

ran into the adviser again, and asked for his response to the LaRouche programs.

The situation was changed. The economic adviser was very cold, and said only three short sentences: "We are launching an investigation of *you*. We are a member of the AFL-CIO. We want no further cooperation with you."

After Walesa won the presidential elections in December 1990, Bortner continued to write documents for him attacking the International Monetary Fund, whose polemics were reflected in Walesa's public statements. Immediately the international press revived the slander campaign it had run against Walesa during the election, accusing him of being dictatorial, petty-minded, a populist—even anti-Semitic!

### Living standards are slashed

The pressure was far too great, and Walesa, who had tried to stop the IMF, was unable to do so, especially because of the composition of the Mazowiecki government. Mazowiecki's government had come from Solidarnosc, but also from the previous communist government.

Now, after two and a half years, the living standard has dropped more than 50%. Life wasn't easy before, but now it is far worse. "Before I left for America, I was saying that production had dropped by a minimum of 51%, because I didn't want to exaggerate," Bortner said. "Now, Walesa himself said a few days ago, that it was 70%! It's unbelievable! Poland had had a program, and had production. The first plan . . . was based on economic development: high technology, a budget for machines, for tractors, for production. The plan was incomplete and very small, but it was a good start. Not like what we have now. Everything that has happened in Poland was predicted by us, and Walesa has the reports, so he can see for himself. . . ."

"The situation is deteriorating so fast, that I am not sure that Walesa can stop this, or that something will happen in Poland very soon. I am very much afraid. Of course, it's worse in the towns than in the countryside, but, for instance, in Lodz, we are expecting in the near term to see 50% unemployment. Now in Lodz we have a minimum 25% unemployment—one in four has lost his job." There has been a 50% rise in burglaries in Poland. Homeowners are buying guard dogs, because houses left unattended for more than a few days are invariably broken into. "There are no police, because there is no police budget. And this worries the Army, because there is no Army budget either."

A paradoxical situation existed, where 70% of the government was controlled by the communists, who were implementing the International Monetary Fund (IMF) free market reforms. In 1990, there was an agreement that the Soviets would have to pay for Polish goods in hard currency, which, of course, helped the Poles to pay their debts to the Club of Paris creditors. Meanwhile, the communist mafia in both Poland and the Soviet Union stole an estimated \$12-14 billion from Poland.

# Lithuania could to free Europe of

by Hartmut Cramer and Ortrun Cramer

From the very outset, it had been clear to everyone in Lithuania that instituting democratic freedom and restructuring the country's economy would not be easy; but no one imagined that it would be *this* difficult. Especially now, it is dawning on many that the problem lies primarily in the "stabilization measures" which have been emphatically recommended (i.e., imposed) by western powers who are committed to the incompetent policies of the International Monetary Fund (IMF).

The situation of Lithuania's leaders was and is by no means enviable. They had to win individual freedom and national independence against both the embittered resistance of the communist bosses in Moscow, and the stated desires of western governments which dared not touch—much less slaughter—the sacred cows of Yalta and Versailles. But now still greater demands are being placed on the personal and intellectual mettle of these political leaders.

Up to August of last year, Lithuanians had the advantage that the "enemy image" was clear to all: No matter what finely crafted deceptions and disinformation the communists and their political errand-boys in the West ranged against them, decades of experience with the KGB's machinations had taught the Lithuanians how to manage. Thus they were able to defuse all the provocations and to avoid all the traps. The countless siren songs from East and West about "promising compromises" were equally fruitless: The stronger the pressure, the more solid was their united front.

### From the frying pan into the fire

But the situation today is completely different. Awareness is gradually growing that not all that glitters in the West is made of gold; that behind the sparkling facade of democracy and freedom, corruption pulls strongly on the strings; and that free trade, market economy, and private property are being promulgated ruthlessly for their own sake. People are rubbing their eyes in amazement: Was our liberation from the yoke of communism simply a leap out of the frying pan into the fire?

From an economic standpoint, that is certainly the case. Admittedly, when it freed prices, Lithuania's government successfully avoided instituting the extreme "shock therapy reforms" that were introduced in Russia and in Poland; nevertheless, living standards, though they remain the high-

# still lead the way

## IMF usury

est of all the former Soviet republics, have dropped steadily over the past six months. ("Here, unlike in Russia, nobody has to go hungry," we were constantly reassured. "Ever since I recently returned from Mongolia, I don't have anything to complain about any more," reported one student, who was shocked at what he had seen in his travels.) Step by step, wages in Lithuania have been raised to tenfold their previous levels; but prices have been climbing even more steeply, so that people are able to buy less and less with their money.

Up until recently, inflation had been alien to the Lithuanian vocabulary, because prices had been frozen for 50 years. But now it has become a part of daily life. The bundles of ruble notes (the largest denominations were withdrawn from circulation by Gorbachov last spring) which are paid out on the first of each month, have been getting fatter and fatter, and are blowing the money markets sky-high. There is a great desire to introduce a national currency; but this would require a stabilization fund, and that is entirely dependent upon whether the International Monetary Fund makes good on its promise to provide credits. And the IMF will only grant those credits if they are tied to the fulfillment of certain "conditionalities." In the wake of the IMF's arrival, and the fantasy of an imaginary "American paradise"—which, in the imagination of many young Lithuanians, can only be reached through the stepping-stone of rich western Europe, especially Germany—many young people have been on a wild chase after the "fast deutschemark" or the U.S. dollar.

Many of the same students who only one year ago had risked life and limb in defense of the Parliament building and of Lithuania's freedom, are now cutting their studies short in order to practice "free market economics." They purchase relatively high-quality goods such as silk garments at below bargain prices in China, so that they can then sell them in Poland to western tourists for hard currencies, which they then use to buy other goods at an even higher profit margin. Then they squander the profits on the black market in Lithuania, Russia, Romania, or even in the Balkans or Turkey. It is not difficult to imagine how these young people soon lose all fear of dealing in drugs, arms, and so forth.

"I scarcely recognize the country," complained one Catholic Church representative concerning the degeneration he has seen over the past few months. "A year ago, people's

morality was excellent; there was a general mood of revolutionary change, and each was willing to give his all for the country's future. But now, almost everybody thinks only of himself, or at best of his family."

### Lithuania's strength

But these all-too-evident problems aside, Lithuania's great strengths could also be clearly recognized. The population knows exactly whom they have to thank for their freedom. Nowhere was this more clear than at the ceremonies on March 11, the second anniversary of Lithuania's declaration of independence, and the first anniversary of its actual freedom. Tens of thousands stood in the plaza in front of the Parliament building in order to listen to the voice of President Vytautas Landsbergis piped through loudspeakers, describing the history of the past few years, once more mercilessly attacking Gorbachov, and pointing to the Lithuanian people's steadfastness, morality, and willingness to sacrifice as the chief factor responsible for their victory over communism.

The ensuing military parade, held outside the Parliament building, was reviewed by Landsbergis along with his young defense minister Butkevicius and the military chaplain of Vilnius, and was enthusiastically supported by all onlookers. Aside from a few side-arms, no weapons were to be seen, and yet the discipline of the marching troops was an impressive indication of their high degree of preparedness. (The sounds of the "Hohenfriedberger March," played at the beginning—probably the most famous of the numerous old Prussian marches—are certainly also heard in many places outside Lithuania, including in London and Washington.)

In conclusion, a large number of young and older men (and women), wearing civilian garb, were sworn into the Army, an institution which has become extraordinarily popular, especially the security troops who guard the Parliament and the President. One student, who signed up as a volunteer for five years of duty (as a member of the militia, he is required to be on active duty during most weekends), reported that in addition to himself, eight of the other 20 members of his class had taken this step "spontaneously and deliberately."

Throughout the entire day, and on into the night, the Opera House held concerts of classical music, including many works by Lithuanian composers—an impressive proof of this country's strong sense of cultural identity, and of the great role which music has played in its more recent history, especially in its struggle for independence. For this reason—and also because President Landsbergis is himself a musician—artists are very popular here. A recent poll conducted in the Baltic states, asking young mothers about what career they preferred their sons to take up, elicited "traditional" answers in Estonia and Latvia, such as engineer, doctor, scientist, etc.; but in Lithuania, "musician" stood at the top of the list.

Among the other items on the positive side of the balance



*Presidents of the Baltic republics following a meeting in Washington with George Bush, September 1991. Left to right: Arnolt Ruutel, Estonia; Anatlijs Gorbunovs, Latvia; Vytautas Landsbergis, Lithuania. These republics have won their freedom from communism, but their leaders are now confronted with even greater demands for leadership.*

sheet, is the continued strong sense of community with western Europe (the geographic center of Europe lies in the eastern part of Lithuania, about 15 miles north of Vilnius), a spirit which is expressed in the fact that the overwhelming majority of Lithuanians are Catholic, as well as in their "old-fashioned" belief in progress and economic growth. As early as 50 years ago, a Lithuanian economist calculated that the desirable population for his country should be about 15 million, even though in his day the population was only 3 million, and today it is about 3.7 million; his target figure is comparable to the population density of the Federal Republic of Germany just before reunification.

"We Lithuanians are old-fashioned: We still believe in the priority and in the future of railroads," was the way Lithuania's transportation minister, Jonas Birziskis, playfully put it in an interview. He said he wants Lithuania's railway system, which has remained basically unchanged since 1940, to be brought up to European standards as quickly as possible. And the following figures indicate what that means: Today Lithuania has a rail network consisting of 1,267 miles of track, 76 miles of which is electrified, and only 18.5 miles of which has the European gauge—the only stretch of railway in the entire former Soviet Union which meets the European standard!

### **IMF policy: dismantlement and sellout**

If one is to believe the western economic experts and IMF representatives who are now streaming into Lithuania by the dozen, then Lithuania's entry into the IMF is synonymous

with its entry into Paradise: Lithuania will then belong to the exclusive club of rich nations; it will be able to obtain credits for its stabilization fund, along with access to big investment, and will generally only then be really accepted among the civilized nations of the world. But there's a price: immediate introduction of free market economics, along with rapid and thoroughgoing privatization.

Lithuanians have seen what that means in practice by looking over their backyard fence into Poland, which is undergoing a collapse in production and a sellout of its national wealth at the very lowest prices. Therefore, since the IMF has been unable to cover up the complete collapse of Poland's economy and the forced resignation of the Warsaw government, the IMF bankers have presented the Lithuanians with a convenient whipping-boy: the "lazy Polacks," who are solely responsible for what has happened to the Polish economy. Such is the IMF's entire sales pitch: Always claim that the "others"—whether they be the Poles, the Czechs, the Russians, the Ibero-Americans, the blacks, etc.—are too lazy, stupid, and corrupt; and so it's not the IMF's fault. But you (in this case, the Balts) are an industrious people, clever and decent, and therefore you'll make it—but only with the IMF's help.

What the IMF means by investment aid and privatization was revealed to the Lithuanians in a flash of lightning, when a rich oil sheikh from the Middle East wanted to buy up not only all the port facilities in Klaipeda, but the entire city itself, so that he could turn it into his own private grounds.

And representatives of German economic interests have been telling Lithuanian parliamentarians, without batting an eye, that Lithuania has the choice of either insisting on its sovereign rights as a nation, and thus remaining poor and isolated, or opening itself up to foreign investors, i.e., completely subjugating itself to their conditions.

There seems to be no other alternative to the IMF. But is that really so?

### The solution

For pragmatists, there certainly is no other solution; but there is indeed one for realists. Landsbergis and his government must tackle this admittedly knotty problem with the same realistic attitude which he showed in fighting for national independence. They recognized the dangerous and subtle ways of the enemy, and built their strategy on the actual forces at their disposal, i.e., almost exclusively on the readiness of the citizenry itself, and of people in the other Soviet republics, to man barricades in defense of freedom and democracy. The readiness to die, if necessary, which the Lithuanians showed on "bloody Sunday," gave Russian patriots the courage and strength to mount successful resistance during the August coup attempt.

Lithuania alone, of course, cannot turn the world strategic situation around single-handedly; but it can, as it did last year, play a crucial catalytic role. Three things are necessary in this regard:

#### 1. A clear "enemy image":

- a) Give up all illusions about the United States and the

Anglo-Americans, whose strategy is to use the "shock therapy" imposed with the help of the IMF, in order to *actively sabotage* the development of central and eastern Europe as well as the Community of Independent States.

- b) Spread the truth about the IMF: its economic policies, which have failed in every instance; its tactical intentions to prevent economic development; its long-term goals of limiting or eliminating national sovereignty; and its anti-human ideology of world population reduction.

#### 2. Join a coalition for worldwide development:

- a) Play the continental European card, and especially the German card, in that the struggle has yet to begin for Europe to play a role in the world independent from the Anglo-Americans.

- b) Form an alliance with the nations in central and eastern Europe, and in the developing sector, especially in Ibero-America, who are revolting against the IMF's policies. Jointly exert pressure on western Europe to act in its own interests by breaking away from the bankrupt policies of the IMF.

#### 3. Implement a competent economic program:

- a) Conduct the broadest possible discussion, and immediate implementation, of the Eurasian infrastructure program proposed by the U.S. economist Lyndon LaRouche.

That is a great challenge, of course; but it is the only realistic alternative. After 50 years of oppression, the people of the Baltics did not wage a heroic battle to burst the chains of communist dictatorship, only to suffocate to death in the IMF's stranglehold. Let us hope that the responsible officials will not have to learn this after it is already too late.

## 'Get LaRouche' task force exposed in Lithuania

Until her sudden disappearance six months ago, Rita Dapkus was chief of the Lithuanian Information Office of the Parliament in Vilnius, and according to her own report, had been in contact for years with both the Soviet KGB and the U.S. Federal Bureau of Investigation. According to a March 31 report in the Lithuanian newspaper *Lietuvos Ritas* (*Lithuanian Dawn*)—a former mouthpiece of the Soviet Komsomol youth organization—Dapkus openly admitted this in early March in an interview with a paper published in Klaipeda, the *Mazoji Lietuva* (*Little Lithuania*).

In this interview, entitled "Between Two Intelligence Services and Between Sajudis and the Parliament," Dapkus, a 30-year-old native of Chicago, reported that the KGB had expressed interest in her during a trip she took to Lithuania in 1986. After she returned to the United

States, she contacted the FBI via a friend, and it was agreed that she would take up the KGB's offer, while in reality working for the FBI. Over the following years, as a student in Vilnius, she regularly informed the KGB about her contacts in Lithuania's political and cultural circles. (Her contact man was the "overseer" of West German visitors to Lithuania.) After Lithuania declared its independence, she was employed as chief of the information office for all English-language news reports—until she suddenly disappeared six months ago.

The revelation of her contact with the FBI now finally provides a straightforward explanation for her slander-mongering attitude toward American economist Lyndon LaRouche, whose economic program is widely known. Dapkus reportedly made slanderous statements about LaRouche on many occasions to members of the Lithuanian parliament and representatives of the Sajudis party, had warned them not to have any contact with LaRouche's organization. But she had never complied with requests for proof or even reasoned arguments to back up her allegations.—*Harmut and Ortrun Cramer*