

Euromed in Barcelona: noble ends, but can 'free trade' attain them?

by Muriel Mirak-Weissbach

No one could object to the exalted principles proclaimed at the first conference of the Euro-Mediterranean Association, in Barcelona on Nov. 28, 1995. The final document approved unanimously by the 27 foreign ministers who had traveled to the Catalan capital from their countries in the European Union (EU), North Africa, and the Middle East, was full of laudable sentiments, regarding the three "pillars," as Spanish Foreign Minister Solana put it, on which the new grouping around *Mare Nostrum* is to be erected: the political, the economic, and the cultural. The vision is one of democracy, fruitful exchange of ideas, and cooperation for mutual economic development. But whether the means defined by the conference are appropriate to reach the noble aims, is another question.

The issues of greatest importance discussed in the conference dealt with the Middle East political situation, and the economic perspectives for Mediterranean integration.

Compared to the international Middle East-North Africa (MENA) conference held in Amman, Jordan at the end of October, which brought together the protagonists of the Middle East peace process under U.S. and Russian cosponsorship, the Barcelona conference did not take Arab-Israeli relations as its central concern. Yet, several aspects of the conference had direct bearing on current and future developments there. In the opening plenary session, talks between the Israeli and Syrian governments began, in a manner of speaking. Israeli Foreign Minister Ehud Barak issued a direct offer to his Syrian counterpart, to enter negotiations which would lead to a peace treaty. Syrian Foreign Minister Al Sharaa acknowledged the offer, by reiterating the demands of Damascus for a treaty: withdrawal of Israeli forces from the occupied Golan Heights and southern Lebanon. Whether or not the two also had direct talks behind the scenes, was not made public, but the remaining points of conflict became the stuff of lengthy haggling around the formulation of the final document. Israeli delegates privately expressed their irritation, that the Syrians would "try to transform this meeting into a forum for their demands."

In the end, careful wording was chosen to satisfy both sides. "The participants support the realization of a just, comprehensive and lasting peace settlement in the Middle

East based on the relevant United Nations Security Council resolutions and principles mentioned in the letter of invitation to the Madrid Middle East Peace Conference, including the principle land for peace, with all that this implies." The document added that the participants would undertake to "respect the equal rights of peoples and their right to self-determination, acting at all times in conformity with the purposes and principles of the Charter of the United Nations and with the relevant norms of international law, including those relating to territorial integrity of States, as reflected in agreements between relevant parties." These two points acknowledged Syrian demands for withdrawal. A further clause established the need to "settle their disputes by peaceful means . . . [and] renounce recourse to the threat or use of force against the territorial integrity of another participant, including the acquisition of territory by force." The formulation fell short of what Al Sharaa had wanted, i.e., that the declaration distinguish between "terrorism" and the "right to struggle against foreign occupation."

Egypt, among other Arab states, had put pressure on Israel to agree to the Nuclear Non-Proliferation Treaty (NPT). Israel demanded that any reference to nuclear weapons non-proliferation also include reference to Iran and Iraq. A compromise was reached here, too, by committing the parties to "promote regional security by acting, *inter alia*, in favor of nuclear, chemical, and biological non-proliferation through adherence to and compliance with a combination of international and regional non-proliferation regimes, and arms control and disarmament agreements such as NPT, CWC, BWC, CTBT . . . etc." Israel's demand was not met directly, but generically: "the parties shall pursue a mutually and effectively verifiable Middle East Zone free of weapons of mass destruction, nuclear, chemical and biological, and their delivery systems. Furthermore, the parties will consider practical steps to prevent the proliferation . . . etc."

The other significant intervention related to the Middle East situation came from Palestinian National Authority President Yasser Arafat, who reiterated the need to continue the peace process in the context of the "land for peace" formula of Madrid, as well as the U.N. Resolutions 242 and 338.

Arafat renewed his call for the establishment of a Palestinian State with Jerusalem as its capital, and regretted the U.S. Congress's resolution to move the American embassy to Jerusalem from Tel Aviv. At the same time, the Palestine Liberation Organization chairman exalted the value of the "birthplace of Christ, Bethlehem," and said, "this city, like other Palestinian cities, has suffered the decay of intentional sabotage, the Palestinian National Authority considers one of its priorities, together with the sacred city of Jerusalem." Referring to "one of the greatest events in the history of mankind," which we are to live in four years, "the second millennium of the birth of our Lord Jesus Christ, peace be upon Him," Arafat hinted at a special status for the city. "In this occasion" of the millennium, Arafat called for "participating in this great, worldwide, religious and historic event, and making of Bethlehem and Jerusalem the center of illumination of peace and cohabitation of all the believers throughout the world, and especially in the land of Palestine, center of the three divine religions, Judaism, Christianity, and Islam."

Real problem, false solution

Although important, the Middle East peace process was not the absolute center of the Barcelona gathering. The key issue was economics, or better, how economic cooperation can help stem the tide of immigration from North Africa into Europe and of "political Islam," which were identified de facto as the twin evils to be confronted. What the EU put forward as its panacea is an "economic and financial partnership" through the establishment of a free-trade zone covering the 27 countries represented. "The free-trade area will be established through the new Euro-Mediterranean Agreements and free-trade agreements between partners of the European Union. The parties have set 2010 as the target date for the gradual establishment of this area which will cover most trade with due observance of the obligations resulting" from the World Trade Organization. The free-trade zone means that "tariff and non-tariff barriers to trade in manufactured products will be progressively eliminated in accordance with timetables to be negotiated." The free-trade area will be facilitated through "the adjustment and modernization of economic and social structures, giving priority to the promotion and development of the private sector." They will create an "environment conducive to investment" by eliminating obstacles to investment, etc.

Although the free-trade agenda had the day in Barcelona, there was considerable resistance to wholesale takeovers of their economies by many participants. This is evident in several clauses in the declaration particularly regarding agriculture: E.g., the elimination of tariffs will proceed "as far as the various agricultural policies allow"; the introduction of market economy will proceed "taking into account their respective needs and levels of development"; the private sector will be privileged, but there is also reference to the "upgrading of the productive sector." Finally, it is explicitly said, that the participants "likewise endeavor to mitigate the

negative social consequences which may result from this adjustment, by promoting programs for the benefit of the neediest populations." They also claim to facilitate "the promotion of mechanisms to foster transfers of technology."

Spanish farmers are better economists

The most eloquent resistance to the free-trade area was voiced by Spanish farmers, who traveled from several cities to Barcelona, to demonstrate. The demonstrators, about 20,000, who tried to bring their protest to the Hotel Juan Carlos I, where the diplomats were holed up, were held back by tear gas. Those gathering to protest included farmers organized in the Coordination of Farmers and Cattlemen (COAG) and the Agrarian Association of Young Farmers (ASAJA).

Their protest focussed on the EU policy and proposed free-trade zone, which will allow cheap food imports from the Maghreb countries into Spain, thus wiping out Spanish farmers. Among their demands was that the EU give subsidies for tomatoes, fruit, and citrus products during the "rationalization" phase. The demonstrators referred to "social dumping," to the fact that the multinational food companies buy up land cheap in the North African producer countries, pay their farm laborers dirt cheap wages (ten times less than a European farmer earns), and undercut European prices. Spanish landowners also demonstrated, separately, but for the same reason. Also significantly, the farm union leaders



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who spoke at the demonstration, voiced their solidarity with the farm laborers of the Maghreb countries: Josep Riera of the COAG was quoted in *El País* Nov. 30 saying "The free-trade zone will encourage cheap exports from Morocco and Algeria, without strengthening the agriculture of these countries."

Under pressure of the farmers, the Spanish Secretary of State for Relations with the EU, Carlos Westendorp, met with union representatives, and agreed that Madrid would introduce graduality in the free-trade zone, guaranteeing preferential treatment for Spanish fruits and vegetables.

The farmers showed a better understanding of economics than any of the experts of foreign ministers present. Farmers know that following free-market ideas of cheap labor and cheap produce only undermines the economic health of a nation. Just how far such free-trade madness has become official policy, even in nations with highly dirigistic economic traditions, can be seen in the case of French Foreign Minister Hervé de Charette. In answer to a question from *EIR*, on whether such a free-trade recipe would not yield similar disastrous results in the Mediterranean, as it has since its introduction in eastern Europe and Russia, de Charette replied that "history shows that no economy can be developed through Statism" (State dirigistic policy). Acknowledging that liberalization of markets, prices, and wages will create social dislocation, he persevered: "Every change involves painful side-effects." Thus, he concluded, the wise men of the EU had decided to allocate funds for alleviating the social-negative side effects.

The best way to sum up the significance of Barcelona, is to look out the window, as it were, of the Hotel King Juan Carlos I, and catch a glimpse of reality: beyond the tens of thousands of Spanish farmers in protest, to see the hundreds of thousands, if not millions, of French civil servants, transport workers, students, marching through the streets and paralyzing the nation's activity; and beyond, to the starving masses of formerly productive workers in Russia, Ukraine, Poland, Georgia. A glance a bit further reveals the record heights reached on the Wall Street stock market, and the lines going off the charts that describe the cancerous growth in financial aggregates of the system. The illustrious ministers at Barcelona stood aloof from all this all-too-unpleasant reality.

There was one rude intrusion into the fantasy world that reigned in Barcelona. A special round-up issue of the English edition of the Jordanian financial daily *Al Aswaq*, dedicated to the recently completed Amman summit, was distributed free to the delegates and press. In it appeared the interview with Lyndon LaRouche, on development policies for the Middle East, including his proposals for a regional development bank (for the full interview, see *EIR*, Nov. 17, 1995, p. 47). LaRouche not only outlined his proposals for real peace through physical economic development, but also denounced the impending collapse of the existing financial and monetary order.

Afghans draw blood in war against Pakistan

by Susan Maitra and Ramtanu Maitra

The blowing up of the Egyptian Embassy in Islamabad on Nov. 19, the selected assassination of key individuals in Baluchistan and Sindh, and the continuing bloodshed in Karachi indicate that the viper's eggs of the afghansi (veterans of the Afghanistan war), nourished from abroad and protected zealously inside Pakistan, have now hatched and are spitting their venom at their protector. In a retaliatory measure, Prime Minister Benazir Bhutto rounded up a number of foreign nationals and arrested Anjuman-e-Sipah-i-Sahaba (ASS) leader Zia Rehman Farooqi, along with a number of his associates. Farooqi, an infamous assassin, was in London in 1995 on a month-long trip to recruit for his terrorist Sunni sectarian group (see *EIR*, Oct. 13, p. 59).

More recently, Bhutto, now under pressure from Egypt and moderate Arab States, told the Middle East Broadcasting Corp. in an interview that the terrorist groups threatening Muslim countries were getting arms and active support from the West. The statement is nominally correct as far as it goes, but Bhutto, whose image inside Pakistan has been badly tarnished, evaded the truth for the umpteenth time in not naming London's role behind the terrorist activities now destroying Pakistan. Instead, she reiterated the West's funding of the Afghans during the Cold War days.

Meanwhile, the afghans, the Mohajirs, and the sectarian religious groups have dramatically raised the stakes:

- On Oct. 10, the secessionist Jiye Sindh movement leader Syed Imdad Mohammad Shah, son of the late G.M. Syed who had led the movement for "Sindhudesh" for decades, sent an ultimatum from London that unless Islamabad changes its "repressive policies," it could lead to the creation of a Sindh nation. Syed Imdad was addressing the World Sindhi Congress in London.

- Mohajir leader Altaf Hussain, whose ethnic group Mohajir Qaum Movement (MQM) (see *EIR*, Oct. 13, p. 59) is involved in terrorist activities in Karachi and some other cities of Sindh in Pakistan, has written to a former Pakistan prime minister, Mian Nawaz Sharif, to join hands with him in the "struggle" against Islamabad. Altaf Hussain has been based in London for the last four years. In October, he formally asked U.N. Secretary General Boutros Boutros-Ghali to mediate between Islamabad and the MQM.

- On Nov. 22, a provincial minister of Baluchistan and the election commissioner belonging to the same province were ambushed by unknown assailants.