

the U.S. population. The recent turmoil at the World Trade Organization conference in Seattle could already be “the harbinger of a coming storm against the global capitalism of American style.”

An even bigger threat to the new paradigm is the “gigantic financial disparities” in the United States. The “Greenspan boom” looks very similar to the Japanese “Heisei boom” of 1986-90. “In both cases, the economic boom was driven by a stock market boom going beyond all limits,” says Seitz. “In relation to every traditional measure, the U.S. stock market today is overvalued by at least 50%.” Following the bursting of the stock market bubble, the U.S. economy would sink into deflation and recession. Viewed from the outside, the unsustainability of the U.S. boom is obvious. The U.S. current account deficit in 1998 crossed the \$200 billion level. In 1999 it reached \$300 billion, and in 2000 it could go beyond the \$400 billion mark. After 1990, the “Japanese century” proved to be nothing but a shortlived “Fata Morgana.” The same might happen to the illusion of an “American 21st century.” Instead, the 21st century could start off as a “European century,” headed by Germany, France, and Italy, and be transformed later into a “Chinese century.”

Robert Samuelson, *Washington Post*, Jan. 12, article entitled “The Nasdaq Casino: Place Your Bets.”

Samuelson warns that that Nasdaq stock index is vastly overvalued. Nasdaq’s surge was an increase in 1998 of 86%, following increases in the past three years: 1996, 23%; 1997, 22%; and 1998, 40%. He jokes that this must represent the fact that America has entered “an economic wonderland, where old investment rules have been rewritten or repealed.” Were this not to have happened, “the Nasdaq explosion would be a speculative bubble, which will ultimately burst or deflate. Heresy. Perish the thought.”

Kenichi Ohmae, Japanese economist, former head of McKinsey Asia, interview with the German weekly *Der Spiegel*, Jan. 3.

“The worst is yet to come” for the Japanese economic/financial system, Ohmae states. He rejects the assertion by *Spiegel*, that after the government has bailed out the banks and thereby “countered the danger of a worldwide financial crash,” Japan’s economy would now be improving. “Indeed, the government has spent 60 trillion yen [\$600 billion] of taxpayers’ money to rescue rotten banks, which better should have gone bankrupt. And it has pumped far more than 100 trillion yen into the economy—if indirect measures are taken account, even double that amount.”

However, problems have only been postponed. The government debt is getting out of control. And the recent rise of the Tokyo stock exchange is fully dependent on developments on Wall Street. “Once there is a crash on Wall Street, there will be also a crash in Tokyo.” If there is a political vacuum in the United States after the elections in November 2000, Japan could push up its interest rates and this “could trigger a crash.”

Blair-Thatcher austerity is killing British population

by Mark Burdman

In a speech at year’s end, made with the usual strange glint in his eye, British Prime Minister Tony Blair proclaimed that Britain would emerge in the 21st century as a “beacon” for the rest of the world. This boast, noted the British press, was central to a recently developed Blair political concept that he has dubbed “beaconology.” Around the same time as this address was made, Blair and his hyperactive propaganda apparatus were proclaiming that the “Millennium Dome” in Greenwich, England, a garish extravaganza filled with ghoulish exhibits that cost more than \$1 billion to build, would be perceived throughout the world, in the days following its opening on Jan. 1, 2000, as a prime example of “British creativity.”

But no sooner had the new millennium begun, than Blair’s bubble quickly began to burst. The press was filled with articles and editorials giving thumbs down to the Millennium Dome, in words echoing the way one London source characterized it to *EIR*: “The greatest waste of money ever.” One of the more incisive comments was that of senior commentator Simon Sebag-Montefiore, in the Jan. 8 London *Times*. He said that the “Blair Dome” was a cruder “illusory facade” than the notorious “Potemkin Village,” created by the Russian Count Potemkin to impress the Empress Catherine the Great in the 18th century. At least Potemkin showed “imagination and finesse” in what he did, Sebag-Montefiore stressed, whereas Blair’s Dome is a “drab, lifeless North Korean project.” *EIR* has learned that traditionalists in the British Labour Party opposed to Blair’s “New Labour” policies, have begun to call him “Kim Il-Tony,” in reference to the late North Korean dictator.

National Health Service dismantled

Developments in Britain in the new millennium have also brutally revealed that Britain, under Blair’s guidance, is hardly a “beacon” for anybody or anything, but is rather a disgrace to the civilized world. The country’s National Health Service (NHS), ripped to pieces by more than two decades of austerity imposed by Prime Ministers Margaret Thatcher and John Major, and most recently by Blair, has shown itself completely unable to cope with a flu epidemic that has gripped the country.

The resulting massive health crisis augurs badly for

Blair's political future. A series of opinion polls taken in late 1999, and probably reliably representing the sentiment of the population, showed that the main issue on people's minds is declining health care, and the parlous state of the NHS. The NHS is the public health system which, in previous years, was often pointed to with pride, as the strongest and most durable feature of the British economic and social infrastructure, amid the rot and decay that characterized most of the Britain of recent decades. According to these surveys, Blair's priorities, such as intervening in sovereign nations for supposedly "humanitarian" reasons, are low on the list of popular concerns.

Concerns over health care are greatly increasing as the current flu-vectored crisis worsens, as horror stories emerge from most regions of Great Britain, and as the obvious contrast is drawn between Blair's willingness to throw money at insanities like the Millennium Dome or the war in Kosovo, while denying funds for crucial domestic matters of life and death. The rage in the population currently is probably even greater than it was following the Oct. 5, 1999 rail crash at London's Paddington Station, the which was also brought about by refusal to invest in, and savage austerity against, national infrastructure.

What is really being demonstrated on the health issue, is that the British monarchy and the relevant oligarchs who control Blair and his government, have the same genocidal contempt for the lives of their British subjects, particularly the elderly and frail and infirm, as they have toward the nonwhite peoples of Africa and Asia. Of course, the relevant authorities and powers cannot openly say that they want to eliminate such layers of British society, but what they are doing in practice, amounts to the same thing.

Brutal beyond belief

From the period starting the last couple of weeks of 1999 up to mid-January 2000, an estimated 8 million or more people in Britain, almost one-sixth of the population, have been affected to varying degrees by influenza. It is being widely forecast in Britain, that the situation will worsen throughout the rest of January and into February.

Already, there have been a large number of cases (a precise estimate is not available as of this writing) in which sufferers have required emergency care in hospital intensive care units, because of such complications as viral or bacterial pneumonia. But in all of England and Wales, there are only 1,400 beds in intensive care units, and by early January, only a handful were available for emergencies. (For comparison, in Germany there are 28.6 intensive care beds per 100,000 population, while in Britain there are only 5!)

At the same time, there is little spare capacity in the NHS hospital system as a whole, because the average bed occupancy in "normal" times is more than 90%, whereas in 1970 it was 70%. This is only one indication of what has been brought about by the austerity implemented in Britain, under

the successive Thatcher (1979-92), Major (1992-97), and Blair governments.

A Jan. 11 London *Times* item reported that the number of hospital beds in the NHS has been reduced by 22% since 1995—almost three of those years being ones that Blair's "New Labour" has been in power. According to the *Times*, the 1995 figure was already less than half the NHS beds in 1960. The London *Observer* noted on Oct. 9 that "London alone has lost 40% of its acute [care] beds since 1982, a figure that is reflected nationally."

The NHS Confederation, an association of managers representing NHS Trusts and Health Authorities around the U.K., has reported that in the past 10 years, hospital admissions have increased 33% while the number of beds have fallen 17%, and the workload of a qualified nurse is now 22% greater than it was in 1990. Stephen Thornton, Chief Executive Officer of the NHS Confederation, stated on Jan. 10: "There is no reason why hospitals should suffer like this because of a flu outbreak. *Repeated efficiency drives* have left the NHS without spare capacity for winter outbreaks" (emphasis added).

John Chisholm, the leader of General Practitioners in the British Medical Association, charged on Jan. 10: "There is an endemic problem, with lack of spare capacity, lack of resources, lack of beds and nurses and intensive care facilities to meet the needs of the population. . . . We need to learn the lessons from this crisis, and get more spare capacity in the system."

In an article entitled "Flu Epidemic Exposes NHS Crisis," the London *Observer* of Jan. 9 reported that the hospital bed shortage in Britain is primarily due to "efficiency savings." One health expert told the paper that the NHS "appears quite simply to have shrunk—shrunk too far to be able to cope with the predictable period when more people are likely to need its services." The paper noted that the "acute shortage of intensive-care beds" has created a situation where there are "even plans for some patients to be sent to France for treatment." The British press has noted that in France, which is also undergoing a very serious flu epidemic, the public health system is fully able to cope, and shows little signs of strain or crisis, because there are sufficient numbers of empty beds and emergency care available.

An unnamed health expert told the London *Guardian* on Jan. 10, that the situation in the NHS has become "brutal beyond belief."

Horror stories

Horror stories abound from across the U.K. In one case brought to the attention of *EIR* by the wife of a regular *EIR* contact, her husband became ill with influenza during the last days of 1999. Early in the new year, his condition seriously worsened, with the flu virus entering his lungs, resulting in both viral and bacterial pneumonia. The wife drove him to several hospitals in his city, one of Britain's most populated

and (relatively speaking) prosperous cities, but there were no vacancies. They eventually found a vacant bed in an intensive care unit, in a hospital almost 20 miles outside the city. This delay, plus the fact that the staff caring for him is terribly overworked, has contributed to making his situation even worse than the disease spread as such. As of this writing, the man, a leading British academic who has just reached the age of 70, is not given a high chance of survival by his doctors. He is unconscious, because he requires massive sedation so that tubes can be inserted into his bronchia.

Throughout Britain, those with serious conditions are being shunted aside in hospital emergency rooms and told to wait, because the priority is being given to the flu sufferers. Under these circumstances, sick non-flu sufferers are dying.

On Jan. 11, the World Health Organization condemned the flu-epidemic preparations in Britain as inadequate, and among the worst in Europe.

The mood in Britain has become so intense in reaction to such developments, that parliamentarians have had no choice but to respond in some fashion. On Jan. 10, there was an angry, albeit absurd confrontation in the House of Commons. Conservative Party Shadow Health Secretary Dr. Liam Fox declared: "How can it be that with the world's fifth-biggest economy, at the beginning of the 21st century, that something as predictable, as cyclical, and as common as flu, can cause the system to be breaking apart at the seams?" Health Secretary Alun Milburn retorted that it were unwise for the Tories to bring up the question of bed availability, since in their last 10 years in power (i.e., the Thatcher and Major governments), they eliminated 40,000 beds.

True to say, this is a case of Tweedledee and Tweedledum, because Blair and Thatcher-Major are all guilty of the crime, Blair perhaps even more so, because he has *chosen* to imitate Thatcher's disgusting legacy.

Eliminate northern Britain

What need be stressed, and what various of the above-cited sources are pointing to, is a very straightforward matter. Although no one can forecast the future with precision, it was obvious to any informed Briton before this winter that, based on recent years' experience, Britain sorely needed to upgrade basic health infrastructure and staffing to deal with an emergency. Last winter, when the spread of flu was much milder than at present, an estimated 3,000 people, most of them elderly, died from the flu or flu-linked complications. Already in the two winters (1997-98 and 1998-99) that Blair was Prime Minister, there were cases across the country where hospitals were so over-crowded that emergency patients had to be kept on trolleys for days on end awaiting treatment.

By its failure to "preemptively" invest in upgraded health infrastructure and staffing, the Blair regime is demonstrating that genocidal intent respecting its own population that we have previously referred to. This only adds to the case, for those who think that Britain may be one country requiring

foreign intervention, to save its population from death and disaster.

That there is a genocidal mood erupting among the relevant elites, can be demonstrated by another curious development. It so happens, that the part of Britain where the flu epidemic is most virulent, is the north of the country, whose cities and towns are the kingdom's most economically devastated and deindustrialized. Coincidence or not, on Jan. 5, a report that had been funded and commissioned by the Blair government was released publicly, by Sheffield University's Center for Regional, Economic, and Social Research. Authored by one Ian Cole, the report's primary recommendation is that large areas of Britain's north be demolished!

Cole claimed that numerous parts of the northeast and northwest are "beyond redemption," because they are comprised of "older manufacturing cities" and "old coalfield communities," which have undergone 15 years of economic decline. Cole argued that there is "no point in going back to the time when [the population] was near to coal mines, shipyards, and other large industries, because they are gone forever." So, he advised, the relevant cities and/or towns should be basically torn to the ground. And, the populations should move to more "prosperous" areas.

Or, perhaps, simply die out? Such are the choices in Blair's British "beacon."

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