

International Intelligence

Miyazawa resigns, as LDP's crisis deepens

Japanese Prime Minister Kiichi Miyazawa resigned as head of the Liberal Democratic Party at an LDP convention on July 22. He will remain as prime minister of Japan only as a caretaker until early August, when parliament convenes to choose a new government. The LDP, which has ruled Japan since 1955, lost its absolute majority in elections on July 18.

The struggle over who will succeed Miyazawa could widen into a rift between "reformist" younger members and the party elders, threatening to break the LDP apart. The race for prime minister is between Toshiki Kaifu, a former prime minister styling himself as "Mr. Clean," and former Deputy Prime Minister Michio Watanabe, choice of the party elders, who are being pilloried for "resisting reforms to the electoral system."

"Many party members are cautious of the reformers," said one senior LDP member. "And therefore, if Kaifu is chosen, then the party will split." Others said that if Kaifu were to lose, the more than 90 reform-minded Kaifu LDPers could decide to break away and set up a new party. A small, five-member group has already said that if the new leadership is not fully committed to political reform, it will break away.

On the same day that Miyazawa resigned, the trial began of the LDP's former master fundraiser and power-broker, 78-year-old Shin Kanemaru. Kanemaru appeared in Tokyo District Court to answer charges of evading taxes of 1 billion yen (\$9.2 million), and taking funds from construction firms, in exchange for help in winning public works contracts.

Totalitarianism seen as a threat to France

France could be threatened by a new "totalitarianism," unless the problem of unemployment is solved, warned Jean-Louis Mandinaud, the new grand master of the

Grand Loge de France branch of Freemasonry, in a statement published by the Paris daily *Le Figaro* on July 16. The GLF is different from the notorious Grand Orient.

If unemployment continues to worsen, Mandinaud said, "our entire society risks being shaken. . . . The threat of an unbridled populism makes us fear the worst. A totalitarian adventure is not to be excluded. . . . It is time that the political leaders become aware of the danger." The GLF view is that "a man without work, is a man who is tainted by the virus of totalitarian temptation." According to Mandinaud, "Democracy is work, it is effort. When things are going well, nobody contests it. There is no longer the same appreciation of things in a period of crisis."

He told *Le Figaro* that France is approaching "the point of rupture." In the name of financial efficiency and productivity, businesses are undermining the fragile bases of France's democratic society. Warning that "the end does not always justify the means," he said that an increase in layoffs is under way in France, which may appear to relieve, for the moment, the financial pressure on industrial firms, but which actually inflames political movements characterized by vengeance, populism, racism, and totalitarianism.

He argued that the GLF Masons have a special role to play now, by insisting on the concept of "solidarity" above all, especially as "we are a movement of creative utopias. We are condemned to invent, and to build bridges in the direction of the profane world, so that they are inspired by our reflections."

Hapsburg rejects Carrington's diatribe

European Parliament member Otto von Hapsburg denounced Britain's Lord Carrington's recent statements holding Germany and Austria responsible for the war in former Yugoslavia.

Contemptuously dismissing Carrington's statements as "the words of the director of Christie's" art dealer, Hapsburg re-

sponded in the French daily *Le Figaro* of July 22 that he reacted to Carrington's charges "without astonishment, but with a certain indignation. . . . He is critical that Croatia and Slovenia were recognized. He deliberately ignores the fact that the European Community has always preached the self-determination of peoples. . . . The hypothesis that recognition of Croatia and Slovenia led to war, is based on nothing. It is, rather, the delay with which this logical decision was carried out, that permitted the Federal Army [of Yugoslavia] to conduct their war of aggression, since this delay revealed to them the weakness of the democratic powers."

Hapsburg continued: "Finally, concerning the opposition of Lord Carrington to the lifting of the embargo on the sale of arms to Bosnia and Croatia, it is exactly this attitude which is prolonging the horrors of the war. The Serbs have inherited all the weapons of the Federal Army, and it is on their territories that the war industries of ex-Yugoslavia are to be found. By contrast, the Slovenians, Croats, and Bosnians have no heavy weapons. By this selective embargo, we disarm the victims, to make the task of the assassins easier."

Entente Cordiale backs Russian imperial faction

The policy of the Anglo-French "Entente Cordiale" is to build up Russian imperial capabilities as a means of "containing Germany," according to a top strategist in Rome and a leading figure in the English establishment, who spoke to *EIR* on July 22.

The Rome strategist said: "There is a peculiar nostalgia, particularly strong among the French, for a new version of the old Czarist Russia. I have come to believe that there are people in Europe, particularly in France, who would like to see Yeltsin overthrown by some generals, so that Russia would be strengthened and German influence in Europe would be weakened. This would also create a new enemy for Europe, to allow Europe to unite against this enemy."

It's all not very original thinking, but you hear it these days, not only in France, but in different parts of Europe. The French, in particular, are really obsessed by these kinds of ideas."

The English analyst, who is with that part of the Conservative Party that opposes Prime Minister John Major, said: "There are a lot of people here who think a strengthened, more imperial Russia would be useful for geopolitical interests. These people would rather not know about the Baltic nations and Ukraine, if they had the choice; they think the Baltics and Ukraine are a nuisance. I had this right from the mouth of [Foreign Secretary] Douglas Hurd, some years back. We both had had a little bit too much to drink, and I said to him, 'You know Douglas, you'll soon see an independent Ukraine.' His response was, 'That's the last thing we want!'"

The source added: "The problem now is, these people like Hurd have a growing influence over the lot in Washington; they are influencing American policy more and more, and in the wrong direction."

British anticipate peasant revolt in China

"Now the Peasant Revolt!" was the cover story of the British weekly *Far East Economic Review* the week of July 19, which warned what *EIR* has reported for months—that the population of China is ready to revolt against the communist regime in Beijing.

"Peasant unrest in China poses a serious new challenge to [Beijing's] leaders," the journal wrote. "The nightmare of an army of angry peasants marching on the capital has returned to haunt a regime that 44 years ago rode the same force to power. . . . To call the rural crisis the most severe challenge to the party's rule since the 1989 Tiananmen massacre, understates the extent of the crisis."

The *Review* asks whether Zhu Rongji, Beijing's free-trade economic czar, "can

save China—or perhaps more accurately, the Communist Party? Or, as a diplomat in Beijing comments, will he become the next scapegoat to be jettisoned?"

The article estimated that net capital flight out of China is running at over \$20 billion a year.

Far East Economic Review, published in Hong Kong, is the mouthpiece of the Hongkong and Shanghai Banking Corp.; its present owner, Dow Jones, is controlled by the Mont Pelerin Society.

New EIR book on plot against Ibero-America

EIR's Spanish-language division on July 28 released its new book, *The Plot to Annihilate the Armed Forces and Nations of Ibero-America*, to members of the media and the diplomatic corps in Washington, D.C.

The 460-page study will also be released at public events across Ibero-America.

Although the book deals extensively with the case studies of numerous nations of Ibero-America, the assault on the nations and armed forces of that continent provide a vivid example of what is also being planned by the Anglo-American establishment for the developing nations of Africa, Asia, and the Middle East.

As this book documents, the plot's objective is to wipe out not only the military institutions, but also the very nations which they are charged with defending. Under the "new world order" which the Anglo-American oligarchy seeks to establish, developing sector nations are condemned to be mere satrapies, with "limited sovereignty," looted by the International Monetary Fund and usurious banks, subjected to the policies of depopulation and technological apartheid of the great powers.

The book contains documents from various of the patriots who have fought against the plot, among them Argentine Col. Mohamed Ali Seineldín, who wrote the introduction. The preface was authored by U.S. economist and political prisoner Lyndon H. LaRouche.

● **THE ISRAELI** Supreme Court on July 29 acquitted John Demjanjuk, who had been sentenced to death five years ago for crimes supposedly committed by him as the Treblinka concentration camp guard "Ivan the Terrible." The Supreme Court ruled unanimously that there was "reasonable doubt" that Demjanjuk had been Ivan, and that the trial against him had been "seriously flawed."

● **GREEK** Prime Minister Constantine Mitsotakis issued new demands on Albania, including that ethnic Greeks who left Albania after 1944 be allowed to return and reclaim their properties. He also made a reference to "Northern Epirus," the name used by many in Greece for the Greek-populated areas of Albania. Albanian President Sali Berisha retorted that this pointed to "very dangerous pretensions" on the part of the Greek government.

● **A UNITED NATIONS** planning team is in Argentina to begin training the first-ever U.N. rapid deployment battalion. The team, composed of a Canadian and an Argentine colonel, is urging the creation of a 1,000-man rapid deployment force drawn from the Argentine Army.

● **ROMAN CATHOLIC** Cardinal Achille Silvestrini, the Vatican's top official for liaison with the Eastern Rite churches, will make the first high-level Vatican visit to Ukraine in October, despite tension between Ukrainian Catholic and Orthodox believers. Pope John Paul II is scheduled to visit the Baltic states in September—his first trip to the former Soviet Union.

● **EGYPT'S** Hosni Mubarak on July 21 won a third six-year term as President. The People's Assembly voted overwhelmingly to nominate Mubarak as the single candidate to put to the nation in a referendum in October.