
Swedish Elections

Quacks can't solve economic crisis

by Goeran Haglund

A Nobel Prize scandal, speculative financial losses, and a diplomatic clash with France were some of the chief ingredients in the political mix leading up to Sweden's Sept. 17 election of 22 delegates to the European Parliament in Strasbourg, France. While a myriad of some 30 parties spent their energies quarrelling over whether or not it were more politically correct to say "yes," or "no," to the European Union and its parliament and to the upcoming 1999 European Monetary Union plotted in the Maastricht Treaty, the European Labor Party (EAP) mobilized for mass leafletting and pamphlet distribution overturning the very basis of conventional economic wisdom: the mechanistic, Newtonian notion of the universe as an entropic system doomed to run down and die.

Challenging the charlatans responsible for the dire straits of the world economy, the EAP campaign puts forward the kind of monetary and financial bankruptcy reorganization necessary to launch a revival of the real, physical economy, as outlined in the main campaign leaflet and a pamphlet, "Why Most Nobel Prize Economists Are Quacks," written by Lyndon H. LaRouche, Jr. (see *EIR*, July 28, 1995).

Within days of the large-scale leaflet distribution, a scandal broke in the mass media: "Company 'Bought' Nobel Prize," read the front-page banner headline of Sweden's largest daily, *Dagens Nyheter*, on Sept. 3. In particular, the revelations focussed on the awarding of the 1986 Nobel Prize for medicine to a medical researcher employed by Fidia, an Italian pharmaceutical company, after that company had granted generous financial support for a number of Swedish professors of medicine. Accompanying background interviews, comments and related information, however, corroborated the EAP's charges that scientific competence is not necessarily the most important merit for winning a Nobel Prize.

Indicating the degree to which established economic wisdom is losing credibility, at least three regional dailies, spanning the political and geographical spectrum, have run the EAP's leaflet as a guest commentary.

'Place your bets, ladies and gentlemen'

Amid news of bankruptcies and losses on the financial markets, including a 2.6 billion kroner speculative loss by the old Wallenberg family bank, S-E-Banken, one form of economic activity, lawfully, is booming in Sweden: gam-

bling. Lest anyone should entertain any doubts about the EAP's thesis concerning the nature of the speculative bubble that is suffocating the productive economy, the lead article of the Sept. 12 *Dagens Nyheter* blared, "Stock Market Lottery May Become New Form of Gambling."

The article reports on advanced plans by "influential stock market interests" to conduit more "risk capital" to the Stockholm stock exchange, by soaking up vast amounts of gambling funds now flowing into more conventional lotteries. Such "stock lottery tickets" would be sold in food and tobacco shops. "We have listened to the proposal and find it interesting," *Dagens Nyheter* quotes Lars Bredin, deputy head of the Stockholm stock exchange.

At the expense of the real economy and, in some cases, drastically increased food prices, a severe austerity policy implemented by the Social Democratic government has pushed some of the financial indicators in the direction required for entry into the European Monetary Union. While going out of their way to conform to the financial dictates of the EMU, the Swedish Social Democrats played a leading role in the political hate and terror campaign against French President Jacques Chirac, about the alleged hazards of France's nuclear tests.

Swedish Culture Minister Margot Wallstroem marched hand-in-hand with Tahiti separatist leaders, and Premier Ingvar Carlsson, whose domestic popularity has risen conspicuously since he announced his resignation, backed the phony campaign, earning himself a disinvitation from his scheduled visit to France.

Since the hazards of the nuclear tests are a chimera, the conclusion could be made that it is France's strategic realignment away from ex-President François Mitterrand's *Entente Cordiale* with Britain, toward close coordination with U.S. President Bill Clinton, that is the real cause of Carlsson's great discomfiture.

Indeed, the long overdue bombardment of the genocidal Bosnian Serbs by NATO forces, made possible only by this U.S.-French rapprochement, has been a severe setback to the British balance-of-power game on the Balkans. In the spirit that, "if you can't beat them, join them," Sweden is leading an effort to tilt political control over the reconstruction work foreseen in the U.S. peace plan for Bosnia, toward British notions of "democracy."

Bragging that nobody else is as advanced as Sweden in preparing Bosnia's reconstruction, Swedish Foreign Aid Minister Pierre Schori emphasized on Sept. 13 that the important thing is not so much "rebuilding houses, roads, and communications," but to "channel money into democratic political parties and peace groups," under the supervision of the European Union, the United Nations, and the World Bank. Given the record of those supranational institutions in the Balkans war, or the ruined state of the world economy, it is an unprecedented act of self-complacent arrogance to try to teach Bosnia how to order its political or economic life.