

archy have found willing allies among the current large number of “Aaron Burrs” in the U.S. Congress. The most shameless of these are the outright British agents, such as Representatives Frank Wolf (R-Va.) and Chris Smith (R-N.J.) who are operating openly as agents of the British Intelligence service’s Christian Solidarity International (CSI). This is the same crew of front-men for Britain’s Baroness Caroline Cox—which is about as “Christian” as the Roman Emperors Tiberius and Nero—which, assisted by Representative Donald Payne (D-N.J.), is deployed as backers of the worst Holocaust of the present century, that run in Africa by Britain’s Hitler-like Yoweri Museveni.

These British agents, and their collaborators, are currently attempting to wreck the coming “summit.” Their tactic is to attempt to force President Clinton to wreck the discussions with China, through imposing upon this discussion certain conditions which have been “made in London” and presented for a vote on relevant legislation and other action within the U.S. Congress. If these agents of British influence inside the Congress could succeed in driving such a diplomatic wedge between the Presidents of the U.S.A. and China, the chance of the U.S.A. surviving the onrushing financial blow-out is either slim, or simply does not exist at all.

The recent Hong Kong meeting of the IMF and others exposed the line-up. On the one side, were the IMF, the World Bank, London, and mega-speculators such as George Soros. On the opposing side were the ASEAN and G-24 group of nations, with political support from China. As leading European press reported from Hong Kong, I, by name, was attacked by these circles, as the alleged conspirator behind the attacks upon the IMF and Soros from leading circles of the ASEAN nations. In the middle, but leaning toward ASEAN, China, and the G-24’s position, were Japan’s proposed new fund, and U.S. Treasury Secretary Robert Rubin’s expressions of sympathy for both that Japan proposal and the views expressed by the Prime Minister and Finance Minister of China. Inside the U.S., the same line-up is represented by Alan “Dracula” Greenspan’s mad-dog brutishness, in his demands that, under conditions of crisis, the U.S. population must submit willingly to any sacrifice needed to bail out bankrupt Wall Street financier interests.

William Clinton is the President; but, on the economy, I am the expert. I have made few forecasts in my long career as an economist. Most were long-term forecasts, all opposed by the overwhelming majority of economists, but all of which, including my forecast of this year’s crisis, have been borne out as on the mark. Partly for reason of my forecasting, I have significant influence in leading circles among many nations on this planet today. It is my job to ensure, for your own and your children’s sakes, that President Clinton is successful in dealing with the presently onrushing disintegration of world financial markets. I am asking patriots to rally around my efforts to give President Clinton the advice and support he must have under these conditions.

Li Peng’s diplomatic initiatives in Asia

Here are excerpts from recent speeches by Chinese Prime Minister Li Peng, during his travels before the Hongkong IMF meeting, and at the meeting itself.

Sino-ASEAN ties

From a speech by Li Peng in Kuala Lumpur, Malaysia, on Aug. 22, “Toward a Relationship of Friendship and Good-Neighborliness Geared to the Twenty-First Century,” at a meeting hosted by the Institute of Diplomatic and Foreign Relations of Malaysia. Reported by Beijing Xinhua Domestic Service in Chinese.

... At Prime Minister Mahathir’s invitation, I have come to Malaysia on an official and friendly visit. It gives me great pleasure today to have the opportunity to meet with all of you here and deliver a speech at the welcoming meeting hosted by the famous Institute of Diplomatic and Foreign Relations of Malaysia. I would also like to take this opportunity to express my heartfelt thanks and cordial greetings to the host, the Honorable Foreign Minister Badawi, and all the guests present.

Here, I would like to brief you on China’s economic development and also make a few observations on the further development of friendly and cooperative relations between China and ASEAN countries. Beginning in the late 1970s, China entered a new historical period of reform, opening up, and the modernization drive. Over the past 19 years, China has all along kept a favorable momentum of economic growth and considerably improved its people’s living standards. Breakthroughs have been made in our economic restructuring aimed at establishing a socialist market economy and the pattern of opening up has basically taken shape. After facilitating strengthened macroeconomic regulations and control in recent years, China has brought under control inflation, which was once quite serious, and ushered in a favorable situation characterized by a high growth rate, low price hikes, and steady and coordinated growth of the national economy.

China has formulated development plans for the last five years of this century and on long-range objectives to the year 2010. Implementation of these plans in the past two years has been favorable. Our objective is, through the two switches in economic system and mode of economic growth, to carry out the strategies of developing China through scientific and technological progress and of sustainable development, and to unswervingly implement the opening-up policy so as to

attain economic development and all-round social progress. China will keep its economic growth rate at over 8% in the last five years of this century and over 7% in the first ten years of the next century. The aggregate national strength will be further enhanced and people's living standards be improved more substantially. Compared with the past, China's progress has been tremendous. Yet we also soberly realize that there are still many difficulties along the path ahead, especially given the fact that China has a large population and weak economic foundation. China is still at a rather low level in



Free flow of capital across national boundaries . . . may carry financial risks. Being prone to

such risks, developing countries may also become easy targets for international financial speculation. Financial crises will do no country any good.

—Chinese Prime Minister Li Peng

per-capita terms even compared with certain developing countries in Asia. China still needs to make arduous efforts for several more decades in order to realize modernization and attain the level of moderately developed countries in the world. We believe that guided by the Deng Xiaoping Theory of building socialism with Chinese characteristics, we definitely will materialize the goal of modernization in China.

China and ASEAN nations had similar historic experiences of prolonged foreign aggression, and they are now both faced with a common task of developing the national economy. They share the common need for safeguarding regional and international peace. Together with ASEAN countries, we are willing to unremittently work for good-neighborly and friendly relations geared to the twenty-first century. To this end, I would like to propose the following views:

We should respect one another and treat one another as equals. We have always maintained that each and every country in the world has the right to choose its own political system or development path in light of its national conditions. Other

countries are not allowed to interfere in whatever way. In our view, all countries, big or small, rich or poor, strong or weak, are equal members of the international community, and are entitled to participate in regional and international affairs on an equal footing. Such rights should be fully respected.

We should increase dialogues and intensify consultations. The full dialogue partnership established between China and ASEAN represents an important channel for us to have more dialogues and closer consultations. We should further increase exchanges among state leaders as well as among people of various circles for broad exchanges of views on issues of common concern with a view to increasing mutual understanding and broadening consensus.

We should seek common development based on mutual benefit. As economic factors are gradually rising in importance in international relations, economic cooperation has become an important foundation for developing state-to-state relations. China and ASEAN countries have their respective strong points. These advantages in such fields as natural resources, technologies, funds, and markets can complement one another. The potential for our economic cooperation is enormous, the aspects are extensive, and the prospects are bright. Various countries have accumulated many good experiences in enhancing economic progress. We can draw on one another's experiences to make up for our own deficiencies, so as to attain common development.

We should mutually support one another and enhance cooperation. We should further step up our mutual support and coordination at the United Nations, the Asia-Pacific Economic Cooperation organization, the Asia-Europe Meeting, and the ASEAN Regional Forum, so as to safeguard developing countries' common rights and interests.

We should bear in mind the overall picture, and seek common ground while putting aside differences. We share broad common interests while developing state-to-state relations. Meanwhile, it is hardly avoidable that certain differences and disputes will come up. We should strive to gradually resolve problems with a forward-looking approach through friendly consultations on an equal footing. We can approach differences and disputes that can not be resolved for the time being, in the spirit of seeking common ground while shelving differences. We should not let these differences and disputes obstruct the normal development of our state relations.

As we all know, in the 1950s and 1960s, the historical trend towards national independence and liberation was irreversible. At present, the trend towards multipolarization is accelerating, and the historical trend for world peace, national development, and social progress has become irreversible. We have noted with pleasure that ASEAN, as an important regional organization of the world, is playing an increasingly important role in safeguarding regional peace and enhancing economic development. China is willing to continue its highly productive cooperation with ASEAN countries.

At the end of this year, leaders of East Asian countries will hold a summit in Kuala Lumpur. Chinese President Jiang Zemin will accept an invitation to participate in this distinguished gathering, which will be a major event in the history of Sino-ASEAN relations. Let us join hands in a concerted effort to promote the establishment of a peaceful, stable, fair, and reasonable new international political and economic order.

The fight against speculation

In a speech in Singapore on Aug. 26, Li Peng called for strengthened coordination to prevent the kind of financial turbulence hitting Southeast Asia. According to Xinhua's report, he made the remarks in a question-and-answer session following a speech before a group of Singaporean businessmen on the last day of his three-day visit there.

Li said, "One cause of the currency crisis [in Southeast Asia] was international financial speculation, and the other possible cause was the emergence of a 'bubble economy.'" He also expressed confidence in Hongkong's handling of its economic affairs. "As for Hongkong, because of the implementation of the 'one country, two systems' formula, the Hongkong Special Administrative Government can properly handle economic problems," Li said.

From a speech by Li Peng in Singapore on Aug. 26, "Strengthen Mutually Beneficial Cooperation and Promote Common Prosperity," given at a meeting jointly sponsored by Singapore's Trade and Development Bureau and the Chinese embassy in Singapore. Reported by Xinhua Domestic Service.

... I would like now to express my views on China's reform and opening up, as well as its economic cooperation and trade with the ASEAN countries. The Chinese economy will maintain a sound momentum of long-term growth. The policy of reform and opening up for nearly two decades has brought enormous changes to China. Economic reform and reform in other fields are developing in depth. A socialist market economic structure is being established step by step. A general setup for opening up to the outside world has come into shape. The national economy has become notably more market- and public-oriented. Economic construction is advancing at a fairly rapid pace. The people's living standards in both urban and rural areas have notably improved. China has formulated a national economic and social development plan for the remaining five years of this century and a long-term target for the year. Various factors show that China's economy will maintain its sound momentum of growth. ...

China will unswervingly implement the policy of opening up to the outside world. Our opening-up policy is all-dimensional, opening not only to developed countries, but also to developing countries. China has all along pursued a

policy of friendship and good-neighborliness, and it attaches particular importance to the development of friendly relations and cooperation with ASEAN countries and has achieved gratifying successes. Last year, the total trade volume between China and ASEAN countries reached \$20.4 billion, over three times that of 1990. ASEAN has become China's fifth largest trading partner. China and ASEAN have also conducted productive cooperation in the fields of investment, labor, services, and technology. Both China and ASEAN countries are in a period of rapid economic growth. Looking into the future, we feel optimistic about the prospects of our common development.

China and the ASEAN countries need to expand areas of cooperation in order for their respective strengths to complement each other. The economies of China and ASEAN countries, having their respective features and advantages, are highly complementary to each other. ... The two sides have conducted good cooperation in the economic, trade, science and technology, banking, information, and managerial fields. They may extend their future cooperation to infrastructure, technology transfer, elimination of poverty, environmental protection, and other fields. ...

China and ASEAN countries need to strengthen coordination and cooperation in the financial field. For many years, many Asian countries and regions, including China and ASEAN countries, have attracted world attention and received praises for maintaining a momentum of rapid economic growth. However, we are also soberly aware that, compared with the developed countries, the economic strength of countries and regions like ours is still relatively weak, and the financial system is inadequate, which bears certain financial risks and is susceptible to the impact of speculative turbulence of the international financial market in the course of development.

In the future, we should increase coordination and cooperation in finance and step up exchanges of information to keep each other informed so as to ward off international financial speculation. We should earnestly learn from experience and draw lessons from previous financial crises in the world, keeping a high degree of vigilance, strengthening financial regulation, and improving the financial system so as to forestall and reduce financial risks to the minimum and ensure a sound growth of the economy.

China and ASEAN countries should gear their cooperation to the twenty-first century. We have made the development of the national economy and improvement of the people's living standards our long-term strategic goal, and we share broad common interests. We need to take firm hold of the converging point where we share extensive common interests and lift the mutually beneficial cooperation onto a new level. The mutually beneficial cooperation between China and ASEAN countries is a long-term strategy geared to the twenty-first century, rather than expediency. It focuses

on the whole world instead of merely the region. It conduces not only to their respective economic development, but also to peace and stability of the Asia-Pacific region and the world at large; and it serves as the foundation for political diversity in the world. We can predict that the mutually beneficial cooperative relations between China and the ASEAN will be more dynamic and vibrant in the days ahead.

Address to the IMF meeting

From Li Peng's speech to the annual meeting of the Board of Governors of the World Bank and the International Monetary Fund, in Hongkong on Sept. 23.

. . . The just-concluded Fifteenth National Congress of the Chinese Communist Party is an extremely important meeting at the turn of the century. It is a meeting building on the past and preparing for the future. The main message I bring to you today, is that the Congress has identified the Deng Xiaoping Theory as our guiding ideology, after drawing upon the experience of the past two decades' reform, opening-up, and so-

cialist modernization drive; that in control of the situation, our central collective leadership, with President Jiang Zemin at the core, is strong and enjoys the support of the whole party and the entire population; that China's political situation is stable; that the reform and opening-up policies will not only remain unchanged, but also continue to develop; and the cause pioneered by Deng Xiaoping will not only go on, but make even greater progress.

The period from now to the end of the first decade of the next century, during which we must properly fulfill two tasks, is crucial for China's modernization. One is to establish a rather complete structure of socialist market economy, and the other is to maintain a sustained, rapid, and sound development of our national economy. It is expected that in the last few years of this century, the Chinese economy will maintain a growth rate of over 8%, while inflation will be kept under 5%. In the first ten years of the next century, the Chinese economy will continue to grow at around 7%. So, with effort for another three to four decades, that is, by the middle of the next century, China will achieve all-around modernization

Rubin: China and U.S. will shape the future

Relations between the "two great nations," China and the United States, will shape the future, U.S. Treasury Secretary Robert Rubin told students at the People's University in Beijing on Sept. 25. After describing how the world economy is now global, and then paying homage to the IMF-World Bank, Rubin said: "In the midst of this new world stand China and the United States, the largest developing nation on Earth and the largest developed industrial nation on Earth. In the not too distant future, our two countries will have the largest economies in the world. As such, it is absolutely critical that we build strong and stable relations between our two countries."

Rubin discussed the need for China to make economic reforms such as "diversifying ownership" of state-owned enterprises. He then noted the role of governments in shaping an economy: "Market forces trigger competition which unleashes private initiative and fosters economic growth. There is no question that there are some tasks that government must undertake, because the market simply will not or cannot do them effectively."

He told the students that "the United States has an enormous interest in a successful China," and that he expects joint cooperation "on bilateral issues, . . . the issues

of a global economy, and . . . leadership on the issues of the post-Cold War world." In this regard, Rubin said, one reason he was in China is to co-chair this year's meeting of the United States-China Joint Economic Committee, which promotes dialogue between economic experts from each country.

Rubin concluded his remarks to the students with a vision of cultural optimism for the future of building their nation. "My visit to China has given me an enormous appreciation for China's greatness as well as for the challenges it faces. In the last two days, a very brief visit, but my first to China, I have been fortunate to have been able to observe elements of both China's dynamic present and its magnificent past." He described the "extraordinary terracotta army dating from the Qin dynasty," in the city of Xian which he visited, and then remarked, "As a citizen of a country with a history of only a few hundred years, though a history of which we are very proud, I was impressed to observe a history that is a few thousand years old." Rubin described a modern factory in Xian where he saw the Chinese modern economy in action. "In . . . one brief trip to Xian, I have seen both the old and the new in China, the glory of its past and the enormous potential for its future." He ended by telling the students that it is obvious to him that "the centrality of education" has been a source of China's strength. As the leaders of tomorrow, he challenged the students to "consider what you can do for China at this moment of enormous importance and . . . promise in China's history."

and become a prosperous, democratic, and culturally advanced socialist country. We must actively promote a fundamental shift in both the economic structure and the mode of economic growth, continue to deepen reform, and effect breakthroughs in the reform and transformation of state-owned enterprises and the diversification of the forms of public ownership. According to the latest statistics, since the reform and opening-up, Sino-foreign joint ventures, which represent a form of mixed economy, have made marked progress, as they now take up 20% of China's total GDP, including 7% from the public economic elements of these joint ventures. Generally speaking, the mixed economic sector enjoys advanced technologies, scientific management, and high economic returns. In the course of the development of the mixed economy, the public sector has also made progress. We will implement the policy of national rejuvenation through science and education and the strategy of sustainable development and achieve coordinated socioeconomic development and overall social progress. These goals are magnificent and, given hard work, entirely achievable. This is because we have already found a right road of development suited to China's national conditions, secured a stable social and political situation, acquired a solid material and technological base, and possessed a large market and rich resources, and, finally, we have 1.2 billion industrious and talented people.

Unswervingly carrying out its policy of opening-up, China will work energetically to embrace the world by continuing to improve its all-directional, multi-layered, and extensive opening pattern. The economic development of China is closely linked with that of the world. A prosperous Chinese economy needs a substantial absorption of advanced technologies, capital, and management expertise from abroad. To meet the needs under the new situation of reform, opening-up, and economic development, the Chinese government has decided to further lower its access of new and high-tech equipment and practical advanced technologies to China. China's vast market and enormous growth potential will undoubtedly provide even more opportunities for its cooperation partners and instill vigor into global and regional economic development.

Mankind is about to enter the twenty-first century. Reviewing the past century, we see stupendous and far-reaching changes on the world scene. Having freed themselves from imperialist and colonialist domination and won national liberation and independence after centuries of foreign oppression and enslavement, developing countries find themselves now on the world stage with a completely new image and growing ranks. Thanks to their unremitting efforts of several decades, the overall strength of developing countries has increased remarkably, their international status has risen, and the prospects of their economic growth look promising. The rise of developing countries is a far-reaching event in the present-day world. It has smashed the monopoly of world affairs by

a few countries and lent a powerful impetus to the movement toward a multipolar world.

We must not forget that 1.3 billion people in the developing world are still struggling in poverty. Economic disparities among countries are staggering, as the gap between the rich and the poor continues to widen and the unjust and inequitable international economic order still puts the interests of the developing countries in harm's way. If these problems remain unresolved, the developing countries cannot become developed, neither can the existing developed countries sustain their growth. The world economy is an interrelated whole. As much as the developing countries need the developed countries, the developed countries cannot stand without the developing countries. To sustain their prosperity, the developed countries must have markets for their goods, outlets for their capital, and suppliers of raw materials they need, on all of which they must look to the developing countries for answers. If the developing countries enjoy economic development and social stability, this will increase the capacity of the world market, create more commercial and job opportunities for all countries, and generate tremendous benefits. Conversely, if their economy is sluggish and socially turbulent, there will be no peace and tranquility in the world. The prosperity and affluence of a small number of countries cannot last long on a foundation of poverty and backwardness of the majority countries. When we approach this issue, we must have in mind cross-century development and all of mankind.

Creating favorable conditions and helping developing countries achieve sustainable development is a shared responsibility of the international community and also an important task of international financial institutions. In this connection, I would like to set forth six propositions of principle as follows:

First, full attention should be given to the urgent development needs of the developing countries. Since the end of the Cold War, some people no longer regard development as a crucial issue. This view fails to consider the whole picture. In fact, the question of development bears on the future destiny of the world, which calls for proper attention. If the international community wants to concentrate on developing the economy in a peaceful and tranquil environment, then it cannot afford to ignore the reasonable demands of the developing countries and must attend to their concerns over finance, debt, trade environment, and poverty issues. The international community, developed countries in particular, should take a long-term view and adopt effective measures to meet their pledges of providing monetary and technical assistance to the developing countries so as to make an appropriate contribution to their development.

Second, extensive cooperation should be conducted on the basis of quality and mutual benefit. There are about 200 countries in the world, and all of them, big or small, rich or poor, strong or weak, are equal members of the international community. Trade discrimination and exchanges of unequal

values in economic relations should be opposed. Such practices as bullying the weaker or less fortunate by dint of one's power or wealth should not go unchecked, still less should countries be allowed to impose trade sanctions against others, or threaten to do so, at every turn. The developing countries are equally entitled to participate in the decisions and rules affecting the international community.

Third, the right of every country to independently choose its social system, mode of development, and lifestyle should be respected. Countries differ from one another in historical background, social system, level of development, cultural tradition, and value system. Such diversity is a fact of life we must face squarely. Indeed, we can very well regard these differences as something favorable for greater cooperation and exchanges, if we can pursue common ground while reserving differences and refrain from interfering in each other's internal affairs. In no circumstances should any country be allowed to impose its social system and ideology on others. Assistance has always been mutual. And economic assistance must not be attached to any political conditions.

Fourth, countries should learn from each other and complement each other with their advantages. . . .

Fifth, it is essential to choose a development road suited to one's own national conditions. . . .

Sixth, international cooperation in the financial field should be reinforced. Free flow of capital across national boundaries is a strong feature of the development of the world economy. It can facilitate absorption of capital by various countries, but may also carry financial risks. Being prone to such risks, developing countries may also become easy targets for international financial speculation. Financial crises will do no country any good. The international community, international financial institutions included, should play a positive role in maintaining international financial stability.

The World Bank and the IMF, established half a century ago, have played a constructive role in promotion of world economic growth, economic exchanges among countries, and economic and social progress of the developing countries. This we must affirm. At present, with the rapid advancement of science and technology and unprecedented expansion of economic cooperation, the world is moving toward multipolarity at an accelerated pace. The World Bank Group and the IMF, as the most influential multilateral financial institutions, will preserve their vigor and hold out a bright future only when they can undergo timely readjustments and reform in keeping with the new and shifting world situation and give expression to the reasonable demands of the developing countries.

Our world needs peace, countries want stability, the economy must develop, and society must make progress. This has become the trend of the times. Let us work together and make our due contribution to the lofty cause of world peace and development. In conclusion, I wish the Annual Meetings complete success.

Liu Zhongli: We insist on national sovereignty

From the speech by Chinese Finance Minister Liu Zhongli to the IMF/World Bank meeting in Hongkong on Sept. 23.

The world economy continued to be encouraging in 1996, and achieved the best performance since 1990. The integration of developing countries in the world economy was further strengthened. However, we should not overlook the wide range of risks and fragilities persisting in the world economy. The international financial market has experienced some unrest. The international capital flows create opportunities for developing countries and cause risks as well, such as speculative attacks. Global inflation could re-emerge, and interest rates in developed countries are under greater pressure to trend higher—this could reduce the capital flows to developing countries. Especially disturbing is that ODA [overseas development assistance] as a share of developed countries' GNP has dropped to the lowest level in 50 years. New protectionism is occurring in international trade under the guise of environmental protection and labor standards. These problems, if not addressed in a timely and effective manner, will not only dampen the economic future of developing countries, but also undermine the sustainability of the global economic growth. We call upon the international community, and developed countries in particular, to act as soon as possible to reduce uncertainty and destabilizing factors in the world economy. . . .

Mr. Chairman, the World Bank, as the largest financial institution, has played an important role in supporting economic development of developing countries. . . . In designing and implementing reform measures, the Bank should fully consider the real needs of different borrowers. In today's changing world, it is important, more than ever, that the Bank should act strictly within its mandate and overcome any political interference. We hope that the Bank will make full use of its comparative advantages and continue to focus on transferring resources to developing countries, alleviating poverty and promoting sustainable development as its core operations. . . .

Improving governance and eliminating corruption contributes to economic development. Fundamentally speaking, the responsibility of fighting corruption rests solely with sovereign governments. The Bank and the IMF, at the request of countries concerned, could play a useful role. But the two institutions should act in strict accordance with their respective mandates, limit their anti-corruption activities to the economic aspects, and ensure uniformity of treatment of all members based on objective criteria. . . .