

Business Briefs

Far East

IMF tries to topple Philippines government

One policeman has been shot and 200 people arrested in cities throughout the Philippines in the first two days of strikes and protests following the Oct. 21 signing of "a letter of intent" between the government of President Ferdinand Marcos and the International Monetary Fund. The conditions attached to the letter prove that the "intent" is to bring down Marcos.

The terms include slashing of government subsidies for vital food staples to the population, slashing government subsidies to industries controlled by Marcos's political "cronies," and lifting the year-old freeze on foreign exchange trading in the peso.

Bus drivers across the country staged a two-day strike to protest a hike in fuel prices, leading to clashes with police and preventing thousands from getting to work. The shooting of a constabulary officer in Davao City, Mindanao, is a clear indication that the guerrilla arm of the Communist Party, the New People's Army, will take advantage of the crisis to move into the cities.

The economic onslaught against Marcos is coupled with mounting pressure to pin the murder of opposition leader Benigno Aquino on military and industrial circles very close to him. Corazon Agrava, head of the government commission investigating the murder, has submitted a minority report charging that a military conspiracy carried out the murder and then attempted to cover it up. Agrava traces the conspiracy to the head of the security forces at Manila airport, Lt. Gen. Luther Custodio.

The other four commission members will shortly release their report, which is expected to go one step beyond Agrava and charge that Marcos' close personal ally, Chief of Staff General Ver, is directly responsible for Aquino's death. In addition, the attorney for accused "hitman" Rolando Galman has charged that one of Marcos' closest associates and first cousin to Aquino's widow, industrialist Eduardo Cojuangco, was complicit in the assassination.

During his second debate with Walter F.

Mondale, President Reagan stated in reference to the Philippines that while there are problems with democracy there that don't please the United States, the only alternative to the present government is chaos. The IMF- and Soviet-backed "opposition" is committed to shutting down all U.S. military bases there and forcing U.S. withdrawal, effectively turning the entire Pacific over to the Soviets. Reagan, who has continued to support the IMF policies, has to decide whether his second administration will continue to do so, or whether U.S., Filipino, and Western interests will be protected.

Agriculture

Bush farm speech reflects LaRouche

In comments to Minnesota farmers on Oct. 23, George Bush begged "someone" to help the administration with its farm policy because the administration was not satisfied with a policy of shackling U.S. capacity while parts of the world starve to death. According to the Oct. 24 *Washington Times*, Bush said: "You know, here's a world we're living in where a lot of people are hungry, and no administration, including ours, has been able to match the requirements for food in the world with our ability to produce. And I don't know whether we're missing something on that, but that's one where I think the agricultural community could really do an awful lot of thinking. You know, you can travel as I do to Africa where there's really people hurting and we have this marvelous ability to produce, and take it for granted, and yet we haven't found the formula as to how you match up without further exacerbating deficits and all of that."

Referring to the administration's efforts to export more farm products, Bush continued: "But still there must be a better way out there. So, if we're successful and you all are tossing around and find ways to do that, I think it would be an extraordinarily helpful thing for mankind as well as for our great productive base in this country. And that's one of the things that's troubling me, and I

know the President's concerned about it. We just haven't been able to match it up as to how you take what the government has in crops, and you know, where we buy products and stuff and get it where it really saves people's lives."

Then, reflecting the grain cartel and libertarian pressure to slash U.S. farm programs in the 1985 farm bill, Bush somewhat densely added: "But we don't want to go back to the [farm-parity] programs, and the grain embargo and these kinds of things that really hurt the American farmers, [and] didn't help us at all in trying to expand our exports. . . ."

Economic Crisis

Ibero-American unemployment rising

Unemployment in Ibero-America is skyrocketing, according to a just released United Nations study. The study, carried out by the U.N.'s Employment Program, also found that underemployment has increased while real wages have decreased significantly, as a result of the IMF-induced depression on the continent. Unemployment went up from 8.9% in 1982 to 11.1% this year. At least 6.4 million people are out of work in the 24 countries that comprise the region.

Worst hit is Pinochet's Chile, which until very recently slavishly adhered to the "free market" prescriptions of Milton Friedman; more than 18% of the population of Santiago, the capital, is out of work. Colombian President Belisario Betancur this week was forced to order a freeze on all government hiring due to a lack of immediate cash to pay wages.

Brazil, which is expected to post a record \$12.5 billion trade surplus this year because the IMF has forced it to export everything possible to pay its creditors, is being forced to scrap a plan to double grain production to feed its starving population for lack of affordable credits.

Commenting on the policy, one of Brazil's leading bankers said: "The most serious debt of Brazilian society is that owed to the

mass of people, between 30% and 40% of the population, who live in absolute poverty."

However, the IMF is demanding that Brazil further pauperize its population, by "opening-up more" to goods from abroad. An IMF team visited Brazil a few days ago and sniffed that recent steps taken by the government to lift import restrictions on some 2,000 categories of goods "are insufficient." The IMF also demanded that the Brazilians abolish a 25% import tariff, and allow the importation of goods that can be produced locally, which will lead to the closing of factories and more unemployment.

International Credit

Bolivia resists austerity pressures

Bolivian President Hernan Siles Zuazo reaffirmed on Oct. 24 that his country would continue its moratorium on debt payments to foreign bank creditors indefinitely, "until Bolivia has achieved an adequate economic recovery." West German bankers agree that Bolivia cannot pay its debts, but assert, "The banks will not accept unilateral positions from Bolivia."

Siles is staving off, day by day, an Ab-scam-type operation run by the drug runners' majority in the Bolivian Congress who assert that he covered up the 1983 offer from a cocaine kingpin to give Bolivia \$2 billion to pay its debts. Siles absolutely refused the offer, but the bagman who brought it to him is now testifying against him in Congress. Siles's counterattack will rest on the regional anti-drug army and anti-drug fund approved in Bogot4 last week.

The Invisible Hand

Judge rules for the dope pushers

Federal U.S. District Judge Robert P. Aguilar of San Francisco ruled on Oct. 18 that

the war now being waged by California law-enforcement agencies against marijuana growers is unconstitutional. Judge Aguilar said that the agencies had been carrying out their drug search-and-seizure operations without the appropriate warrants.

The judge's decision bars drug enforcement agents both from entering private property without search warrants and from using helicopters in low-flying searches for marijuana plants if the marijuana is grown on "private" land.

A lawyer for the National Organization for the Reform of Marijuana Laws (NORML) called the ruling "important to protect the rights of all citizens," and attacked California's Campaign Against Marijuana Planting for "a crusade against marijuana planting," which he said "took over entire counties with commando-style raids."

Dirty Business

Kissinger advocates economic de-coupling

In the fourth of a series of articles on strategic policy which are appearing in newspapers throughout the country, Henry Kissinger called on Oct. 22 for economic decoupling of the United States from Western Europe through the formation of hemispheric trading blocs. The United States, he said, "should be able to construct a trading bloc composed of the major Latin America nations, Canada, and probably Australia and New Zealand. Preparation for this partnership should influence American trade and debt policy, especially toward the nations of the Western Hemisphere."

Kissinger further called for "new and binding rules" to encourage foreign investments and to "define codes of conduct for multinational corporations."

In his introduction, Kissinger harkened back to the 19th century when industrialization first developed and "the rules of the game were set by very few countries that held similar philosophies and were run by restricted suffrage. . . ."

Briefly

● **EXCELSIOR**, a major Mexico City newspaper, began a two-part series in mid-October on "Insects—Food Resource of the Future," which notes that the Aztecs used insects for proteins and suggests the same for IMF-starved Mexicans.

● **INDIA'S** first subway made its debut through Calcutta on Oct. 23 after 12 years of construction by thousands of manual laborers using hoes to carve the 2.4-mile-long tunnel. The project, although highly controversial, is seen as a symbol of government efforts to revitalize the port city. When fully operational, the subway is planned to carry 2 million people a day at a maximum speed of 48 miles per hour.

● **GENERAL ELECTRIC** is developing a vibration-monitoring system which will detect crack formations in steam turbine rotor shafts, and will deliver a prototype to the Electric Power Research Institute in 1986. The vibration pattern of a turbine known to be free of cracks will be stored in a computer's memory. When the computer detects changes in the turbine's vibration system, it will signal an alert and will monitor the crack's gradual growth.

● **ITALIAN** Prime Minister Bettino Craxi's recent "heavy lira" proposal elicited a response from an Italian astrologers' convention, according to the newspaper *Corriere della Sera* on Oct. 23. The question was posed to the convention in Riva del Garda: "What do you have to say about the 'heavy lira'?" Astologer Maria Carla Canta answered that it should not be done until until 1986. The stars are not propitious until then.

● **THE STOCKHOLM** International Peace Research Institute has announced a new argument against President Reagan's Strategic Defense Initiative—the defensive beam-weapon system may jam the world's computer systems. SIPRI is a leading think-tank for the Soviet-controlled "nuclear freeze" movement.