

International Intelligence

Russia's WTO Entry Put Off to 2007

At a press conference May 20, Deputy Minister of Economic Development and Trade Maxim Medvedkov, Russia's chief negotiator with the World Trade Organization (WTO), admitted that Russia's entry in WTO has been postponed for four years or more. Russia has been negotiating about WTO membership for ten years. Russia's relations with the WTO merited one vague sentence in President Vladimir Putin's annual Message to the Federal Assembly, delivered on May 16. "We have some progress in our movement toward WTO membership," he said.

Actually, according to major Russian papers, no progress has been visible for the last year and a half, as the Russian negotiators are reluctant to concede to the WTO's major demands, such as liberalization of the domestic market of fuel products (natural gas and gasoline), lifting state subsidies for agriculture, and opening the financial markets to foreign bankers and insurers.

At his press conference, Medvedkov referred to the miserable experience of those CIS countries which joined the WTO and lost most of their domestic productive facilities—Moldova, Georgia, and Kyrgyzstan. "I guess they opened the markets just for the reason that those markets were underdeveloped," he said, contradicting WTO authorities who try to describe the three unfortunate post-Soviet republics as success stories.

Franco Revival Under Way In Spain?

Germany's *Frankfurter Allgemeine Zeitung* on May 20, in an article on "Franco's Quiet Return," reported that on the 100th anniversary of the birth of the Synarchist founder of the Spanish Falange, José Antonio Primo de Rivera, a revival of Spanish fascist dictator Francisco Franco is taking place in Spain. Supporters of de Rivera displayed books by him outside a Church in the center of Madrid, where a mass was being celebrated in his honor.

Primo de Rivera, who founded the Falange Española in 1933, was a good friend of Sir Samuel Hoare. Hoare, who played a role in Moscow during the 1917 Bolshevik Revolution, and was named by the French pro-fascist Synarchists as their key collaborator in Britain, was later also the British Ambassador in Madrid.

Rivera's writings were promoted by Fernando Quijano, a former associate of Lyndon LaRouche, who betrayed LaRouche and attempted to take over LaRouche's movement while LaRouche was in prison.

Primo de Rivera called for the abolition of political parties, and declared that Spain's historical fulfillment is the empire. "In the economic sphere, we think of Spain as one huge syndicate of all those engaged in production. We shall organize Spanish society along corporative lines, by means of a system of vertical unions representing the various branches of production, in the service of national economic integrity." The "National Syndicalist state" was to be constructed "on the principles of family, municipality, and guild." "The family, municipality, and the corporation are the pillars of our real existence," he wrote. "Ours will be a totalitarian state."

The *Frankfurter Allgemeine Zeitung* article reports that a new book, by a former Marxist, entitled *The Myths of the Civil War*, attempts to rehabilitate Franco. The book has been number one on the bestseller list in Spain for weeks.

N. Korea Offers U.S. New Silk Road Bargain

North Korea on May 25 issued an important call to the United States to continue negotiations, which Washington has still not said it is willing to do. A North Korean Foreign Ministry statement said, according to Reuters, that Pyongyang will now agree to U.S. demands for "multilateral talks" over its nuclear program—if Pyongyang and Washington hold bilateral talks first. This is a more substantial proposal than anything yet out of Washington.

"The U.S. has not yet said any word about the D.P.R.K.'s 'bold proposal' [at the

Beijing meeting in April] for the settlement of the nuclear issue, but is talking about the format of talks, calling for the 'five-party talks,'" said the North Korean statement, referring to the United States, China, both Koreas, and Japan. In fact, it is South Korea and Japan that are pushing to be let in, and it has been North Korea which has refused to meet the larger group.

"As there are issues to be settled between the D.P.R.K. and the U.S., the two sides are required to sit face to face for a candid discussion on each other's policies. Only then is it possible to have multilateral talks and make them fruitful," said the statement. "It is the D.P.R.K.'s stand that the D.P.R.K.-U.S. talks should be held first and they may be followed by the U.S.-proposed multilateral talks."

The Japanese Foreign Ministry in Tokyo welcomed the North Korean statement, saying it reflected Pyongyang's stance of seeking continued dialogue with countries concerned about the nuclear issue, *Kyodo News* reported.

Russian Defense Minister Sergei Ivanov in April offered to guarantee North Korea's security in the context of joining this group for Six-Power talks, and it is expected Russia also will join.

Franks Quoted: Iraqi Officers Were Bribed

The London *Independent* on May 26 reported, "Senior Iraqi officers who commanded troops crucial to the defense of key Iraqi cities were bribed not to fight by American special forces, the U.S. general in charge of the war has confirmed. Well before hostilities started, special forces troops and intelligence agents paid sums of money to a number of Iraqi officers, whose support was deemed important to a swift, low-casualty victory.

"Gen. Tommy Franks, the U.S. Army commander for the war, said these Iraqi officers had acknowledged their loyalties were no longer with the Iraqi leader, Saddam Hussein," the paper reported. "It is not clear which Iraqi officers were bribed, how many were bought off or at what cost. It is likely,

AFGHANISTAN under its U.S.-sponsored government has reclaimed its position as the world's No. 1 producer of opium poppies, according to the *Baltimore Sun* on May 26. It now supplies nearly three-quarters of the world's opium, while the drug trade accounts for 20% of the Afghan economy. Sen. Joe Biden (D-Del.) said on May 22, "What we saw in Afghanistan, and what, unfortunately, we're seeing again in Iraq, is that for all our success at projecting power, we're less adept at staying power."

IRAQ archeological sites continue to be looted by well-organized gangs, the *New York Times* reported on May 27. These include famous ruins, such as the sites of the ancient cities of Babylon and Isin, where they were digging out and selling urns, sculptures, and cuneiform tablets. They know what to look for and how to get it out of the country. U.S. "viceroy" Bremer's decree prohibiting most Iraqis from carrying guns in public may disarm the Bedouin watchmen who guard the sites. The looting reflects broader lawlessness.

TURKISH Chief of General Staff Gen. Hilmi Ozkok took offense at the government's policy of re-hiring persons who had been expelled by the military because of their pro-Islamist activities. On May 26, at a briefing, General Ozkok was asked whether the military would repeat what it had done in 1997, when it ousted Islamist Prime Minister Erbakan. "That was cause and effect," he said, "and if the cause is still there, then the effect will be there also."

CHINA completed its space-based navigation system on May 25, launching its third navigation satellite, called Beidou. China's satellite navigation constellation will provide precision positioning information for objects on Earth, in three dimensions—latitude, longitude, and altitude. It is similar to the U.S. Global Positioning System (GPS). The GPS is run and controlled by the U.S. military, and can be turned off to civilian or foreign users at any time.

however, that the U.S. focused on officers in control of Saddam's elite forces, which were expected to defend the capital. The Pentagon said that bribing the senior officers was a cost-effective method of fighting and one that led to fewer casualties.

"The revelation by General Franks . . . helps explain one of the enduring mysteries of the U.S.-led war against Iraq: Why Iraqi forces did not make a greater stand in their defense of Baghdad, in many cases melting away and changing into civilian clothes rather than forcing the allied troops to engage in bitter, street-to-street fighting. The confirmation [revealed in the current edition of *Defense News* by reporter Vago Muradian] that crucial senior officers were bribed, would explain why there was so little resistance in locations where it was anticipated that better-trained troops such as the Republican Guard would make a stand."

Kirchner Inaugural Optimistic, Cites FDR

Speaking on his country's Independence Day, May 25, Argentina's new President Néstor Kirchner promised to make the state an active agent in national development, and in restoring to the citizenry those basic rights—jobs, health care, education, and dignity—of which they have been so brutally stripped under the past decade of neoliberal policy. Kirchner emphasized that there can be no model of "permanent [International Monetary Fund] adjustment" and constantly increasing indebtedness; nor can the debt be paid "at the expense of the hunger and exclusion of Argentines, generating poverty and social conflict." Creditors can only collect if "Argentina is doing well."

With 12 foreign heads of state in attendance, Kirchner asserted that the success of policies will now be judged by different criteria: whether they "approximate the goal of concretizing the common good." Internal consumption "will be at the center of our strategy of expansion," he said. The state must exercise its regulatory capacity, and help to build "national capitalism." There is nothing extremist about this, he said. Look at how developed countries "protect their

producers, their industries, and their workers."

The centerpiece of the government's new program will be an aggressive public works program, the new President said. The state must ensure completion of "unfinished projects, generation of genuine employment, and big investment in new projects." Neo-liberalism called these "unproductive investment," he said. But "we aren't inventing anything new. In the decade of the 1930s, the United States overcame the deepest economic-financial crisis in a century by such means" during the Franklin Roosevelt government. Kirchner underscored that projects for building highways and railroads, housing, "new and modern hospital, education, and security infrastructure, will profile a country productive in agro-industry, tourism, energy, mining, new technologies, transportation, and will generate real employment."

Bush vs. Chirac On Africa Food Policy

The Bush Administration is working to defeat French President Jacques Chirac's plan to put a floor under African commodity prices at the G-8 summit. Chirac's plan is in line with his proposal, at the Franco-African Summit in February, to provide at least ten years of favorable terms of trade for Africa.

President George Bush's counterproposal to help Africa "is believed to be a vast expansion of its subsidized food aid program, allowing it to pump even more money into American farms under the guise of aid," according to the London *Guardian* on May 23. Speaking at the Coast Guard Academy on May 21, Bush said he was urging the European Union governments to cut their \$4 billion in agricultural export subsidies. But the White House is working behind the scenes to prevent any mention at the G-8 summit in Evian, France, of U.S. agricultural export subsidies, estimated at \$3.5-4 billion.

A G-8 official said, "America's opposition to this plan is so strong, they will be negotiating over it right up until the wire. We might end up with nothing."