

Nicaragua: crimes of the IMF

Within days of winning power in Nicaragua, the new Reconstruction Government has launched a cleanup against the International Monetary Fund's Nicaraguan drug empire, while simultaneously appealing to advanced industrial countries—especially Western Europe—to finance the rebuilding of that wartorn country.

Nicaragua's initiatives offer a perfect opportunity for the continental European architects of the European Monetary System to carry their conception into its second, decisive phase: challenging the supremacy of London's IMF and World Bank by funding real economic development in the Third World.

What the Reconstruction Government is asking for is \$3 billion in economic aid. Their special envoy to Europe, Eduardo Kuhl, issued a statement calling on each European nation to finance and help construct a city in Nicaragua, cities which will then be named "Germany," "Sweden," and so forth.

The government has also called upon the international community to examine for itself the evidence now coming to light of ex-dictator Somoza's crime enclave, citing especially the discovery of 40 carefully cultivated acres of marijuana of the estate of one of Somoza's closest relatives. Gambling, prostitution and drug-running have now been outlawed.

Reconstruction government officials have announced that they have documented evidence of how World Bank and IMF monies financed Somoza's campaign of genocide against the population—a campaign that left 40,000 dead and tens of

thousands of children permanently blinded. An eighth of the population—300,000 people—are injured, mutilated or deformed. More are homeless.

In light of the evidence, junta member Moises Hassan declared that the government will not honor the debts contracted for Somoza's genocide, including the \$34 million in Special Drawing Rights granted the IMF—with U.S. support—in May. World Bank monies paid for the costs of mercenaries fighting for Somoza, a cost of over \$2000 a day, not including "bounties" from \$5,000 to \$10,000 paid out for special bombing missions and the assassinations of opposition leaders.

Somoza also took out of the country every penny of foreign cur-

rency reserves. During his last days in power he slaughtered the beef cattle herd and shipped it out of the country on his private shipping lines.

Will Nicaragua become "another Cuba" as numerous U.S. press and political figures have worried aloud? Not if the United States gears its policy toward the rebuilding of a nation as the new leaders have asked.

It would be small amends for the U.S. government's decades-long role in installing and propping up a regime whose only *raison d'être* was to serve organized crime—"Dope, Inc." And, it would create a situation in Nicaragua in which the interests of both the U.S. and Nicaraguan populations would finally be served.

—Nora Hamerman

The Week in Brief

Former Attorney General Edward Levi is in big trouble ... and the Carter administration and Ted Kennedy machine are in it with him. The reason: Levi's protégés from his stint in the Justice Department under President Ford were caught July 23 red-handed in a massive "dirty tricks" operation against the third-party candidacy of Lyndon LaRouche.

The operation involves the New York Times and a mysterious Special Investigative Unit of the Justice Department which has a 45-lawyer staff, about to be expanded to 63, purportedly deployed in the task of "catching Nazi war criminals" but actually cooking up a slander campaign against the U.S. Labor Party

and LaRouche. A full report on this "superwatergate" story will appear in EIR next week.

Back home in Chicago, Mayor Jane Byrne nominated Levi to head a police board charged with appointing the officials of an antidrug effort hastily assembled to distract from the work of the Illinois Anti-Drug Coalition. Spokesmen for the coalition held a press conference denouncing the choice of Levi, and documenting his connections to "Dope, Inc.'s" drug and terrorism networks.

The charges appeared in the Chicago Tribune. Levi withdrew his name on July 22.

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Another triumph was chalked up to the antidrug movement on July 22 with the success of the Illinois Anti-Drug Coalition's First Annual Awards Dinner, attended by 350 persons in Chicago. Among the speakers were Chicago Police Department representative Gene Hunt, Michigan Anti-Drug Coalition Vice-Chairman Salahuddin Muhammad, Philadelphia Medical Examiner Edward Christian, and Farid Muhammad, Director of the Institute for Bilalian Affairs, who delivered greetings and support to the coalition from Wallace Deen Muhammad, President of the World Community of Al-Islam in the West. U.S. Labor Party chairman Lyndon LaRouche also addressed the event.

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India has a new government—but it is viewed as a temporary formation and elections are expected very soon, perhaps by the end of the year. India's President Reddy has asked former Finance Minister Charan Singh to form a cabinet exactly eleven days after the fall of the Desai government.

Singh produced his 280-names coalition list based on the critical support of 72 Members of Parliament associated with former Prime Minister Indira Gandhi, whose exclusive interview is featured in our ASIA report.

Reddy has ordered Singh to call Parliament to order during the third week of August and face a no-confidence motion. Singh, a former member of the Janata Party, represents wealthy farmers in the northern region, but his government coalition is made up of socialists and former and present Congress Party members of many shades. The big loser is the Hindu revivalist Jan Sangh grouping in the Janata, which stuck by Desai.

A preview of the totally new political alignments expected to emerge may be seen when Singh announces his cabinet July 28.

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More of the same remedy that got the Third World into its present disastrous condition—International Monetary Fund “conditionalities”—is the prescription for Africa that will be offered up at the British Commonwealth Conference taking place the first week in August in Lusaka, Zambia. The policy was spelled out in a confidential background paper prepared by the Commonwealth Secretariat in London and leaked July 24 in the Financial Times.

The paper pushes for what it calls “a serious search for international economic policies which would attack the urgent problems of world poverty and of recession simultaneously.” Private capital markets can no longer solve the economic crunch hitting the non-oil producing developing countries; therefore the role of official agencies, particularly the IMF, is especially important in this context.”

Also on the Commonwealth Conference agenda is the question of the Muzorewa government in Rhodesia, which the British want to recognize. Australian Prime Minister Frazer has sent a letter to the African heads of state concerned with the question urging that the Muzorewa government be accepted as a “step forward.” At the recent Organization of African Unity meeting in Liberia, the Muzorewa delegation was turned away and the OAU endorsed the Patriotic Front as the sole legitimate representative of Zimbabwe.

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Under the headline “Capital Formation is an economic imperative,” a

French magazine's July 16-31 issue reported favorably on Lyndon LaRouche's Riemannian economic model first presented in *Executive Intelligence Review*. The coverage, which we quote below, came in “Tendances et Conjonctures,” a Gaullist-edited subscription-only bimonthly, and highlighted the magazine's report on a recent Fusion Energy Foundation conference in Paris.

“In the period of rapid economic evolution we have entered, in which ‘navigational aid’ becomes of crucial importance, the perfecting of forecasting techniques has become a particularly precious tool. The new cybernetic tool recently discussed at the headquarters of the French Engineers and Scientists, on the occasion of a meeting on the development of Africa, is reported to be qualitatively and numerically superior to the present input-output econometric models.

“The new ‘Riemannian model,’ conceived by Uwe Parpart and Steven Bardwell with a team of economists, computer analysts and physicists, and based on a conception developed by Lyndon LaRouche (‘The Theory of the European Monetary Fund’) assumes the essential task of simulating the real impact of technological progress on the economy. The introduction of discontinuities in this model corresponds to the shock waves studied by Riemann, permitting the conceptualization of an effective computerized forecasting model.”

“It will remain to be hoped that the new Riemannian model will accomplish miracles in the hands of contemporary decision makers. It is true, by the way, that common sense, in order to triumph, often needs shockwaves,” comments Tendances et Conjonctures.

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