

Kissinger Watch by M.T. Upharsin



Henry declares war on Japan

If one day, it should come to pass, that the mutually beneficial American-Japanese relations that Douglas MacArthur established have been smashed, don't spend wasteful hours wondering how it happened. Just recall what we here report.

On Oct. 8, the latest from Henry Kissinger appeared in the international press. We caught it in the *Jerusalem Post*, a *Los Angeles Times*-syndicated article, entitled "Economic Collision Course." His imperial majesty threatened Japan with "retaliation," if it continued its current economic course, and proceeded to blame U.S. "deindustrialization" on Japan!

The nitty-gritty of Kissinger's declaration of war on Japan is this: "Japan cannot go on hiding behind its opaque decision-making process. The strategy of wearing America down will sooner or later make retaliation inevitable. . . . No nation will permit another to deindustrialize without seeking to arrest the process. . . . It would be far preferable to tackle the issue frontally, to seek to

alter the Japanese consensus. Such an approach would oblige Japan to put its consensus system into the service of an agreed objective instead of using it as a roadblock in individual negotiations."

The agreed objective, however, must not be "in the military field"—i.e., Japan's eagerness to contribute to the U.S. Strategic Defense Initiative. Where then? "There is one area where Japanese contribution could be crucially helpful to the cause of peace: the growth of developing countries, especially the high debt areas of Latin America and some African countries such as Nigeria. All indications are that the U.S. will abandon the existing system of dealing with international debt through austerity and commit itself to the growth of the developing countries. There is indeed no other choice. But in a period of large budgetary deficits America does not have the resources to undertake such a project alone. Japan could serve both the world and its national interest by supporting generously multilateral institutions devoted to global economic growth. In establishing the limit of an acceptable trade imbalance, the U.S. should give heavy weight to a Japanese contribution to global economic development substantially exceeding its present efforts." This would be a "collaborative enterprise in great projects," counterposed to "political confrontation."

The real game

Moving aside all the sweet talk and crude thefts from the writings of LaRouche (who else has brought the expression "great projects" into the political vernacular?), what Kissinger proposes is very simple: Unless Japan "helps" the U.S. bolster the International Monetary Fund and like "multilateral institutions," the United States will declare trade war on Japan!

There is, of course, a lot of blackmail involved here. The more the Kissingerians at the U.S. State Department undermine stability in the Philippines, Thailand, and elsewhere, the more Japanese security, access to raw materials, and so on is threatened. Ironically, to the extent that the IMF is the chief culprit in these destabilizations, Kissinger is demanding that the Japanese commit national political and economic hara-kiri.

The Japanese, very astute in their own right, would never be so stupid.

During 1985, Kissinger, in his capacity as advisor to American Express bank, has traveled to Japan, demanding that the Japanese open up their currency markets for international speculative purposes. The pressure, from numerous international banking circles linked to Kissinger, is to make Toyko into one of three or four international money markets, along with, perhaps, New York, and London, in the context of a giant financial shake-out that would leave only a handful of banks in command of markets.

One such super-cartelization proposal is being circulated by the London chief of First Boston International, John Hennessey, who wants to see London, New York, and Tokyo, as three "fast-money" markets, working 24 hours a day each, and servicing, at most 10 or so banks.

A similar proposal has come from former Amex chief Edmond Safra, of the Aleppo banking family, who has extensive interests in Brazil.

Most recently, coinciding with a meeting in Venice with Kissinger and others, Banco Nazionale di Lavoro chief Nerio Nesi gave an interview to the Italian magazine *Capital*, declaring that "10 or 20 banks" would survive in the future world banking.

Expect much havoc to be wreaked by these madmen, but, also, recall that the Japanese response has not yet been heard. . . .