

## IMF depopulation plan moves into the open

by Kathy Burdman

Jacques de Larosière, managing director of the International Monetary Fund, made public Aug. 8 the basic conditionality for IMF loans of which informed bankers have known for some time. In a major policy address in Salzburg, Austria, de Larosière announced that the IMF openly seeks the enforced reduction of the world's population by several billion human souls at the end of the century. "Global population projections recently published by the United Nations are disturbing," he stated. "The world's population, today approaching 4.5 billion, will increase by a further 6 billion before stabilizing at 10.5 billion within 130 years. . . . On more pessimistic assumptions, it could rise to more than 14 billion before leveling off within 150 years.

"Clearly, all countries have a vital interest in encouraging and participating in the massive effort that will be required if the world is to be protected from the pressures of a population growing beyond the capacity of its resources endowment."

The IMF, together with its sister institution, the World Bank, which demanded sharp world population reduction in its August *World Development Report 1981*, has determined to actually reduce the volume of credit available to the Third World during the immediate period ahead to enforce this population policy. This means, according to the U.S. Treasury delegation to the IMF, that nations will reduce their populations by reducing their actual consumption of food, oil, and other basic goods, thus reducing their imports and their foreign borrowing needs.

The IMF apparently believes that this will allow a

reduction in the size of the Third World's borrowing needs for 1981, now estimated by *EIR* at over \$150 billion, and help hold the banking system together by easing refinancing needs. Yet the bungling Fund's austerity causes more political chaos and national bankruptcies than bank lenders can paper over.

Donald Regan's Treasury and Alexander Haig's State Department have already endorsed the IMF's goal of population reduction as official U.S. policy, a Treasury source told *EIR* (see page 7). "We shouldn't finance deficits," the source stated. "We must force internal adjustments in the Third World."

This is not only a monetary policy: it implies a deliberate policy of wars and starvation in addition, to ensure that 6 billion people or more *are never born* over the next 130 years. The fact is that mean world population age is so low that the sheer number of women *already living* at child-bearing age today will ensure the birth of 6 to 10 billion more people before zero-population stabilization may be reached. No birth-control program known will prevent this. The only way to prevent it is to "kill the men and the child-bearing women," as recommended by the Haig State Department's Office of Population Affairs.

The explanation for such a remarkable policy in the capital of the United States must be laid squarely at the door of its authors: the British royal family and the British Commonwealth. It was the British Commonwealth that commissioned Chancellor Lord Keynes to set up and staff the IMF after World War II and continue the British Empire by making the noncommunist world

dependent on the IMF for all financing. As we reported last week, British Foreign and Commonwealth Minister Lord Carrington is currently acting on behalf of the royal family to make the British Commonwealth as an institution "the seed crystal for a global order," according to the Commonwealth Secretariat in London.

The Commonwealth takes direct credit for the IMF's current population policy. "The Commonwealth already has a population policy" said a source close to Carrington at Washington's Heritage Foundation. "It is in line with Global 2000," the Carter administration blueprint for the reduction of world population by 2 billion people over the next two decades. "The Commonwealth is a power bloc for the British Crown that functions as a weapon in time of crisis. Now we have a crisis."

### A Chinese model for Cancún

The British Commonwealth, the IMF, and the International Commission on Development Issues headed by former West German Chancellor Willy Brandt have a specific program for their depopulation push. Their target is the Oct. 22-23 North-South summit for heads of government at Cancún, Mexico. Their model is the barbaric population program now being implemented in Maoist China—the forced abortion at gunpoint of tens of thousands of Chinese women who have exceeded the legal limit of one childbirth.

All Third World countries will be told at Cancún that they must use China as the "model," and "set some upper limit" of children allowed per family. A high official of the Aspen Institute who helped ghostwrite the Brandt Commission's report told a journalist. Several Brandt Commission delegations have visited China to study its population program. "It's pretty authoritarian, but they're getting the job done," said the Aspen official. He noted that Secretary of State Alexander Haig and his Undersecretary of State for Security Affairs James Buckley have quietly endorsed the Chinese program as a "model" for the Third World.

An aide to Undersecretary of State for Economics Meyer Rashish, who is in charge of organizing the Cancún summit in Washington, told *EIR* that Haig "had met with Chinese Foreign Minister Huang Hua" in early August and "believes that the Chinese are a most positive force in international relations, especially in their working with the IMF and the World Bank.

"The Commonwealth has played a big part in the Brandt Commission's policies," said the source, noting that former Conservative Prime Minister Edward Heath, a collaborator of Carrington, runs the Brandt Commission in practice.

The British Commonwealth in fact sent a delegation to Peking Aug. 17-28 headed by Canadian Foreign Minister Mark MacGuiggan, expressly to coordinate a joint Commonwealth-China strategy for the Cancún

summit. In meetings with Huang, MacGuiggan endorsed the Chinese Maoist work-camp economy as a model for the Third World and studied the Chinese population program. The World Bank has meanwhile issued an official, on-paper endorsement of the Chinese population program as the global model.

## World Bank, IMF, and Aspen on the future

*From the World Development Report 1981.*

It took 35 years for the world's population to rise from 2 billion to 4 billion; the next 2 billion is likely to be added in only 25 years. Most of that prospective growth is alterable only between narrow limits. But the extent of progress in development during the rest of this century will make a major difference to population growth in the next. What happens between now and 2000 will determine whether world population can stabilize at about 8 billion in the 21st century, or carry on growing more quickly to 11 billion or more. This will depend in part on government actions during the adjustment period—in particular, whether they can maintain and expand the programs that influence fertility decline. . . .

- **China's** crude birth rate declined from 34 in 1957 to 18 in 1979, and the population growth rate was only about 1.2 percent a year in 1980. The official family planning program was started in 1956, but only acquired impetus in the early 1970s, with the introduction of free contraceptives, delayed marriages, quotas, peer pressures and economic incentives and disincentives. The result: about 70 percent of the women who might become pregnant practice contraception, a rate comparable to that of the United States—68 percent in 1976—and significantly higher than that in other developing countries—23 percent in India, 41 percent in Sri Lanka, and 46 percent in Colombia.

Until recently 28 was the recommended marriage age for men and 25 for women in cities. . . . Women receive paid vacations after undergoing sterilization and abortion. In some provinces, couples pledging to have only one child receive financial allowances and priority in education, employment and housing. Couples having more than two children are penalized. Disincentives are mostly social—the community disapproves of those who do not conform to the birth planning policies. . . .

- By contrast, in **Brazil** official support for family planning is not strong. Despite rapid economic growth, Brazil's population growth rate remained at 2.2 percent a year in 1970-79.

*From an Aug. 17 interview with a senior Aspen Institute official who took part in drafting the Brandt Commission report.*

**Q:** Will anything be accomplished at Cancún?

**A:** Yes, because these summits require, within a nation and administration, a going-over and briefing on these matters as to what they want. . . . There's more of a note of realism around the world regarding North-South issues, there's going to be less shouting and more dealing with the issues.

**Q:** Can the Brandt Commission get a consensus on its proposals?

**A:** I mentioned this before, I worked with Chancellor Brandt on the commission, and strangely enough, that report has been picked up recently. . . . The Brandt report doesn't go away.

**Q:** What about Article 20 of the Ottawa communiqué on population? Was that part of the efforts of the group?

**A:** I'd say population, food and water, yes, these are the issues. They're all in there.

**Q:** In the Brandt report?

**A:** Yes, population, food and water, armaments, and social unrest, those five factors are embedded in the report and in countries' policies, both foreign and domestic, no matter what they do. If one looks at it hard-headedly, to see what can be done, the more one realizes that with 6.2 billion population at the end of the century, we're going to need more than band-aids. . . .

**Q:** Operating from the Brandt report, what do you mean by "something more than band-aids"? What would you do on the population issue specifically?

**A:** I'd keep two things going. One, is I'd continue to call attention to the strain of another, well, one-quarter of a billion people now and 2 billion people that are going to be there, in terms of what it means in food, water, and so on, that we just can't go on this way.

The second thing I'd do is just keep legitimizing that this is a choice of individuals and countries, that the world just can't go on indefinitely adding [people] and expect to have our life continue. Those people who feel that way, can take measures, if that's the way their governments and their individuals choose. China, of course is taking very strong measures, toward the family of more than one child; a lot of countries couldn't do that.

**Q:** Is there a way to get other countries, besides China, to start thinking in those terms?

**A:** Oh, I think so. Like Mexico, Colombia, various—

well—you can go around the world say, "There is a point beyond which there's going to be disincentives [for having children], and whether it's two or three or zero, population growth for each country, there will be some level of choice." But you have these goals set, and constantly referred to, and *played back* against that 2 billion to be born, and what its cost is to the welfare of those that are around, I think it can be done.

**Q:** And the China policy?

**A:** Well, I just happened to mention that because that's the most stringent.

**Q:** But they're getting the job done?

**A:** They're getting the job done, it's pretty authoritarian, but, yes, they're getting the job done, and for them it may be the right course. China gives penalties after one [child].

**Q:** Are there people in James Buckley's group at the State Department who are looking at China, who think it can serve as a model for other LDCs?

**A:** Yes, the entrepreneurship, and the role of the family in agriculture has a certain model to it. It's the greatest social experiment around.

**Q:** Is Buckley working with the Chinese population plan as a model?

**A:** I don't think anyone can go to China without hearing about the Soviet Union, the population problem, and small investment in large-scale agriculture. There are certain themes that everyone gets. The earliest mission I remember was the Draper mission on population; they did very thorough work . . . even during the Cultural Revolution on the population thing. . . . That's just deeply embedded as a policy.

**Q:** What lessons will Mr. Buckley draw for the rest of the Third World?

**A:** That any nation that has the determination to do something about it, that it can be done. As long as they do something effective, there's no great resistance on the part of the people. . . .

**Q:** What will be China's general role at Cancún?

**A:** They're the biggest social-change country in town, they are the entrepreneurial show in town, they are setting up entrepreneurial centers.

**Q:** You mean free-enterprise zones?

**A:** Yes, modeled on Taiwan and South Korea. . . . They have overseas Chinese coming in there. . . . I think they'll use the overseas Chinese, including Taiwan. They use two dozen institutes in the West, including ourselves.

From an Aug. 17 interview conducted by EIR European Economics Editor Laurent Murawiec in Washington, D.C., with a senior U.S. Treasury official at the IMF who preferred not to be named.

**EIR:** How do you see the near-term role of the IMF?

**A:** Four weeks ago we had a round of consultations and we were able to explain our policies. . . . There was a lot of discussion on the mix of fiscal and monetary policies. So we explained that if we [the U.S.] did a tighter fiscal policy [as a tradeoff for lower interest rates] now, there would be a recession and lower U.S. economic growth would hurt the rest of the world. Everybody is focusing on interest rates; for me it is quite frustrating to see this, as if interest rates were the only thing in the world. . . .

**EIR:** A good many countries are in serious trouble.

**A:** What do you Europeans really want? After all, a couple of years ago you were telling us to take drastic steps against inflation. The high interest rates will not last. There is an excessive preoccupation with U.S. interest rates per se. Tradeoffs are necessary. . . .

Third World countries' problems are essentially major problems within their own economies . . . in most cases of Third World countries coming to the Fund, they need to make internal adjustments, eliminate price controls, subsidies for food, and consumer prices which discourage production. They must stop maintaining totally uncompetitive exchange rates. Do we keep funding ever larger deficits, or force internal adjustments? The Fund must not so much provide money; that is not its main task . . . the more money is lent, the less the incentive and the pressure to adjust. The strength of the Fund is in advising, then this encourages private lenders to lend.

**EIR:** [IMF Director General Jacques] de Larosière just told a population conference in Salzburg that global resource constraints would be reflected in population policies. Do you think the Fund should take an active role in this respect?

**A:** Let us not make it an institutional focus at the Fund. If you ask my personal advice, I personally agree with de Larosière. Not at the Fund—but McNamara's World Bank pushed a lot in this direction.

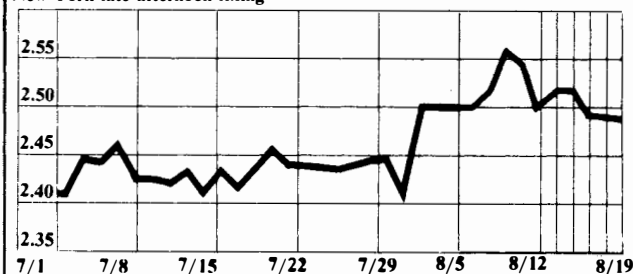
**EIR:** Look, the immediate problem is that half the Third World is plainly bankrupt.

**A:** Oh, you are painting too black a picture. I am not that worried. The real problem is whether these countries can control their current-account deficits. . . . We must keep wrestling with the countries in question for internal adjustments. Maybe it would be healthy for the international system if a few controlled bankruptcies occurred.

## Currency Rates

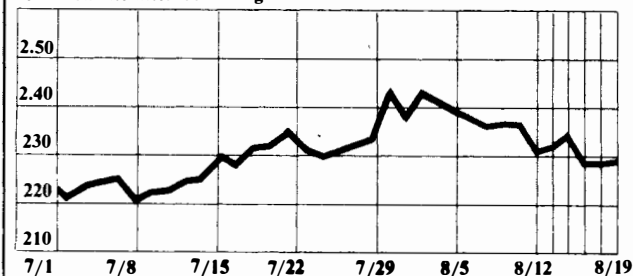
### The dollar in deutschemarks

New York late afternoon fixing



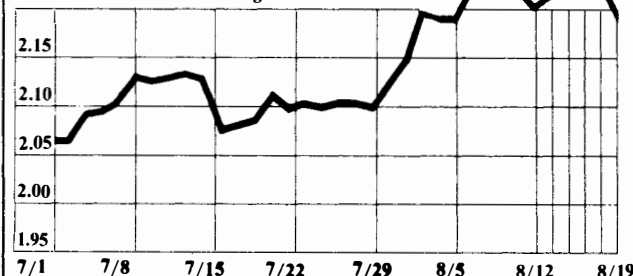
### The dollar in yen

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing

