

a 30% fall in the first half. In a confidential memo prepared by members of the Argentine Industrial Union in early September, it was predicted that there would be a 40% drop in industrial output, causing mass plant closings and layoffs. And for all of this, inflation, which reached a "low" of 5% in November, was expected to hit 10% in December, on the way back up again.

The result: Wages in July were 22% below the 1987 average, and more than 40% below their January 1987 level, and they are lower today. According to a shocking in-depth report in a Buenos Aires newspaper Oct. 13, an estimated 10 million Argentines—one-third of the total population—suffer nutritional deficiencies, one-third of these being at a critical subsistence level.

### Venezuela and Peru

Venezuela faces a crisis of debt payment only slightly less severe than the three cases above, and anticipates the highest inflation of its history next year. Colombia's export economy has been savaged by terrorist attacks on its oil pipelines, cutting oil exports, and the collapse of its agriculture because of guerrilla activities. Chile can anticipate financial destabilization as flight capital begins to flee the prospect of political chaos and communist gains next year, while Bolivia continues to depend on coca exports, the rest of the economy having been destroyed by "reforms" in 1985. Ecuador declared a debt moratorium, and bad weather ravaged the Caribbean.

The collapse of the Peruvian economy in 1988 has been the most abrupt of any country's. Unlike the rest of the continent, Peru had experienced real growth from late 1985 through the summer of 1987, based on a partial debt moratorium, in defiance of the IMF and the banks. But when support from the major debtors was not forthcoming, the allies of the IMF lowered the boom in 1988. Beginning in the summer of 1987, pressure was exerted in the black market against the value of the inti. President Alan García responded by nationalizing the banking system, but internal sabotage by the IMF lobby in Peru's oligarchy ensured the failure of this measure. An orchestrated run on the inti on May 4, 1988 forced García to overhaul his cabinet four days later. On June 29, the government legalized drug money deposits in the banking system, and on July 11, it decreed the first austerity "shock" program, jacking food and other prices 50-110%. Continued monetary warfare led to another shock program decreed Sept. 6, again raising prices and devaluing sharply. The result: 1,300% inflation in 1988, food shortages and no money for imports, and no reserves in the central bank. García himself continued to oppose signing a deal with the IMF, despite intense pressures within the country, but most of his programs for economic progress have been either cancelled by budget cutbacks, or smashed by the out-of-control Shining Path terrorist movement, leaving the economy in a shambles.

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## Back to the Stone Age

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# The Soviets' ecology enters a new phase

by Carol White

Mikhail Gorbachov's Dec. 7 speech before the United Nations was most prominently covered with regard to his unilateral disarmament offer. Yet a good three-quarters of the speech was devoted to his proposals to reorganize the world economy. He urged the restructuring of industry according to directives to be set by ecologists. These would then be enforced through the supranational authority of a global police force, under the authority of the United Nations.

Gorbachov has now publicly surfaced what we have known and reported to be the case: The ecologist movement, from the Green Party in Germany, to Prince Philip of Britain's World Wildlife Fund, to U.S. anti-nuke protesters, are a joint East-West Trust deployment, with heavy KGB involvement. With this speech, the Soviet President has put forward a program which would force the West to disarm its industrial base, as a prelude to a Russian drive for world hegemony.

The reality of instituting the kind of restrictions on industry proposed by the ecologists, on the basis of spurious, pseudo-scientific argument, would, if successful, be of dubious value to the "environment," but would in fact condemn possibly as many as half of the existing world population to premature death. Such a return to Stone Age technologies is attractive to that section of the Western oligarchy which would prefer to risk Soviet domination in their gamble to reinstitute a new feudalism.

Their hope is to arrange a joint *trusteeship* over the globe, with the Soviets—creating two feudal empires, one Eastern and one Western. One of the Western architects of this East-West Trust arrangement was the evil Bertrand Russell, who kicked off the "Ban the Bomb" movement in the late 1950s, but who had been decrying industrial society and polemicizing for a return to the Stone Age, since before World War II. In 1968, the Club of Rome was formed with explicit malthusian goals.

### East-West coordination

EIR has published documentation of KGB and East German links to the West German Green Party, and the role of the Greens as a cover for professional Soviet sabotage activ-

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# movement in 1988

ities conducted by their special forces (*spetsnaz*) units. We have also reported terrorist infiltration of U.S. environmentalist groups. Even more important than the secret KGB linkage to the environmentalist-ecologist movement, is the open role of the International Institute for Applied Systems Analysis (IIASA) in Vienna, Austria, which is led by the late Soviet Premier Aleksei Kosygin's son-in-law, Dzhermen Gvishiani.

IIASA was officially launched in 1972, after discussions among U.S. National Security Adviser McGeorge Bundy, Soviet Global Systems Analysis chief Gvishiani, and top British government scientific adviser Lord Solly Zuckerman, in the late 1960s. The idea was to create an institute that would embody in its activities and methods a "convergence" of East and West, based on the pseudo-science of "systems analysis," which ignores economic processes. The circles that created and sponsored IIASA were, in fact, the same neo-malthusians associated with the Club of Rome.

There is one more useful historical point of reference for purposes of this review: the Chernobyl nuclear plant meltdown of April 1986. The effect of Chernobyl in Germany and Italy was comparable to the earlier Three Mile Island accident in the United States, with the difference that a wave of terrorism in Germany was set off by the Green movement, in collaboration with the Soviet-run terrorist autonomist groups. The Wackersdorf riot in 1987 was the first of a series of anti-nuclear and anti-NATO demonstrations which can only be described as irregular warfare, because of the level of armed confrontation of the terrorists against the police.

Whereas the U.S. nuclear industry has been in a state of collapse virtually since the first days of the Reagan administration, as a result of successful economic warfare combined with continued regulatory harassment, in Europe—before Chernobyl—the situation was different. Chernobyl provided the occasion for a wave of anti-nuclear hysteria particularly in the Federal Republic of Germany and in Italy. For example, in 1987, an anti-nuclear referendum was passed in Italy.

Ironically, in the U.S.S.R., where the accident occurred, the construction of nuclear plants is proceeding, albeit with West German consultation.

## The 'greenhouse effect'

This past year's drought and otherwise aberrant weather pattern has offered the occasion for another part of the ecology movement to go into high gear around the presumed effects of the emission of carbon dioxide and other gases and soot into the atmosphere. As we have written elsewhere, and will be further documenting in upcoming issues, there is neither unanimity in the scientific community about these claims that the average global temperature is rising, nor do we believe the evidence is convincing.

The so-called greenhouse effect is now supplementing nuclear scare stories at the center of organizing by the ecology movement. On Dec. 13, 1988, a joint commission of the Soviet and American Academies of Sciences was announced whose purpose was to take action to safeguard the Earth's "ecological security."

Lest there be any question that the goals of this commission are coherent with those expressed by Gorbachov, they explicitly referenced his speech in the announcement to the press of their goals. They said that they regard the new group as equal in importance to an existing joint Committee on International Security and Arms Control.

It is from the standpoint of this portended new phase of the conspiracy against industrial capitalism and republicanism—a conspiracy otherwise known as the ecology movement—that we offer the following review of some of their activities over the past year.

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## Documentation

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### Nuclear

**January:** Bonn is swept by a "nuclear scandal" which implicates the nuclear company Nukem, in Hanau near Frankfurt, in violating the treaty which prohibited the production of weapons-grade nuclear material in West Germany. Traces of weapons-grade material were allegedly found in storage containers in Germany supposed to contain only low-grade nuclear wastes. Rumors also circulate that the weapons-grade material was being shipped illegally by the Nukem firm to Pakistan and Libya.

The number of "suspicious containers" have grown day by day, and in January reach a reported total of 2,500. In fact, most of these containers are perfectly in order; nevertheless, media hysteria equals the spectacle which followed the Chernobyl disaster.

West Germany's largest energy producer, Vereinigte Elektrizitätswerke Westfalen (VEW), announces itself to be on the verge of bankruptcy, as a result of the current freeze on nuclear power, a company official announces Jan. 28. The company had invested several billion deutschemarks in nuclear projects under construction.

The Public Service company of New Hampshire files for

bankruptcy protection on Jan. 28. This is the first major public utility to do so since the Great Depression. The decision follows rejection by the New Hampshire Supreme Court of the company's request for a 15% emergency rate increase and for permission to charge customers for its \$2.1 billion investment in the Seabrook nuclear plant, until the plant begins to operate. The Seabrook plant, completed in 1986, has not been granted an operating license.

**March:** First warning of the impending shutdown of production of nuclear fuels in the United States appears in an article by Frank Gaffney in the *Wall Street Journal*.

A nuclear referendum is passed in Italy to halt all nuclear construction. Following this, the Trino Vercellese nuclear plant is also shut down.

**June:** In an unprecedented action, the Long Island Lighting and Power Company finally reaches a deal with Mario Cuomo's State of New York to bulldoze its Shoreham facility, which cost \$5.3 billion and took 23 years to build, but was never put into operation because of environmentalist roadblocks.

**October:** Materials Production Center at Fernald, Ohio near Cincinnati, which processes uranium for nuclear warheads, could be shut down over charges of "ecological mismanagement." A class-action suit seeking \$300 million in damages has been filed. The government is now admitting that the private operators (first, National Lead, and then, Westinghouse) have discharged at least tens of thousands of tons of uranium into both the air and the water.

Officials in Brasilia accuse the International Monetary Fund and World Bank of granting loans contingent on Brazil abandoning nuclear energy development.

**December:** A phony scandal surfaces in the Federal Republic of Germany with newspaper headlines claiming that the Biblis nuclear plant was on the verge of a nuclear accident worse than Chernobyl in December 1987. At issue is a minor change in operator procedures which is being put into effect in the United States, as well as Germany, following valve failure. The incident at Biblis was never threatening and resulted in minimal release of radiation.

The United States's only tritium-producing plant at Savannah River, South Carolina remains closed after nine months. Prospects for reopening look bleak, as more cracks in pipes are reported.

U.S. newspapers feature stories about groundwater leaks in production reactors producing weapons-grade nuclear fuel for the military. The ecology movement is demanding that these plants be closed down.

The Long Island Lighting Company is losing \$1 million per day because the completed Shoreham nuclear plant is prevented from operating and the company has now been found guilty by the New York courts of charging customers for construction of the plant (which would have been lawful were the plant allowed to open).

## Greenpeace and other terrorists

**April:** Jeremy Rifkin's Foundation on Economic Trends launches a federal lawsuit to try to halt electromagnetic pulse (EMP) experiments at seven laboratories in five states claiming they are violations of the National Environmental Policy Act (NEPA).

**June:** Radical environmentalist groups drive nails into Douglas fir trees in Oregon, in an effort to prevent them from being logged. The nails are found in a zig-zag pattern, so that when struck by a logger's chainsaw, they would tend to break and spray out like machine gun bullets. One California mill-worker was critically injured last year when his saw broke on a tree that had been nailed.

**July:** Dr. Martin Welt, pioneer in food irradiation technology, is found guilty of violating a regulatory technicality. He faces two years in jail and \$50,000 fine. The jury was motivated to convict by the prosecution's anti-nuclear attacks upon food irradiation.

**August:** The German Federal Administrative Court decides that conscientious objectors in West Germany can join Greenpeace instead of the armed forces. The court states, "Nothing indicates that a conscientious objector employed in Greenpeace could be used for improper tasks." Greenpeace is a KGB "peace" front operated through Swedish and other channels.

**September:** Greenpeace opens an office in Moscow, receiving official backing from the Soviet government, financed by the release of a Western pop record in Moscow, which is distributed by Melodiya, the Soviet state record company. The album, entitled "Greenpeace-Breakthrough," includes a booklet explaining the worldwide activities of Greenpeace.

## Population control

**May:** Britain's Prince Philip delivers a speech calling for a slowing-down of economic development worldwide, because this development is gobbling up the world's resources. This view is endorsed by the vice-director of the Italian branch of the World Wildlife Fund, Gianfranco Bologna, at a meeting held in a room of the Italian Parliament in Rome, co-sponsored by the Italian Association for Population and Development and the United Nations Fund for Population Activities (UNFPA). The theme of the conference is "Population and Environment."

**July:** The Club of Rome International meets in Poland July 1-4, the first official meeting of the malthusian group in an East bloc country.

**September:** Prince Philip states in an interview that, were he to be reincarnated, he would want to come back to life "as a deadly virus . . . in order to reverse the population explosion," according to a Deutsche Press Agentur news release. Informed sources believe he has already reached his goal.