

U.S., Japan cooperate to support the yen

by Our Special Correspondent

In a dramatic last-minute move to prevent a collapse of the Japanese currency, U.S. Treasury Secretary Robert Rubin intervened into the currency markets and ordered the New York Federal Reserve to buy about \$4 billion worth of Japanese yen. Coordinating this move with Rubin was Japanese Vice Minister for International Monetary Affairs Eisuke Sakakibara, who in conjunction with the Bank of Japan, purchased \$2 billion worth of yen.

As a result of this intervention, the yen, which had fallen to a value of 147 to the dollar, shifted upward to 137 to the dollar.

The U.S.-Japanese coordination only temporarily stopped a dangerous slide that could have led to a global financial meltdown. Currency speculators who had taken out a short position against the yen lost billions as a consequence of the government-to-government intervention.

Just prior to Rubin's decision, President Bill Clinton and Japanese Prime Minister Ryutaro Hashimoto were on a "hot-line" phone conference discussing the yen/dollar exchange rate and the measures that the Japanese political and financial leadership would have to take to ensure that a further deterioration of the yen did not occur. According to well-placed U.S. sources, Hashimoto pledged that the problems of the highly indebted Japanese financial system would be addressed.

Another critical factor in forcing the United States and Japan to take action was the warning by the Chinese government that the renminbi would be devalued. China's entire political and financial leadership was mobilized during the ten days prior to Rubin's decision, and let it be known that the yen's rapid deterioration could not be allowed to continue. China and the Hong Kong Monetary Authority were quite worried about the decline of the Heng Sang Stock Market and

Swedes wonder: Will Soros deliver the dope himself?

When international speculator George Soros visited Stockholm on June 11-12, at the invitation of the Swedish International Peace Research Institute (SIPRI), he was met with sharp criticism, both for his support for the legalization of drugs, and for his assault on nations by financial speculation.

Soros was supposedly invited to offer a critique of the globalization process. "That's like asking the goat to be the gardener," wrote Ulf Sandmark and Oscar Porath, two associates of Lyndon LaRouche, in a letter to the editors of the daily *Dagens Industri*, which was published on June 11. "Soros's critique does not aim at decreasing globalization; he wants to unite it with a global society," they charged.

On the day that Soros arrived, organizers from the European Labor Party (EAP), LaRouche's Swedish associates, held a rally near the place where Soros would be speaking. "Dopey-Georgie Go Home" and "Speculators Are More Dangerous than Nuclear Weapons," their picket signs read. The evening TV news broadcast film footage of the demonstrators chanting, "No to drug legalization!"

Apparently, one crook in Stockholm that day was not enough: Harvard flea-market economist Jeffrey Sachs also visited the city, and the EAP team moved their rally to that

meeting, where Sachs was to be received by the King and the Swedish financial elite.

On June 12, Soros's troubles continued, as the first national TV channel reported protests against him from one of the main anti-drug organizations, the RNS, and from the Conservative opposition leader in the Stockholm City Council, Carl Cederschild, founder of the European Cities Against Drugs (ECAD) initiative. The representative from the RNS charged that, by inviting Soros to town, "somebody is trying to make his drug liberalism look presentable." Soros had just published a call for drug legalization in the *New York Times* on June 7, which the Swedish commentators noted. The Swedish Queen was criticized for her collaboration with Soros on the board of the Mentor Foundation, which is supposedly to prevent children from taking drugs. The RNS has called for the Queen to either resign from the board or make sure that Soros does—but so far, in vain.

The popular daily *Expressen* asked on June 12, "Who will deliver the drugs, Soros?" The author shows that Soros is promoting the legalization of heroin in the United States, and that he is known for his support for the decriminalization referenda in California and Arizona. "Has the Swedish government ever thought that George Soros might have an ulterior motive?" the paper queried. "If physicians are to prescribe marijuana for various illnesses, who will deliver the drug? If all the heroin addicts in the world are supposed to get their heroin for free, who will deliver it?" "It's just money behind it," said Sweden's former Justice Minister, Gun Hellsvik.—*Lotta-Stina Thronell*