

# Prudential demands 'heavy-handed action' to enforce ecology regimen

by William Engdahl

Prudential-Bache Securities, the Wall Street investment firm tied to one of the world's largest insurance companies, has revealed the bankers' strategy behind the revival of "the environment" as the dominant international political issue over the past year, in a limited-circulation newsletter intended for investors.

In the June 28 issue of the company's newsletter *Strategic Weekly*, author Mark Melcher demands:

1) "A sea-change in the way humans consume energy, and how much they pay for it." The newsletter predicts that "environmental effort will dominate global economic and political thought and actions in the next century . . . comparable to the startling transformation in worldwide attitudes towards geopolitical power and the massive allocation of resources toward military might that resulted from the Communist threat to the free world following World War II."

2) *Global policing operations to enforce austerity, in violation of the sovereignty of nations.* There will have to be a change, says Melcher, "in our attitude toward the sovereignty of nations that refuse to cooperate in global environmental cleanup efforts . . . in our approach to the use of chemicals . . . in short, the very manner in which we define the term, 'standard of living.' "

3) *U.S.-Soviet collaboration, under the auspices of the new "détente," to dictate terms to the rest of the world.* This means continued Western appeasement of Gorbachov, or to use the words of Prudential's report, "continuation of the abatement of the cold war. This is an absolute *sine qua non*," which will allow the two superpowers to inflict austerity on developing nations. The policy will "necessarily involve some heavy-handed action on the part of the international community, an undertaking virtually impossible under the conditions of cold war rivalry that exist in the world today," Melcher candidly states.

4) *Political support for the neo-fascist Green parties.* Predicting initially a gradual shift by the superpowers into this new environmental agenda, away from military spending, the Wall Street group says that increased spending on environment will further build the "political influence of the Green groups in the developed nations."

## New disasters will 'shock the world'

Most revealing is Prudential-Bache's "prediction" that an "event will occur that will shock the world, similar to the way the oil price increases of the 1970s did. . . . It will probably involve a severe agriculture disaster in a major breadbasket region of the world, threatening widespread famine. This could result from global weather changes or possibly another nuclear disaster like Chernobyl. By this time, the 'greens' will have made significant political inroads, an industrial base dedicated to the business of the environment will have gained considerable economic clout, and the tide will turn."

*Strategy Weekly's* revelations appeared conveniently before the Bastille Day Paris summit, where the Group of Seven leaders walked away from the urgent problems of collapse of current monetary relations and the explosive Third World debt, and turned their summit "green." The City of London's weekly *The Economist*, writing on the eve of the Paris meeting, reflected Prudential's more candid version of the "establishment consensus." "What defense has been to the world's leaders for the past 40 years, the environment will be for the next 40," they insisted, calling "greenery an ideal subject for the leaders of the seven biggest industrial economies."

Beginning in the 1970s, especially during the Carter administration, "the environment" began to be used as a factional weapon in politics. Green groups like Friends of the Earth got heavy financing from New York and London oil multinationals to run anti-nuclear campaigns. Nuclear energy was the major threat to imposing the oil multitis' huge increases in world oil prices during the 1970s. Now, since the Reykjavik summit signaled that Gorbachov seemed to be "playing ball" with the Western liberal establishment, this issue of the environment has again been given front-page priority in the West. Scientific hoaxes about a growing "hole in the ozone layer," about a "greenhouse effect," and blackmail against the Third World over the "disappearing rain forests" are being used to impose an impending ecological dictatorship.

Prudential-Bache's newsletter reveals that for the Western financial establishment, "nature" is a useful cover to force reduction of living standards. Prudential's Melcher asks,

“Who will pay? The answer is simple. In the case of the environment, the costs will be borne by the public—directly through higher energy prices and indirectly through higher consumer prices as tougher federal pollution standards are imposed on the nation’s corporations. . . . One *quid pro quo* to corporations will be a lessening of anti-trust enforcement on the theory that only big companies can do everything the government and society are demanding. . . .”

Echoing the bankers’ green blueprint, on July 17, the German Social Democrats issued a call for “ecology levies” on factories, and sharply increased energy taxes, as part of their campaign program for the 1990 national elections. Spokesman Joachim Poss insisted, “Production processes which damage the environment, and consumption of non-renewable resources must carry a higher price than practices which are good for the environment.”

### ‘Ecologism,’ the new face of fascism

Fascism is a poorly understood, emotionally charged term. In rigorous economic terms, it is a systematic imposition of reduced living standards on a subject population by a totalitarian authority. The Mussolini model, set up by Finance Minister Giuseppe Volpi di Misurata on behalf of the Bank of England and J.P. Morgan Bank in New York, created a corporatist state where trade unions, big companies, and the state acted as a combine to impose sacrifice on Italy for the sole purpose of paying the foreign bankers’ debt. Hjalmar Schacht imposed another variation as Hitler’s economics minister.

One board member of Prudential-Bache is ex-Federal Reserve chairman Paul Volcker, whose high interest rates bankrupted large chunks of the world economy starting in 1979-80.

What attracts large multinational banks and businesses to “ecologism” today is its convenience as a cover for savage austerity and genocide, while burying protestations that might cause social explosion. After all, “Planet Earth” is in danger of extinction, and we must all pull together to save her, mustn’t we? The Prudential-Bache remarks are the most candid revelation of this agenda of the financial establishment: malthusian genocide against the Third World and savaging living standards in the industrial world, enforced by a “New Yalta” between Moscow and the West, all to protect banking paper at the expense of the world’s people.

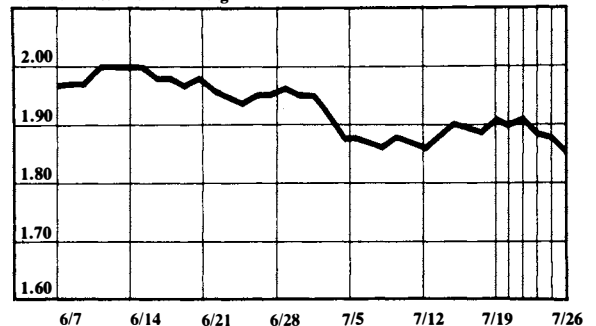
In the July 16 London *Times*, economics writer Irwin Seltzer wrote, “Those who have long opposed economic growth, latter-day malthusians last seen flitting between the Club of Rome and Jimmy Carter’s White House, see the so-called ‘greenhouse effect’ as a new opportunity to wriggle to power . . . to decide who gets to consume how much of the earth’s ‘shrinking resources.’ ”

The levels of debt today are orders of magnitude beyond those of the 1920s, which brought the world Mussolini as the bankers’ alternative. That is what Prudential’s “environmental agenda” is really about, not clean waters or air.

## Currency Rates

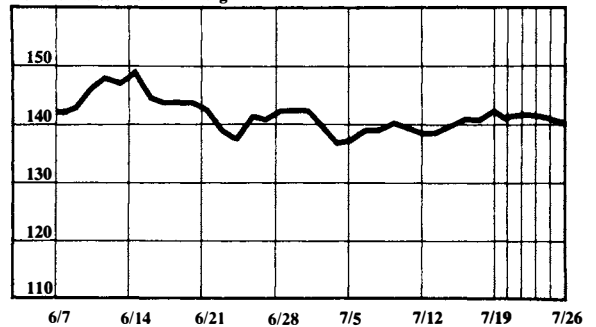
### The dollar in deutschemarks

New York late afternoon fixing



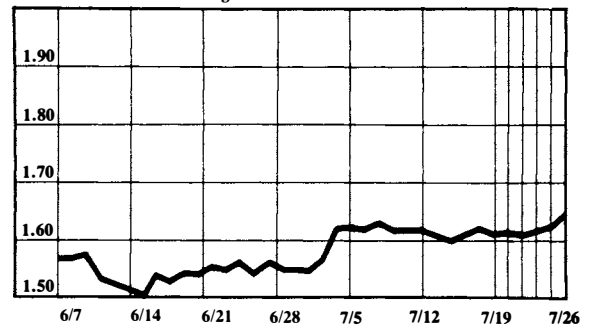
### The dollar in yen

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing

