

The 'New Comprador' plan for Greater China

by Michael Billington

Over 900 "Overseas Chinese" business and political leaders met in Hamburg, Germany from Nov. 22 to 24, under the guiding hand of the long-standing British asset Lee Kuan Yew, the political strongman of the "semi" British colony of Singapore. Although Singapore is an independent nation, it has continued to function, with Hongkong, as the official center for British financial and political influence in Asia.

Lee Kuan Yew shared the podium with Li Kai-shing, the Kissinger-linked head "comprador" of Britain's colonial banking, business, and government apparatus in Hongkong. Many of those attending had participated in the formation last February of the New China Hongkong Group, Ltd., which brought leading Beijing officials together with ethnic Chinese business leaders from around Southeast Asia into a business-government alliance (similar to that which has historically controlled the colonial government of Hongkong) in preparation for the 1997 merger of Hongkong with the People's Republic of China (P.R.C.) on the mainland (see "The 'Greater China' Plan: Britain's 'Venetian' Policy to Control Asia," *EIR*, July 16, 1993, p. 44).

In interviews preceding the conference, and preceding the high-profile Asian-Pacific Economic Cooperation (APEC) forum meeting in Seattle, where President Clinton was to meet with P.R.C. President Jiang Zemin and other Asian leaders, Lee Kuan Yew emphasized that China "needs" a brutal dictatorship, and called on Clinton to retain the "balance-of-power" pragmatism and moral relativism of the George Bush/Henry Kissinger years. Washington, he said, "must show more understanding of the cultural realities of China," where, according to Lee, dictatorship and military suppression of dissent are ingrained aspects of Chinese culture. He complained that U.S. policies in Asia "have not been guided by strategic and economic considerations as they used to be," and that economic stability will prevail only "as long as the U.S.-Japan-China relationship is kept in balance."

Lee also told the press that "it would be mistaken to follow mindlessly the present politically correct and stridently advocated view that democracy is the precondition for economic development." Although this was popularly portrayed as a disagreement with Hongkong Gov. Chris Patten, who is insisting on relatively minor democratic reforms in Hongkong before 1997, Lee is also targeting the dissidents on the mainland, centered around the recently released hero of the 1979 "Beijing Spring," Wei Jingsheng. Wei was most famous for his 1976 Democracy Wall essay "The Fifth Mod-

ernization," which insisted that without democratic transformation of the Communist Party dictatorship, the "Four Modernizations" of Deng Xiaoping—agriculture, industry, science and technology, and military defense—would be impossible. The current economic disaster unfolding on the mainland proves that Wei Jingsheng was right.

'Use corruption'

Lee Kuan Yew was the keynote speaker at the "Second World Chinese Entrepreneurs Convention," as well as the primary organizer. In a blatant display of disdain for the Confucian moral tradition in China, he boasted that the overseas Chinese had an advantage over other foreign investors in exploiting the vast cheap-labor pool of nearly 200 million unemployed Chinese peasants, since they shared with Beijing an appreciation of the value of corruption. The Chinese business leaders can, he said, use their "personal connections" (*quanxi*) with the infamously corrupt Communist Party leaders and their families to "make up for a lack in the rule of law and transparency in the rules and regulations." This corruption "will be of value for the next 20 years at least," he claimed.

He went further to propose that the historical secret society networks be legitimized and institutionalized to control this new "Greater China," beyond the control of governments. According to the Dec. 2 *Far Eastern Economic Review*, he called on the executives to "institutionalize long-standing but informal associations of Overseas Chinese family businesses and individual entrepreneurs." These "informal associations" are the Taoist secret societies which function as the *fondi* in China, controlling both legitimate business and the vast underground economy, including especially the drug market.

'We learned it from the Brits'

Lee Kuan Yew also explained that this open embrace of corruption and exploitation of an enslaved population should engender no guilt: "There is no need [for ethnic Chinese] to be apologetic about wanting to maximize benefits through each other's contacts and access to opportunities. The Anglo-Saxons do it, the Jews do it, so do the Hindus and the Muslims."

Lee and his British backers are not unaware that this process of looting China's "blind flow" of desperate unemployed peasants as recycled cheap labor in the export industries, while the agricultural and industrial infrastructure of the country continues to collapse, could well lead to the outbreak of chaos, or even the breakup of China as a unified state. Lee told the *Asian Wall Street Journal* weekly on Nov. 15: "If there are sudden reversals in their economy, plus several bad harvests, that could be the beginning of an unraveling, if the leadership is blamed for it and if the political and military leadership then splits. It's not their fear of minorities breaking away, but of the system breaking up and China again reduced to chaos." This Singapore/Hongkong axis, together with their controllers in the British Foreign Office,

are openly preparing for this eventuality, while extracting what they can under the current process of "reform."

Rural inflation worse

The breakdown may come very soon. The third plenum of the Communist Party Central Committee held in November eliminated most of the austerity measures which had been implemented last June in an attempt to rein in hyper-speculation, inflation, and corruption. The measures primarily strangled the state sector industries and the economies of the interior provinces, while having little effect on the rampant speculation in the South. Several of the poorer provinces, such as Hubei and Yunnan, have experienced even higher rural inflation than in the cities, so that the austerity measures imposed an enormous squeeze on both farmers and local rural enterprises. In Guangdong Province, however, where most of the speculation originates, the economy has been largely "dollarized" with Hongkong dollars, and most of the credit for speculation comes directly from Hongkong, beyond Beijing's control. A new approach was needed.

The plenum announced plans for new tax policies aimed at redirecting the profits from the South into Beijing to meet the crisis in the national budget, but it is widely reported that such plans are unlikely to be successfully implemented. The expected return to virtually unrestrained speculation may instead lead to further disintegration.

The fight against GATT goes on

by Christine Bierre

The ecologist movement in France is blatantly attempting to co-opt the ferment against the General Agreement on Tariffs and Trade. For the spiritual offspring of the Club of Rome, the spectacular rise of popular opposition to GATT is seen as fertile ground for spreading their pernicious ideas of local control and rural idiocy. In this context, Ecoropa, a European ecologist organization founded by Teddy Goldsmith, among others, held an anti-GATT press conference in Paris on Dec. 7, to which they invited representatives of other national and international movements opposed to the GATT Uruguay Round. The guests' interventions were quite interesting, and the conference as a whole had the merit of showing just how widespread opposition to GATT is in many different countries of the world and among different social layers.

The press conference was well attended by the media, whose representatives all jumped on the star of the show, Jack Lang, the Socialist former culture minister. Max Gallo from the Citizens Movement, founded by former defense minister Jean-Pierre Chevènement, was also present and deplored the lack of information and debate on GATT, while strongly ridiculing those who "genuflect before market monotheism."

Representatives of the French Consumers' Union, the Belgian Greens, and American associations directed by Ralph Nader also took the floor during the conference.

After a barrage of propaganda about the defense of Mother Earth and the forests, it was certainly good to hear from the farmers present, who consider the defense of man to be a priority. Guest speakers included Professor Nanjundaswamy, president of the Indian farmers' movement KRRS; the president of the Mexican Permanent Forum of Rural Producers (FPPR), Alberto Vizcarra; as well as Jacques Laigneau, president of the French group Rural Coordination.

The KRRS has taken spectacular actions over the past months against Cargill and other food and grain cartels. They have every reason to do so, because the Uruguay Round imposes dictatorial control on their activity, forbidding farmers from sowing seeds. In India, large foreign companies which take local seeds and treat them, however slightly, in laboratories, can then take out a patent on the altered seeds and sell them back, at a much higher price, to the Indians.

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