

grams that are destroying Russia (p. 28). And, using excerpts from LaRouche's recent Presidential campaign speeches, we outline what emergency action must be taken to reverse the crisis (p. 21).

A new international order

As noted, the Lyons summit was the first-ever G-7 gathering, at which there was a formal presence of the Gang of Four supranational institutions. The Gang of Four appeared at the concluding press conference on June 29, sitting to the left of President Chirac. He described their participation at the summit as "the most important" of the "innovations" introduced in Lyons. In response to a question from this correspondent, the French President said that discussions between the Gang of Four and the G-7 leaders were important for the achievement of a "new international order."

David Woods, spokesman for the World Trade Organization (WTO), promoted the same Orwellian propaganda, in a discussion with *EIR*. He claimed that the presence of the Gang of Four meant that "the rest of the world" were represented there, not just the "industrialized nations." He added that the summit, historically, represents a "turning point," in "raising the political profile" and "increasing the political influence of the organizations representing the multinational system."

This is the real agenda involved in the mantra of "globalization": the deconstruction of the nation-state. Former French Prime Minister Raymond Barre, a notorious monetarist who, as mayor of Lyons, played a prominent role in the summit, spoke at the same pre-summit colloquium that Camdessus addressed. Barre declared that globalization has reduced the margin of maneuver of governments, had made "national analysis" of situations pointless, and has undermined "the protectionist temptation." We are now in an era of "increased competition," he emphasized, and the purpose of the G-7 summit is to "define the rules of the game for the new world."

A senior British diplomat, in private discussion with this correspondent in Lyons, stressed that the British "recognize that the process of globalization is unmanageable by governments." A normal person would consider that a bad thing, but not the British elites: "Globalization shakes everything up, which is good. We are very much in favor of globalization. It is in accordance with our long history of support for liberalized free trade. It also brings about more competition." Other British spokesmen boasted that Britain is "uniquely attuned" to the process of globalization. After all, as *EIR* pointed out during a background briefing by British spokesmen, globalization is simply an updated modernist variant of the old imperial arrangement.

Chatterings from the Mad Hatter's tea party

The fundamental summit work was summed up in two conference documents.

First is the Chairman's Statement, issued by Chirac in the name of the other leaders, under the title, "Toward Greater Security and Stability in a More Cooperative World." It is an unabashed endorsement of the UNO-globalist agenda. Encapsulating the "global issues" segment of the discussions held by the G-7 leaders, it demands a "strengthened United Nations Organization. . . . The UN is called upon to play an increasing role as the twenty-first century approaches." The UN, the document asserts, must be the "cornerstone" of the "international system." The Chairman's Statement promotes the assortment of global ecological-fascist programs, under such catchwords as "sustainable development," "global warming," and "biological diversity."

Even more egregious is the economic communiqué released on June 28, under the title, "Making a Success of Globalization for the Benefit of All" (Chirac's slogan). The communiqué is complemented by a shorter "annex," entitled "G-7

LaRouche: Lyons summit 'a desperation effort'

In a radio interview with "EIR Talks" on June 26, Lyndon LaRouche commented on the Lyons summit, and the comment of International Monetary Fund Managing Director Michel Camdessus, that the financial system is falling apart:

This gives a lesson in reality. Over 1992, I did a nationwide television broadcast, as part of my campaign, indicating that the financial system was suffering a kind of mudslide, a gigantic, global mudslide, which was leading to a collapse of the entire financial and monetary system. In 1994-95, I reiterated that in a campaign paper for the 1996 nomination, Democratic nomination, on the subject of what I called the Ninth Forecast. That is, I've made essentially, in my career as an economist over, now, what—almost over 40 years—about nine forecasts. And, each one of these, the first eight, turned out as I prescribed.

The Ninth, is this one, that the international financial system is on the verge of a general chain-reaction collapse, the monetary and financial system, unless certain measures are taken; and, that while the date of this event is uncertain, the process leading up to the event is in progress, and there's no question we're headed in that direction.

Now, at the beginning of this year, you had a report issued by a fellow called Kapstein, who was from the New York Council on Foreign Relations. He put out a report saying, "Well, there have been crises in the past, but the

Finance Ministers Report to the Heads of State and Government on International Monetary Stability.” The “Making a Success” document is based on a text submitted some months ago by the French government, and then worked through, by what one senior British diplomatic source in Lyons described as “a process of consensus,” by the seven governments’ special G-7 advisers, called sherpas. In essence, the text was completed, except for unresolved secondary matters thrashed out in Lyons, by the end of May. It is unlikely that the leaders had even read it before coming to Lyons.

The proclamations in the communiqué are a combination of the chatterings at the Mad Hatter’s tea party in *Alice in Wonderland*, and policy prescriptions that can only be labelled “fascist.”

The communiqué’s Preamble proclaims: “Economic growth and progress in today’s interdependent world is bound up with the process of globalization. Globalization

provides great opportunities for the future, not only for our countries, but for all others too.” The many “positive aspects” of globalization “have led to a considerable expansion of wealth and prosperity in the world. Hence, we are convinced that the process of globalization is a source of hope for the future.”

The Preamble acknowledges that globalization has also produced “challenges to societies and economies.” This acknowledgment was the subject of considerable fanfare throughout the Lyons proceedings, particularly from Chirac. He stressed that the distinguishing feature of the Lyons summit was that it was the first major gathering, to focus on the problems of those hurt by globalization.

Chirac contrasted the Lyons summit to the February 1996 World Economic Forum gathering in Davos, Switzerland, where globalization was promoted as an unqualified benefit. He portrayed himself as a great defender of the cause of

international financial institutions have things under control.” A bunch of bunk. But, this report by him, was part of a perception in leading circles, including Camdessus of the IMF, that the international banking and financial system generally, was in the process of collapsing. And, naturally, what they wished to do, was to convince the suckers that this wasn’t true, there was no such danger—which is what you always tell the suckers. You always tell the suckers to invest, when you’re pulling out. And, that’s what they were doing.

So, what Camdessus did, on the eve of this so-called G-7 Summit in Lyons, France this past week, was to admit the push for establishing a world government by a Gang of Four, headed by the UNO secretary-general, Boutros Boutros-Ghali, seconded by himself at the IMF, and the heads of the World Bank and of the World Trade Organization.

This was a desperation, a last-ditch, desperation effort, because they were all convinced that the world monetary and financial system was on the verge of a general collapse—what is called a systemic collapse. They were convinced that the series of crises, such as the Barings crisis, the Sumitomo crisis, the crisis in Orange County earlier, and so forth, that all these things were part of a pattern leading toward—and the Mexico devaluation—were all part of a pattern leading toward a general banking crisis in the near future.

So therefore, they said, the last ditch is *us*. The governments can’t handle this, the nation-states can’t handle this; and therefore, what we have to do, is we have to create a supranational, world government institution to manage everybody’s financial affairs, and *maybe*, maybe that will

keep this coming crisis under control. That’s what happened at Lyons.

The important thing at Lyons is that there was a tacit admission, that the world financial system, in its present form, is finished, as I’ve been warning for some time. It’s finished. What Clinton says, has been saying under the influence of that Roy Cohn clone, “Dirty Dick” Morris, who’s his campaign adviser, is all nonsense: There is no growth, there is no recovery in the United States, and there hasn’t been in the past years. It’s a lot of nonsense. But, Dick Morris tells him that’s the way to get reelected, so he says it. . . .

Pure hysteria occurred at Lyons. The international financial oligarchy, using President of France Jacques Chirac as their particular agent in this case, tried to set up an environment in which they entrapped President Clinton, with some cooperation from some monkeys on the U.S. side.

So, they set up this big dog-and-pony show which is the super-world government, led by Boutros Boutros-Ghali, the UNO secretary-general, and seconded by the three other institutions, sort of a “Gang of Four,” as the Chinese might call it, to run the world. Well, it’s not going to work! What this is, is *pure hysteria*, pure desperation, hysteria, a last-ditch effort. It’s not going to work!

This reminds me of a similar Entente Cordiale operation of Britain and France in the persons of Neville Chamberlain and Daladier, the French prime minister, going to meet with Hitler in Munich, to try to prevent World War II: *It didn’t work*. Similarly, this new Munich Pact of Lyons, is not going to work, either. It’s going to blow up in people’s faces. . . .