

Bush administration. Most of the U.S. Congress is ignorant of the situation, as is the American public generally. A bit of recent history will help.

The current Uruguay Round of GATT started in Punto del Este, Uruguay in 1986. Much of the work on the Final Act bill was done during the George Bush administration by Bush's Trade Representative Carla Hills, whose husband, Richard Hills, was on the board of Drexel Burnham Lambert, which led the speculative surges in the United States and worldwide during the 1980s. The current proposal for a permanent World Trade Organization to replace GATT was introduced in a draft text in 1991 by Britain's Sir Arthur Dunkel, then director general of GATT. Queen Elizabeth II of the House of Windsor knighted Dunkel for this work. According to a July 1994 report of the U.S. General Accounting Office, "The United States was at first ambivalent toward the Dunkel text proposal for a new international trade organization." But the Bush administration agreed, and was soon readily championing the proposal, which is now before Clinton.

In his recent book *The Agenda*, the *Washington Post's* Bob Woodward quoted an angry President Clinton denouncing NAFTA, budget balancing, and GATT as Eisenhower Republican economics. But various forces and circumstances shanghaied Clinton into supporting them.

The markets won't be there

Banks from around the world are pushing for the creation of the WTO including, in the United States, Morgan Bank, Citibank, and Chase. The banks are insane. In reality, they are accelerating the imminent disintegration of the financial markets and, thus, of their own financial power. They are trying to gain control of financial markets *that won't be there*.

The banks plan to use specific WTO rule provisions to open the financial markets of countries in Asia, Ibero-America, and Europe to derivatives, collateralized mortgage obligations, and other speculative instruments. A GATT spokesman based in Geneva said that the Japanese and other Asian nations oppose this, but this is part of "giving everyone equal access to markets." Yet, contrary to the alleged benefits of free trade over the last three decades, because of the reality of the world physical economic depression world trade continues collapsing: In 1974, to take just one example, 834 tons of ocean-borne goods were shipped worldwide per 1,000 persons; in 1990, that had fallen to 750 tons of goods shipped worldwide per 1,000 persons, a collapse of 11%.

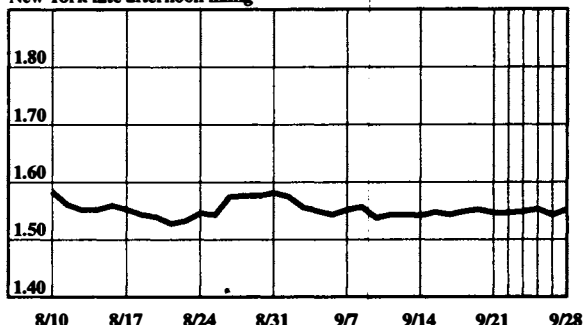
The plans for the WTO will accelerate this process, both by using the lowering of tariffs as a "levelling process" to lower world production, and by directly facilitating the generation and spread of a greater mass of derivatives instruments which suck off increasing amounts of wealth, contracting world production and trade even further.

The banks are oblivious to this reality; they blindly push ahead. The fight over S. 2467 may prove intense. But if it becomes law, the world economy will be the loser.

Currency Rates

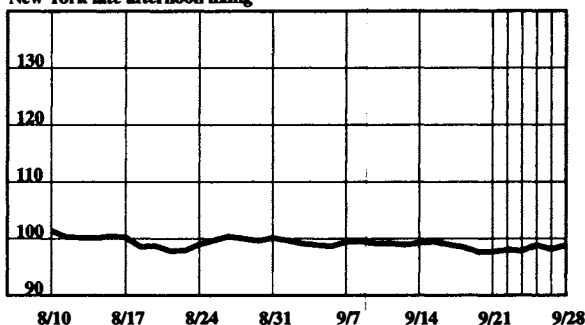
The dollar in deutschemarks

New York late afternoon fixing



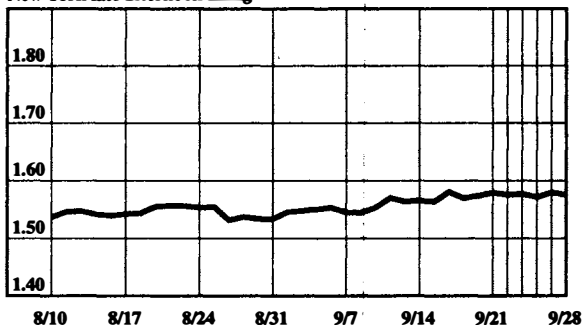
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

