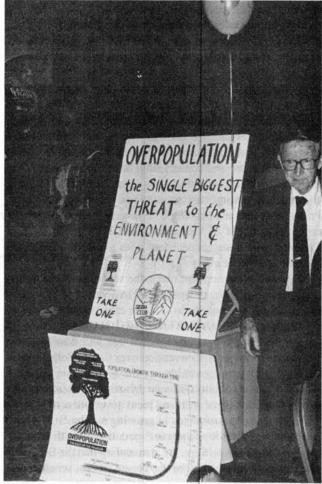
One of the most surprising aspects of the fight over the Biodiversity Treaty was the strategy of the environmentalists. Instead of promoting the treaty through their media outlets, such as the *New York Times*, the environmentalists barely mentioned a word in public about it. Their strategy was to ensure that no one would read the treaty before it was signed, including the senators who would consider ratifying it.

The silence was broken in July, when the American Sheep Industry Association distributed a 100-page report exposing the treaty's hidden agenda. This report galvanized many trade associations and their members into action.

When Senator Mitchell announced that the treaty would come up for a vote the first week of August, the Alliance for America and several other "wise use" groups issued a "fax alert" that reached over 1 million people, and ended up flooding the congressional switchboard. The mobilization led 35 Republican senators to write a letter to Senator Mitchell requesting that he postpone a vote on the treaty until there was enough time to examine its troubling contents. Despite frantic efforts by the State Department and Vice President Gore, Mitchell postponed the vote.

The treaty was one of the major topics of the Alliance for America's annual "Fly-in for Freedom," which took place on Sept. 17-21 in Washington, D.C. One of the principal events of the fly-in was a forum on Sept. 19, at which Senator Larry Craig blasted the treaty. "The Biodiversity Treaty is wrong," he said, "because it will impose economic handcuffs on Third World nations on the basis of green policies. It will not allow them to develop economically." The treaty "will lock these nations into servitude," he said.

Rep. Richard Pombo (R-Calif.), who also spoke at the forum, pointed out that the Biodiversity Treaty can be used to destroy the economy of the United States as well as those



An environmentalist display in Los Angeles, set up by the Sierra Club in 1983, reflects the anti-human kookery behind the "biodiversity" swindle.

of other countries.

From this point on, Senator Craig became the leading spokesman in the Senate against the treaty.

More litigation

On Sept. 20, the National Wilderness Institute released a 35-page legal analysis of the Biodiversity Treaty which demonstrated the dangerous precedent that the treaty would set. The treaty promises to "result in more litigation than all other treaties entered into by the United States combined," wrote constitutional and environmental law expert Mark Pollot. Pollot, a former senior Justice Department official, described the treaty as "an unconventional treaty in every respect," and called it "the most sweeping treaty ever to be proposed in American history." Although billed as an environmental agreement, Pollot noted that it "calls for an unprecedented intrusion into the economic and social fabric of American life, and for that matter into the economic and

social fabric of all nations."

The broad sweep of the treaty, Pollot noted, is manifest in two phrases that "appear time and again" in its text: "as far as practical and appropriate" and "conservation and sustainable use of biological diversity." "While many critics of the treaty focus on the first phrase, it is the latter phrase which is the more problematic of the two," Pollot wrote. "The reason for this is that the definitions of 'sustainable use' and 'biodiversity' are exceedingly broad and vague, and nothing in the treaty establishes measures for determining when the goals of sustainable use and conservation have been achieved."

U.S. regulators will thus have something akin to a blank check when writing new regulations based on the treaty, Pollot observed, and existing U.S. laws will afford no protection. As a matter of well-established law, "prior Acts of Congress which are inconsistent with a later ratified treaty are nullified by the treaty."

Because of the implications in the area of property rights, ratification of the treaty would lead to a veritable avalanche of litigation, "not only as to . . . the effects of the treaty on existing state, federal, and local laws, but also because of the statutory and regulatory changes that will flow from the implementation of the Convention over time," Pollot wrote. "Such litigation is inevitable, as the Convention calls for massive intrusions into not only private activities, but also into the functioning of state and local governments."

In response to such signs of growing resistance, the *New York Times* and the *Washington Post* came out with virtually identical editorials on Sept. 26, demanding that the Biodiversity Treaty be ratified before the Senate recess, scheduled to take place on Oct. 8.

On the same day, Bionet (the organization created to coordinate the efforts of more than a dozen environmental groups working for the ratification of the Biodiversity Treaty) sent an alert throughout the Internet calling on all environmentalists to demand that the Senate ratify the treaty before recess.

On Sept. 27, Senator Mitchell surprised everyone, including his own staff, by announcing that he intended to bring the treaty to the floor for a vote.

A breakthrough

On Sept. 28, the American Sheep Industry Association obtained a copy of Section 10 of the *Global Biodiversity Assessment*. This was a breakthrough for the opponents of the treaty, since the treaty is not a finished document, but a statement of principles accompanied by a detailed set of mandates and regulations as to how the protocols of the treaty would be implemented. These protocols were to be revealed *after* the Senate ratified the treaty. The 282-page document obtained by the association confirmed everything that had been stated in the association's July report on the treaty. It further outlined the dictatorial policies that will be imple-

mented through the treaty to "preserve biodiversity." No longer could Senator Leahy and other promoters of the treaty deny that its intent was to create an eco-fascist new world order.

Lies and slanders

In a desperate attempt to stop the mobilization against the treaty, the *Chicago Tribune* published a slander piece on the front page of its Sept. 30 issue. Staff writer Jon Margolis alleged that "a bizarre political trio" is out to block this wonderful "nature pact." "Arising with unexpected fury, this opposition has stalled Senate ratification of the treaty and imperils it in the remaining days of the 103rd Congress." This trio, the *Tribune* claimed, is made up of "the internal dynamics of the Republican Party, the anti-environmental wise use' movement, and political extremist Lyndon LaRouche." To augment the level of paranoia, Margolis added that "some leaders of the 'wise use' movement have been associated with Rev. Sun Myung Moon."

This is exactly the slander that Vice President Gore put out on ABC's "Nightline" program on Feb. 24. Gore urged anchorman Ted Koppel to do an exposé of the connections between the scientists decrying ozone depletion and global warming as scientific frauds, and "the coal industry, Rev. Sun Myung Moon, and political extremist Lyndon LaRouche." Koppel, however, turned this slander on its head by demonstrating that these connections did indeed exist, but that these scientists were telling the truth. Ultimately, said Koppel, it is the truth that matters, not political affiliations.

The Senate Republican Policy Committee issued a fourpage response to the *Chicago Tribune* article. Titled "*Chica-go Tribune* Smears Opposition to Biodiversity Convention," it labeled the criticism as "paranoid and irrational" and defended the position taken by the committee, taking apart the false arguments put forward in the *Tribune* article. It stated: "If the *Tribune* were looking for information that is 'demonstrably incorrect,' it might start with its own Sept. 30 article. Mr. Margolis writes as follows:

"'According to [Tom] McDonnell [of the Coloradobased Sheep Industry Association], the Global Biodiversity Assessment is the U.N. document which is 'the model for the treaty.' There is no such document, said a member of the staff of the U.N. environmental program.'"

The document continued: "The Senate Republican Policy Committee has in hand part of the 'nonexistent' document in question, supplied to it by the Sheep Industry Association, entitled Global Biodiversity Assessment Section 10 . . . dated Sept. 2, 1994. Some 282 pages in length, Section 10 evidently constitutes only a portion of a much longer draft document relating to the Convention's planned implementation. The Assessment was apparently drafted by 'non-governmental organizations' (NGOs) working closely with United Nations agencies. . . . In short, not only does the

Prince Philip's treaty

The Biodiversity Treaty has been the top priority of the World Wide Fund for Nature (WWF), headed by Britain's Prince Philip, for the past several years, and Prince Philip has been personally involved in both drafting the treaty and ensuring that it be adopted. All of the top environmentalists involved in drafting the treaty and its protocols are either now part of the WWF apparatus, or were formerly high ranking officials of WWF. Two of the most important of these are Jeffrey McNeely and Kenton Miller.

McNeely was the official representative of the WWF to Indonesia and other Asian countries for 10 years until he was deployed to run the International Union for the Conservation of Nature (IUCN) in 1980. Miller, director

of the World Resources Institute's Biodiversity Program and the key organizer of the Global Biodiversity Assessment was the director general of the IUCN between 1983 and 1988. These two individuals, together with a handful of others, wrote a series of books that outlined what is known as "the Global Biodiversity Strategy," to give the environmental movement the legal framework to control virtually all human activity.

Other major international treaties on related themes, such as the Climate Convention or the Migrating Fish Stocks Conventions, are smokescreens for the Biodiversity Treaty. While industry and trade associations have been busy fighting these other insane treaties, they have entirely missed the "stealth bomber." Thus, the environmentalists have quietly obtained ratification of the treaty by enough nations to turn it into international law.

Assessment document exist, it is detailed, extensive, and authoritative."

The committee further notes that Section 10 of the Global Biodiversity Assessment puts forward the Wildlands Project as the model for the protection of areas subject to biodiversity conservation efforts. The Wildlands Project, drafted by Dave Foreman, founder of the eco-terrorist Earth First! organization, calls for more than 50% of the land in the United States to be locked away from human use. The Maine Conservation Rights Institute (MECRI) provided maps to the Republican Policy Committee detailing the implications of the Wildlands Project's proposals. These shocking maps were shown to many senators and their staffs. Many of them, formerly proponents of the treaty, suddenly realized that over half of the land in their states would become reserves and corridors where the presence of human beings would be restricted or not allowed at all.

The next phase of the battle

The fight is not over, however. Depending on the results of the mid-term elections, the treaty may be brought back for a vote during the next session of Congress. If the Democrats retain the majority, the treaty will be back for a vote. If the Republicans win enough seats to become the majority party, the post of chairman of the Senate Foreign Relations Committee will go to either Helms or Richard Lugar (R-Ind.). Lugar is in favor of ratifying the treaty, while Helms is opposed.

One important question will be the role of the trade associations in this fight. The *Chicago Tribune* article charged that "farmers and ranchers, particularly in the West," according to a "government scientist" interviewed by Margolis,

are "a receptive audience for conspiracy theories."

The *Tribune* quoted John Doggett, chief lobbyist for the American Farm Bureau in Washington, who apparently belittled the attacks on the Biodiversity Treaty by stating that "unfortunately, what we've seen is that certain groups tried to create a crisis where one doesn't exist." Doggett played a key role in undermining the fight against the treaty, urging the leadership of the Farm Bureau to be pragmatic and to approve the treaty. Doggett's argument, laid out in a letter to the Farm Bureau leadership, was that the bureau had more pressing matters to attend to in Washington. Several other Farm Bureau leaders disagreed. The outcome was that the Farm Bureau decided to remain neutral. Interestingly, the grain cartels, led by Archer Daniels Midlands, are supporting the treaty.

Documentation

Shutting down industry

The Biodiversity Treaty will be used to shut down modern agriculture and industry, according to a report released by the International Union for the Conservation of Nature (IUCN), one of the principal international supporters of the treaty. This report, released in the Internet in August, reveals that one of the clauses in the treaty can be used to regulate all kinds of "pollution," including emissions from power plants and all discharges into rivers.

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Simone Bilderbeek of the Netherlands Committee for the IUCN wrote a section of the IUCN's report "Biodiversity and the Commission on Sustainable Development: The Implications of a Supreme Document." She states:

"Article 3 of the Convention forms a crucial principle of international environmental law. It states, without exemptory clause, that 'States have . . . the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other states or of areas beyond the limits of national jurisdiction.' This legally binding responsibility has important consequences for the production and consumption of internationally shared biological resources like straddling and migratory fish stocks. Its key consequences, however, are in the field of environmental pollution. As pollution will always cause some damage (the principle does not specify the amount of damage) to biodiversity, the Convention formally prohibits all forms of production which cause transboundary pollution" (emphasis added).

Bilderbeek, one of the individuals involved in drafting the protocols of the treaty, is thus stating that the principle of "transboundary pollution" will be used to wage war against livestock and against the chemical industry. The treaty will also target other industries such as coal, oil, gas, and electric utilities.

The treaty does not not specify the amount of discharge that is considered "pollution." One ounce of oil leaking from a refinery in Louisiana could find its way to the Gulf of Mexico, and thus violate the treaty. That would trigger actions by the world monitoring body set up by the treaty. This supranational agency can apply legally binding penalties against the United States until that refinery is shut down.

The electrical industry will be a major target of the treaty, according to Bilderbeek. She writes: "At the current state of scientific monitoring it is impossible to estimate the exact causality between the greenhouse gas emissions of one state and the impact of climate change upon biodiversity in another state. Science is progressing rapidly, though, and once the first data on this causality relation are available, the Biodiversity Convention will become a strong legal argument to reduce greenhouse gases. Friends of the Earth Netherlands has estimated that a reduction of 60% in greenhouse gas emissions will be necessary if the Netherlands wants to avoid serious transboundary harm to the biodiversity of other countries."

A 60% reduction in greenhouse gases is one of the most draconian proposals made by the environmentalists to shut down modern industries. This is more draconian than any of the proposals made under the Climate Treaty. But while the energy industry is mobilized to fight the Climate Treaty, they have not noticed that the Biodiversity Treaty will be the instrument that will destroy them. As Bilderbeek states in her essay, "The Convention on Biological Diversity is a legally binding and thus supreme instrument."

Derivatives losses are piling up fast

by John Hoefle

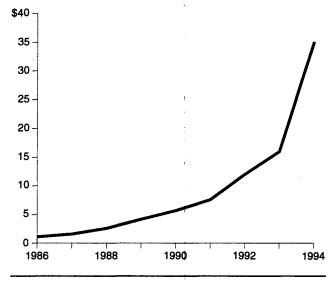
The losses from the derivatives bubble are piling up fast, exposing as a total fraud the claims by bankers and their alleged regulators that financial derivatives serve to make the world a safer and more prosperous place by hedging against risk. Far from it, the derivatives market itself is the biggest, riskiest speculative bubble in the world today.

Like a rapidly growing malignant tumor, the derivatives bubble grows at the expense of its host—in this case, the world economy—shrinking its host and reducing the ability of the host to support the tumor.

The derivatives bubble is essentially a giant pyramid scheme. **Figure 1** shows this principle at work. At the end of 1986, the notional principal value of all derivatives outstanding in the world was just over \$1 trillion, according to the Bank for International Settlements. By mid-1994, that figure had grown more than 30-fold, to just over \$35 trillion, according to *Swaps Monitor*.

Note that these figures represent just the total derivatives contracts outstanding at year's end. As such, they significantly understate the size of the derivatives market, in which at least \$1 trillion of derivatives are traded every business day,

Growth of the world derivatives cancer (market value, in trillions \$)



Sources: Bank for International Settlements, Fortune, Swaps Monitor.