EXECONOMICS

Malaysian blasts 'new imperialism' to Group of 15

by Mary M. Burdman

In his remarkable opening speech to the inaugural meeting of the "Summit Level Group for South-South Consultation and Cooperation" in Kuala Lumpur, Malaysia, June 1, Malaysian Prime Minister Mahathir bin Mohamad made some of the strongest attacks yet by any head of government on the ideology underlying the callous looting and destabilizing of the developing nations of the world. Although more strongly worded than recent statements by Pope John Paul II, the prime minister's speech complements the Pope's attacks on free market capitalism and likens its effects to communist totalitarianism. Mahathir also denounced the Anglo-American global condominium, which has made the former so viciously turn on former allies in the developing lands.

The "Group of 15" conference was called to precede the Group of 7 industrialized nations' meeting July 7-9 in Houston, Texas. Attending were the heads of state or government of Argentina, India, Indonesia, Peru, Senegal, Venezuela, Yugoslavia, and Zimbabwe, the vice president of Nigeria, and the foreign ministers of Algeria, Brazil, Egypt, Jamaica, and Mexico: the developing sector's biggest debtors, and its most populous and potentially powerful nations. The Group of 15 will send a communication to the G-7 meeting through President François Mitterrand of France. Although two key issues urged by Dr. Mahathir in his speech—a joint strategy to enforce the end of "debt slavery," and setting up a permanent secretariat to give the South the general staff it needs to deal with the North—were, unfortunately, punted, his speech stands as an historic milestone.

In all but name, Prime Minister Mahathir denounced the U.S. "Project Democracy" apparatus which has undermined sovereign developing sector governments, in many

cases destroying their resistance to debt looting and to producing and trafficking the favorite commodity of the world's bankrupt financial system: drugs. He also took on the "Thornburgh Doctrine," under which the United States asserts the right to enforce its will against citizens of foreign nations in their own nations. The U.S. military invaded the tiny nation of Panama and slaughtered 5,000 of its citizens, mainly civilians, under this doctrine; Southeast Asia is next on the U.S. Justice Department's hit list.

Most important, the prime minister targeted the ideology of the enemies of development. He made it clear that he considers the devotees of "liberal democracy" as dangerous for the poor as the communist ideologues. These are the deadly foes of the principle of a "community of sovereign nations" to which U.S. President John Quincy Adams was committed, and which current U.S. political leader Lyndon LaRouche has worked to revive. We reprint below selections from Prime Minister Mahathir's speech; subheads have been added.

The massive debt problem of the South is also not because the South purposely wanted to borrow and not pay. We borrowed at a time of worldwide economic prosperity, when the lenders themselves fully believed in our capacity to repay. The worldwide recession that followed and the effective devaluation of our currencies were not of our making. Lenders must be prepared to accept the risks of lending and to devise workable solutions, and if all else fails, to accept losses. In their commercial loans within their own countries, they make provisions including write-offs when loans go bad. Similarly they must accept the need to make adjustments and work out

4 Economics EIR June 22, 1990

schemes when their sovereign loans go bad. Nations cannot be bankrupted in the same way companies or individuals are bankrupted. You cannot tell a people to live at subsistence level until they pay off their debts. Bankrupts can die, nations cannot. We cannot make debt-slaves of nations, not in this so-called enlightened age. . . .

We see a coalescing of the North American nations, a union of the West European nations, and now, around a united Germany, all the European countries of the West and the East will gather together. And then there are those Soviet republics which believe in a common European homeland, identifying more and more with the new European grouping.

All these changes have great significance for the future of the world. There is indeed a wind of change which leaves no part of the world untouched. Fortunately, almost all the changes taking place are for the good of the human race.

We should rejoice that the expensive Cold War is about over. But will peace between East and West mean peace and prosperity in the South as well? In the past, if one bloc threatened any one of us, the other bloc almost automatically moved to counterbalance the threat. In the process the threat was neutralized. But what will happen now if any power in the honeymooning East and West, or worse still if the united East and West threatens us? Will the old balance of power maneuvers save us from total domination? With some powerful nations applying their laws extraterritorially without even a whimper from their former adversaries, don't we have reason to be worried?

On liberal democracy

We welcome the universal espousal of the democratic system. But there is a fear that democracy has become the kind of religion that communism became. A system devised to free people and permit them to decide their own destiny is becoming a system that is worshiped for itself. Democracy is no longer a means to an end, but has become an end in itself. Liberal democrats in the West have now set themselves up as the high-priests of democracy. There is a holier-thanthou attitude about them. Woe betide those who do not comply with the latest interpretation of their democratic faith.

For the liberal democrats, chaos, instability, and retarded economic growth, with the accompanying massive and debilitating poverty among their democratic converts, are a small price for these people to pay for the liberalism of democracy. Indeed murder and assassinations of citizens are regarded as much more acceptable than any governmental action to prevent violence and instability. Sanctions and trade restrictions and vicious campaigns that impoverish the already poor, are the weapons they use to force their liberal democratic ideas on those they deem not measuring up to their standards. The methods differ little from the subversive strategy of Communist proselytizers.

We admit that generally the governments of the West are not involved. But pressure groups or the Non-Governmental Organizations set up by their citizens are so powerful and financially so strong, that it is usually beyond the capacity of most of the countries of the South to resist or to counter. In addition, they have access amounting to control of the international media; access which is almost totally denied their victims. By threatening the exports of developing countries, they can exert powerful influence to foist their democratic norms on others. In fact, it amounts to imperialism by other means. And like imperialisms in the past, the subject nations languish and suffer without any means of redress.

The peoples of Eastern Europe and the Russian republics have now discarded centralized power and planning in favor of liberal democracy. We hope they will not be disillusioned. Merely being democratic will not save them from the poverty created by their former centrally planned economies. Political stability in a democracy requires a high degree of sophistication among the people. In other words, the people will have to restrain their exercise of democratic freedom if they are to benefit from democracy. We hope that the people of Eastern Europe will learn quickly. Their prosperity can contribute to the common wealth of nations.

We in the South must wish them well. We would like them to succeed. However, will aid and loans and investment funds be diverted from us in order to help them, or will additional and separate funds be made available to them? We worry despite the repeated assurances, and again I think we have reasons to worry.

On the North's desertion of the South

There is a question that we need to ask the Group of 7. When a few developing countries in East Asia made economic progress, they were categorized as Newly Industrializing Countries and their further growth inhibited by the imposition of various restrictions. Will the countries of Eastern Europe be similarly labeled and similarly restricted if they achieve the level of growth of the so-called Asian NICs? I hope this question is not censored. I hope we get an answer.

This conference will fail if we of the South do not address those problems which lend themselves to solutions based on our own efforts. We cannot really expect others to solve our problems to their own detriment. At best they will only help on the basis of enlightened self-interest. . . .

I would like to mention the setting up of a Secretariat of the South. The North is well equipped to deal with all eventualities and they are going to be even better organized. We in the South have nothing even remotely equivalent to the OECD countries. With the emphasis now on the North-South divide rather than the East-West divide, the need for more formal coordination of the South is even greater. . . .

The NAM [Non-Aligned Movement] started really because of a political need for a third force when the world was divided into two blocs, the East and the West. It has done well, for despite the manipulations and the proxy wars, we have survived; indeed, we have grown in number.

EIR June 22, 1990 Economics 5

But the world has changed. East and West division has almost completely disappeared. Politics and its related military postures are no longer as important. Economic matters now dominate and everyone is concerned with giving their people a better life, materially certainly, and in some cases, spiritually.

NAM, the Group of 77 and other organizations of the South have therefore to take stock of their role. We too must change. Ideologies should no longer occupy our time. Admittedly there are still many who have to be liberated from the oppression of alien domination. We will continue to support their struggles. But we must now turn our eyes to the well-being of our people.

It is not impossible for the poor to become rich. We have seen how some countries have pulled themselves up literally by their bootstraps. If they can, others too can. The time span may vary, but it would be defeatist to assume that some are just incapable of developing.

We must continue our dialogue with the North. We must solve our debt problems and the deteriorating terms of trade. We must together strive for fair trade. But above all, we must create new approaches to enable the South to benefit from the wealth of the South. We must learn from each other. And we must stand together when faced with common problems.

Overpopulation Isn't Killing the World's Forests the Malthusians Are

There Are No Limits to Growth

by Lyndon H. LaRouche, Jr.

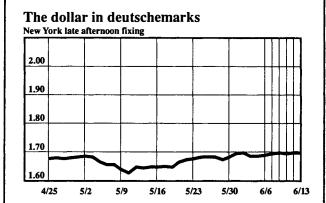


Order from: Ben Franklin Booksellers, Inc.

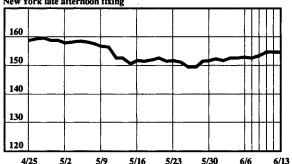
27 S. King St. Leesburg, Va. 22075 (703) 777-3661

\$4.95 plus \$1.50 shipping (\$.50 for each additional book)
MC, Visa, Diners, Carte Blanche, and American Express accepted.
Bulk rates available

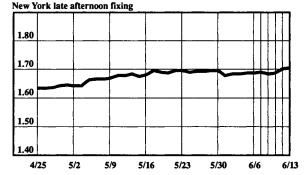
Currency Rates



The dollar in yen New York late afternoon fixing



The British pound in dollars



The dollar in Swiss franks

