

can have no effect but to accelerate the destruction of the sovereignty and national security of every nation affected, including the United States itself," LaRouche wrote. This Pentagon bungling will lead to the spread of international terrorism, because, "if the resolution of a border dispute is taken out of the sovereign hands of the nation-state parties, the disputed area becomes a region of 'extra-territoriality,' in which terrorist/separatist operations thrive."

### Each against all

Einaudi's work has entered a new phase. According to diplomats in the region, one of the primary items on the agenda of Secretary of State Warren Christopher during his early March visit to Ibero-America, was to present a scheme, cooked up by Einaudi, for U.S.-sponsored negotiations for a "final" settlement of the dispute, to Argentina, Brazil, and Chile, the three other nations which, along with the United States, are guarantors of the Rio Protocol of 1942, the international treaty signed after the 1941 war between Peru and Ecuador.

On March 6, after months of behind-the-scenes diplomacy, representatives of Ecuador and Peru presented, at a meeting in Brasilia with the guarantor nations, a list of issues each government considers must be resolved for a final peace settlement to be reached. Reportedly with Einaudi's direct encouragement, the Ecuadoran government presented two obstacles: its belief that the Rio Protocol is partially "not executable," and the need for "free and sovereign Ecuadoran access to the Marañón-Amazon" rivers. The latter would require Peru to yield territory beyond the 78 kilometers now in dispute, which both sides agree has not yet been demarcated.

Whatever the immediate self-interest which the Ecuadorans perceive they might gain from this, the strategic question raised is, what is it that the Einaudi-Bush Manual crew seek?

Under current conditions, no Peruvian government could yield *sovereign* access to the Marañón-Amazon without being toppled—as Einaudi knows full well. In a recent U.S. Army War College study, *War and Peace in the Amazon*, Einaudi associate Gabriel Marcella stated that any acceptance of this demand "would be political suicide for a government in Lima." Yet, Marcella urges that Peru-Ecuador conflict be taken up by the Inter-American community as a "case study of conflict resolution."

The authors acknowledge that their demands are unacceptable. Is "peace," then, their objective, or, perhaps, renewed fratricide in Ibero-America?

In addition, were the Peru-Ecuador conflict to be resolved through the negotiation of new borders, under the aegis of some supranational forum outside the Rio Protocol Treaty, the precedent would be set, that *all* borders of the Amazon can be renegotiated under international mediation, thus reviving one of Great Britain's most long-standing geopolitical designs.

## New prime minister of Sweden: a 'lion tamer'

by Ulf Sandmark

The new leader of the Swedish governing Social Democratic Party (SAP), Göran Persson, has been hailed by the London *Financial Times* as a "lion tamer." He is the former finance minister, who is to continue to deliver the austerity demanded by "the markets," now as the chairman of the party and prime minister of Sweden.

The party congress that elected Persson on March 15-17, was the culmination of a long and dirty selection process that started when then-chairman Ingvar Carlsson, during the kickoff of the election campaign for the Sept. 17, 1995 election of Swedish members of the European Parliament, for unknown reasons, announced his resignation. Carlsson's choice for his replacement was his vice prime minister, the "punk woman" and party secretary Mona Sahlin. She was discredited in a credit-card scandal, mainly fueled by leaks from Social Democrats in the government bureaucracy. The trade unions mobilized an open revolt against Sahlin. The national trade-union federation, LO, had a banner headline in its newspaper, which read: "Mona, You Are Not Good Enough!"

With Sahlin and other possible candidates out of the way, Persson was "talked into" taking the job as chairman, even though he had "absolutely" refused the offer before.

The trade union revolt continued, first in the form of tough wage demands. Then, the unions made an open challenge to the party leadership, trying to "take over" the party congress by electing only their own people as delegates. With this prelude, the SAP extra party congress became the center of Swedish domestic political life, a dominating affair reminiscent of the former one-party systems in the East bloc. The SAP, even though in power, defused the revolt, and succeeded, just like those old communist parties, in making a comeback, shooting upwards in the opinion polls.

By resigning, Carlsson succeeded, first, in winning the election, and, then, in coopting the revolt against austerity. (He is an example of how today's politicians can become popular only by resigning.) Carlsson's resignation marks the end of the Olof Palme-era of Swedish high-flying international stunts to promote the U.N. system, and various flanking maneuvers in the Third World, on behalf of British world domination. The election of Persson has been characterized as bringing the SAP into a situation that would have prevailed, if Palme had not been elected as SAP party leader in 1969. It

has also been characterized as bringing the SAP back to the pre-war and wartime Prime Minister Per Albin Hansson's more domestic-oriented policy, called *folkhemmet* (the home of the people).

### **United Nations never mentioned**

In his policy declarations at the congress, Persson did not mention the U.N. once. The only foreign countries he mentioned were the Baltic countries, for which he made one of the strongest declarations of support, so far, from a Swedish government official. He put a priority on developing good relations with Baltic Sea nations.

If this foreign-policy orientation were to be fulfilled, it would mean a victory for the forces associated with Lyndon LaRouche in Sweden, whose main political activity has been to fight the hypocritical foreign policy of Sweden. The hypocrisy was shown most clearly when Sweden, on the one side, "supported" the Third World, and, on the other, supported the U.N. system and the International Monetary Fund destruction of the Third World.

Those who protested against the government austerity policies, up through the SAP party congress, have become part of the accepted political landscape. They were given the name of "traditionalists" in the press, because they wanted to turn back the clock to regain the former levels of social and unemployment benefits, which have been cut down as part of many austerity packages. Their counterparts were named "renewers" (it could be translated "reformers," just like in eastern Europe). The renewers are based in the government, with Sahlin as their main spokesman, and among other yuppie strata in SAP.

This fight against austerity, as well as vocal protests from all kinds of groups around the country, has opened up the debate in Sweden. There is now an open faction-fight over what is called "the description of reality." The "renewers" say that the reality is that there is no money, there is a budget deficit, etc. The "traditionalists" say that there is too much austerity for people to survive.

Efforts to control and contain the debate have been massive, with the media selecting who is supposed to represent each "side."

### **The fight for nuclear energy is revived**

However, the cat is out of the bag, and a climate of civil disobedience is spreading. It takes many forms. On the same day that the SAP congress started, the main private nuclear power plant operator in Sweden, Sydkraft, held a seminar presenting what has so far been taboo in public debate; a plan to renovate their three reactors, one of which the government plans to shut down within the next few years. The nuclear issue has become a focus for the rebellion against the government. But also directly outside the SAP congress, there were, for the first time, many protest groups, among them mine workers from the mines more than 1,000 kilometers north of

Stockholm. In this atmosphere, the friends of LaRouche in the European Labor Party were received with interest, and discussions were held with many delegates.

The SAP congress itself represented an overwhelming operation of control against all the "rebels." With all the tricks in the book, including tremendous group pressure, the party leadership muddled through with only very minor defeats in the decisions by the congress.

The main attraction of the party leadership was, of course, the new chairman. Persson skillfully took the lead in bringing together all the factions—mainly by making promises in all directions, thereby buying himself time. He succeeded in unifying the congress around defeating mass unemployment as the main priority. In this way, the image was created that there was a common goal and common value system, even though there were differences on how to analyze the reality. Persson himself works totally within the realm of the market forces. His way of "solving" unemployment is the standard reduction of the budget deficit, which supposedly would lead to lower interest rates and thereby new investments in the private sector, creating new jobs.

This approach is an empty shell, especially because Persson won't even have electricity for employing more people in the country. He pushed through a decision, by a vote of 219-114, to close one of Sweden's 12 nuclear reactors during his current term (the next election is in 1999). This is part of an ecological profile, which he is cultivating in order to organize a majority in the anti-nuclear-dominated Parliament. With the sacrifice of one reactor, like a pawn in a chess game, he expects to get the environmentalist, leftist, and center parties behind him for three years.

At the same time, Persson promised that this shutdown would not hurt the raw-materials-processing industry, whose managers and unions are demanding the continued operation of all reactors. He also promised to preserve the social welfare system of Sweden, a country that had to import electricity last winter, including from Finland, which in turn imported it from Russian nuclear power plants.

Persson will have to muster all his reputed strong-arm abilities, a reputation he earned while a local city administrator, where he made his political career. His main accomplishment there, was in the domain of environmentalism, as his advocates claim. There, he tore down the city center in the most barbaric, modernistic way, to make way for his party-affiliated, box-like department store, Konsum.

Persson's clash with the trade unions on the nuclear issue is part of a long-term policy to decouple them from the SAP, with the party following a path of deindustrialization, ecologism, and austerity. Persson had his own fight with the trade unions when he was education minister, and smashed the teacher trade union strike. This is what the markets and the *Financial Times* refer to, when they call Persson the "lion tamer," even though he was just buying time with his contradictory policies.