amount, which is merely equivalent to the level of their aid in 1990. The developing nations were supposed to contribute the other half, increasing their budgets for rural areas about 20%.

The industrial nations met this call with chilly silence—some even with furious attacks: The developing nations are themselves responsible for their suffering, it was claimed; first and foremost, they should have ensured "good government"; and they were ordered not to take part in wars and civil wars. Thus, Poul Nielson, the European Union Commissioner for Development Assistance, called it "senseless, to throw huge amounts of money after the hunger problem." Together with British Development Minister Clare Short, he threw in Diouf's face, the charge that the FAO only wanted to posture with this summit, and called it a "pure waste of time."

Appeal to 'A Market of 800 Million People'

"In a world of abundance, the end of hunger is in reach," urged United Nations Secretary General Kofi Annan. "To fail to meet this goal, ought to fill each of us with shame. The time for promises is gone." He appealed to the industrial nations—to no avail, as the "abundance" Annan wishes to see is nowhere to be found among them.

The industrial nations were in the trial dock in Rome, and they responded with counterattacks: The FAO, under Diouf, had more and more meddled in things, that were none of its concern; it should not be the FAO's business, to interfere in questions of development; these should be in the jurisdiction of the World Bank and other international organizations. Diouf rejoined that it still would be directly in the interest of the Group of 8 nations themselves, to fight hunger. After all, 800 million hungry people would be an enormous market.

So it is. And when one considers fully, that about two-thirds of mankind, after all, are undersupplied with all the goods necessary for existence, the dimension of stupidity of these governments becomes clear. An example from the domain of agriculture should make that obvious: Only one-third of humanity is well-nourished. Every second person is classified by the FAO in the category "sufficiently nourished"; that is, they are able to obtain for themselves exactly enough calories to be able to perform normal work; however, they are malnourished, because the nutritional quality of those calories is so poor. Every seventh person is hungry.

To merely be able to raise these more than 800 million citizens of the world to the level of "sufficiently nourished," we need to produce an additional 350 million tons of grain every year. If we allow absolutely all 6.2 million human beings who today inhabit the Earth, to be able to nourish themselves well and with variety, as has been self-evident for us, we require 4.96 billion tons of grain. However, the world agricultural economy in the past year has harvested only 1.86 billion tons (and consumed 1.913 billion tons in the same time period). Thus, world agriculture would have to immediately increase its harvest output around 2.5 times.

Analogously, this applies to all other areas of the economy.

Gigantic tasks await nations which would take this offensive, which would lead the world economy into a new, sustained, actual economic wonder. But wouldn't it mean subsidizing? Not at all. The developing nations are poor because they are underdeveloped. At the moment when investment goes into the development of their natural resources, that suddenly changes.

To stick with the example of agriculture: We do not find the highest-yielding soils in the industrial nations, but rather in the tropical nations, where 45% of the high-yield soils are, while the industrial nations control just over 17%. Here a gigantic potential lies fallow, which would be relatively easy to develop and which must be developed, if hunger is to disappear from the Earth. If farmers everywhere in the world were able to cultivate their land, and breed and maintain their livestock, with the technical standard of an American or a European farmer, then the Earth could feed 50 million people. The struggle against world hunger requires no biotechology, no apportionment measures and no ominous efforts. One merely needs the political will to do it.

Demise of Maastricht Is on the Horizon

by Rainer Apel

At least in election years, governments cannot avoid paying some attention to what the voters think, and this is what is happening in France, Germany, and Italy, the three leading economies of continental Europe. France and Italy just recently had elections; Germany will have them in September. What these governments, and the others in Europe, are faced with, is growing, massive discontent of their populations with the catastrophic turn economies and living standards have taken in recent months—contrary to government propaganda about "upswings" and other pies in the sky.

The dense pattern of labor protests and strikes so far in 2002, points to the depth of the discontent, the more so because labor unions have been relatively moderate in the last few years, showing loyalty to the budget cuts imposed by their governments.

In Italy, labor protests were first to make the voice of the population heard, and a preliminary peak of protests was reached with a one-day general strike on April 16. Since then, not only Italy, but also other European countries, have seen repeated labor strikes in one sector after another. As of June, waves of strikes were occurring at the same time in several countries at once.

During the last two weeks of June alone:

- In Germany, the first nationwide strike of construction workers in 50 years escalated with temporary road blockades in several cities on June 20 and 21, and led to a resumption of wage talks on June 24 which ended with a surprise settlement that same day—after weeks that had brought no progress at all. In addition, warning strikes of banking and insurance employees in Frankfurt, Germany's banking center, were staged, with a special emphasis on a one-day strike action at 450 banking offices in North Rhine-Westphalia on June 19. On June 25, workers in the collapsing German telecom sector began staging strikes across the country.

- France saw a pattern of local and regional public transport workers striking.
- In Italy, employees of the judicial sector went on a one-day strike on June 20, followed by urban and other local public transport workers two days later; and on June 26, air flight control staffs caused Alitalia to cancel 106 flights.
- Spain had its first general labor strike in ten years, with several million workers of all labor unions taking part on June 20.
- In Greece, seamen were on strike for most of the last weeks of June; the ferry workers in particular caused a paralysis for the tourists, because they broke off the crucial communication by sea between the mainland and the many Aegean islands.
- Throughout Europe, air flight controllers went on strike on June 20, forcing airlines to cancel most of their flights right at the start of the Summer tourism season.

Pressure To Break Maastricht

These very disciplined strikes signal that much more is to come during the Autumn, after the Summer recess, when the economic and labor market situation is now admitted to be likely to worsen. It is worth noting that in all cases, labor unions have shown they are ready to launch weeks-long strikes to force their demands through.

In the case of public sector workers and employees, demands for salary increases instantly threaten the budget austerity which their governments have agreed to with the European Union's Commission in Brussels and the European Central Bank in Frankfurt.

The pressure on governments is visibly increasing, to declare aspects of the EU's Maastricht Treaty budgeting control system as void, and to think of state programs for the creation of jobs to bring down high unemployment across Europe. This is pushing the governments towards a cross-roads: they either continue their budget austerity at the risk of explosive, large-scale conflict with the labor movement, or they begin to campaign for at least relief from the Maastricht system, in order to regain some flexibility on the state financial front.

The process has started in France, where in an effort to buy off labor protests during the recent Presidential and National Assembly elections, the government promised tax cuts in the range of 30 billion euros over the next five years. It stated a commitment to get some of the Maastricht criteria, at least, "suspended," for a few years, if real changes in the system as a whole were not possible.

Faced with the French "problem," the EU Commission and the other governments had no alternative to granting France financial flexibility from the Maastricht criteria, in exchange for a vague French promise to keep in mind the agreed 2004 target year for reaching a balanced budget. French Finance Minister François Mer made even such a "promise" conditional on holding the annual growth of France's GDP to 3%—which is illusory, in view of the hard reality of the worsening global economic depression. The in-depth financial review which the French government has announced for June 27, may alter the "generally agreed" agenda of the EU even more.

In addition to France, Portugal and Italy were also granted exemptions from the Maastricht budget rules by the EU Commission and Central Bank, on the eve of the June 21 EU Summit in the Spanish city of Seville. In the case of Italy, that exemption was explicitly made to allow the state to fund public infrastructure development projects that can create jobs; originally, the Maastricht rules had banned exactly such state-funded projects.

Move To Exempt Infrastructure and Defense

Remarks made by Italian Finance Minister Giulio Tremonti on June 24 documented that the EU governments are still afraid of doing what Lyndon LaRouche has advised them to do, most recently in a nationally circulated interview with *Affari Italiani* in May—to admit that the Maastricht system has been completely flawed from the start and urgently needs to be abolished. But they also showed the rapid erosion of loyalty to that system. Tremonti said that all of Europe had to "now look at how we can make a more substantial change for the European economy as a whole," and that this would be possible if, by special regulation, government expenditures for infrastructure, defense, developing sector aid, and structural economic reform programs were all exempted from the Maastricht rules.

Tremonti said that in his view, the Maastricht criteria were useful as long as the EU was preparing for the final stage of the euro introduction; but now, after what he called the "successful launch of the euro"—this really refers to the euro's recent 15% rise against the falling dollar—it was time to "move to another phase, one which maintains stability but also puts the emphasis on growth and flexibility."

All of this is still far from what LaRouche recommended. A formulated alternate design for a national banking approach to state funding of projects is still missing. But what Tremonti mentioned is a step in the right direction—if the Italian government and other EU governments continue to put the Maastricht system into question. At present, Italy, where 50 members of the Senate have already signed on to a resolution for a New Bretton Woods system as proposed by LaRouche, is marching in the forefront of this debate. But as in the case of France, where the public interest in modifying the Maastricht system grew as elections came, so Germany is certain to feature similar developments, as Sept. 22 approaches.