

Editorial

Swiss brinksmanship, Russian war-games

As the Banking Committee of the U.S. Senate rushes to reconfirm Paul Adolph Volcker as chairman of the Federal Reserve System, Brazil is being clobbered into submission to International Monetary Fund dictates, by a coalition headed by Fritz Leutwiler, the chairman of the central bankers' central bank, the Basel-based Bank for International Settlements.

In this world gone mad, it comes as no surprise to learn that the reappointment of a man whose high interest rate regime is committed to the killing of about 2 billion people world-wide—by eliminating the production of useful goods and services, such as food, on which human existence depends, and thereby causing the worst depression of recent centuries—is a necessary contribution to the maintenance of stability and confidence. And that the elimination of Brazil as a viable national economy through the destruction of its internal industrial base, and consequent labor unrest is an essential component of the solution to the Third World debt crisis.

Who benefits from the continuation of such criminal lunacy? Are we so blinded by the ideological fetishes impelling us, like lemmings, toward the edge of the cliff, that we are no longer capable of checking our disastrous forward motion?

Volcker now insists that the single largest obstacle to what he calls "stability" is the budget deficit of the U.S. government. Ignoring the cost and contribution of his policies to the swelling of the deficit, in terms of financing the debt, reducing the tax base available to support the debt, and increasing social service charges to government by swelling unemployment and welfare rolls, Volcker now wants to cut the federal budget by upwards of \$50 billion dollars. There is only one area of the budget where cuts of the size Volcker demanded could be made: in the defense budget. Given the fact that such approaches will make the problem worse, not better, whose interest is served by policies of disarmament dictated from within the Federal Reserve, and its international supporting agencies such as the BIS and the International Monetary Fund?

Apart from the genocidal crushing of the sovereign nation state—an objective of Volcker that is shared by Leutwil-

er in his capacity BIS chairman—Volcker and his lackeys are steadily forcing the refinancing of the bankrupt world monetary system, and associated instruments of debt, onto the back of the U.S. economy. To promote that, he also argues that the U.S. budget, i.e., defense spending, be cut. Could the Soviet Union have a better pair of allies within the Western world than Paul Volcker and Fritz Leutwiler in their deeds and in the consequences of those deeds?

Soviet policy, as developed in the recently concluded plenum of that country's Central Committee and announced by party chairman Yuri Andropov, is premised on the assumption that the Western world is heading into an irreversible economic crisis which will provide the opportunity for the Soviets to expand their world power. To that end the Soviets have committed themselves to opposing any tendency within the West that could reverse the slide into crisis, including President Reagan's new space-based, high-energy physics dependent, missile defense policy.

Leutwiler and Volcker now propose that the remainder of the industrial and technological base available to support the development of the weapon systems that could eliminate the threat of nuclear war and reverse this depression, be itself dismantled. And the ideologues in the Treasury Department, and on Wall Street, go right along with them. This way, we could rightly expect Russian to be the preferred language of the Federal Reserve Board before Paul Volcker comes before the Senate for another four year term.

But it's still worse. By attempting to eliminate the internal basis for economic recovery, by setting the United States on to the path of aggravated confrontation with Ibero-America over a bankrupt monetary system which serves nobody's real interests, and thereby attempting to eliminate nation state solutions to the crisis involving both the United States and Ibero-America, Volcker and Leutwiler are in fact accelerating the tendency to an early showdown with the Soviets. They are helping to push us into a thermonuclear war. Are we to be their fellow-travellers down that road? Perhaps we still have time to learn that the institutions of the sovereign nation state and the institutions that rule over the bankrupt shards of the old world monetary system are incompatible, if we want to avoid a nuclear war.