
France

Behind the fall of Strauss-Kahn

by Jacques Cheminade

French Economics Minister Dominique Strauss-Kahn was forced to resign on Nov. 2, when a judicial investigation into the student insurance association, Mutuelle Nationale des Etudiants de France (MNEF), and his relation to it, blew up into a national scandal. There have been all manner of commentaries, in France and abroad, regarding the fate of a brilliant minister hit by the “unexpected”: They all miss both the international aspect of it and its dimension in French national politics.

During 1994-96, Strauss-Kahn acted as a go-between, in the purchase of Raspail Participation et Développement, a subsidiary of the MNEF, by the Compagnie Générale des Eaux (now Vivendi), which was quite unethical, insofar as he used his political connections to arrange a deal for his friends in the French Socialist Party (PS), and was paid 600,000 francs. The amount that Compagnie Générale des Eaux paid for Raspail, 21 million francs, was quite a lot, for something that was worth nothing. When the story emerged two years ago, Strauss-Kahn panicked, and documents were forged to make it look as though he had just acted as a private lawyer, and not as a dubious business intermediary. Now, those documents are proven to be fake, and when the exhibits were presented before the investigating magistrates, the Economics Minister had to resign.

Timing is everything

The important thing, though, is the timing of his resignation: Over the recent months, France—with a Socialist Prime Minister, Lionel Jospin, and a Gaullist RPR President, Jacques Chirac—has been distancing itself from the policies of the British-American-Commonwealth (BAC) oligarchy, including British Prime Minister Tony Blair’s “Third Way” variant (see preceding article). First, France’s foreign policy has become more and more favorable toward India, China, and Russia, at a time when the BAC is seeking to destabilize those countries through irregular warfare, separatism, and economic-financial warfare. In a remarkable speech commemorating the 20th anniversary of the French Institute for International Affairs (IFRI), Foreign Minister Hubert Védrine blasted the geopolitical conception of an “American hyper-power,” denouncing as its instigators, Henry Kis-

singer, Zbigniew Brzezinski, and Samuel Huntington. He further attacked the Western policy of forcing Russia and the Third World to adopt “free-trade” policies, stressing that Europe had rebuilt itself after the war through decades of planning, regulation, and centralized decision-making.

President Chirac, in his speech at IFRI, warned that the world should not be lulled into inaction by the appearance of an economic recovery over the last year: “If we do nothing,” he said, “the fragile elements within the [financial] system will, sooner or later, bring about a new, severe crisis.”

The position of France on many issues—including Sudan, the Congo, and the Great Lakes region of Africa—and the enthusiastic reception that Paris accorded to China’s President Jiang Zemin and Iranian President Seyyed Mohammed Khatami, is, by any measure, opposite to what the BAC oligarchy would like to see. On two key points, Strauss-Kahn himself has played a role as a representative of France’s institutional stance for economic sanity: the agreement of continental European banks not to sell their gold, and the dissident position France is planning to take at the World Trade Organization (WTO) Nov. 30 summit in Seattle. Although, in both cases, the French position did not break with the prevailing order, not going so far as to propose a new world international order based on a gold-reserve system or dumping the free-trade dictatorship, it broke ranks with the BAC.

It is therefore reasonable to ask, after the fall of Strauss-Kahn: *Cui bono?* The answer is, obviously, the BAC establishment, the same ones that set their cross-hairs on U.S. President Bill Clinton. True, Strauss-Kahn styled himself as “the French Tony Blair,” and was the organizer of the privatization and deregulation of France’s economic system. But, the other side of this clever and ambitious man, was that he was a representative of the nation’s institutions—and that rubbed the BAC the wrong way. Hence, the BAC strategy has been to hit him, not so much as an individual, but through him, to shake French institutions.

And now, the main danger to France is that this is not going to stop with the Strauss-Kahn resignation; the French investigating judges, who have long been controlled by vested political interests, are now eager to take their revenge for earlier affronts. Further, they have the opportunity to destabilize President Chirac, through some scandals during his lengthy tenure as Mayor of Paris, as well to use the MNEF scandal against Prime Minister Jospin and his friends. In short, the Strauss-Kahn affair shows up the weak points in the current political apparatus, which were exploited by the BAC.

It is important to stress, that the investigating judges, including in the Strauss-Kahn affair, get their information through denunciations made in anonymous letters, which renders the investigation very easy to manipulate, in the same way that the Italian judges were manipulated in the “Clean Hands” cases, which were designed to destroy Italy’s political institutions.

The vulnerabilities

The vulnerability of the Jospin-Strauss-Kahn group stems from the mid- to late-1970s, when PS leader François Mitterrand launched his bid for power. In 1974, a grouping of young leftists and Trotskyists around the Internationalist Communist Party (PCI) of Pierre Bousset Lambert, struck a deal with Mitterrand's backers, in which Jospin acted as go-between. The deal was to let the Mitterrand backers have the MNEF purse-strings and political influence, while the PCI got to head up the student union movement and to have influence within the Force Ouvrière trade union. The cement of the accords was an anti-Communist drive of that portion of the left, combined with their visceral anti-Gaullism. (This anti-Communist, anti-Gaullist stance also had a resonance among certain Anglo-philic circles within U.S. intelligence.) In 1986, Mitterrand, now in his first Presidential term, and Jospin, PS head, double-crossed the PCI by organizing a few hundred students to defect. Among them was Jean-Christophe Cambadélis, today Jospin's right-hand man in the PS.

This defines the area of vulnerability for the Jospin group. First, there are many angry Trotskyists eager for revenge—among them, the man who denounced Strauss-Kahn, Philippe Plantagenest, a distant relative of the Anglo-Norman Plantagenets. Second, many Anglo-polluted American sources, seeking to work against both the Communists and Gaullists, were involved with both the Mitterrand and the Lambert

groups. This includes the old AFL-CIO networks of Jay Lovestone and Irving Brown, which had ties with the Lambert and the Mitterrand groups inside Force Ouvrière. It would have been relatively simple for them to have the “inside story,” and inform the judges, probably anonymously.

For the moment, despite Strauss-Kahn's fall, France's policymaking retains some continuity. Christian Sautter, who has replaced Strauss-Kahn, is even more an “institutional” man, and is controlled directly by Jospin. Sautter has kept Strauss-Kahn's chief of staff, François Villeroy de Galhau, a very competent institutional man, for what that is worth. But, not too far down the road, both the government majority as a whole, and the opposition, can be deeply destabilized, clipping the wings of any move by France for independence from BAC geo-strategy.

The future of the country is going to be determined in short order: Either Jospin and Chirac understand that they have a common interest, and take the offensive, including Lyndon LaRouche's New Bretton Woods and the Eurasian Land-Bridge policies, and break with the “Third Way” socialism of Her Majesty's Tony Blair, or they defeat themselves, and France, by trying to continue “clever” compromises with the present international order. Jospin and Chirac must speak to the growing social and political forces that the present system has shut out, and, beyond the French microcosm, to the people and leaders of nations such as India, China, and Russia.

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