

# International Intelligence

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## ***Chubais clique downgraded in Russia***

Three members of the Russian clique of radical free marketeers, grouped around Mont Pelerin Society-schooled First Deputy Premier Anatoli Chubais, have been booted out of the Russian government. On Nov. 15, President Boris Yeltsin fired Maksim Boyko as Minister of State Property and Pyotr Mostovoy as head of the Federal Bankruptcies Department. They followed Presidential Administration deputy chief A. Kazakov into disgrace. On Nov. 20, Chubais himself lost the finance minister's portfolio.

The pretext for this rout was a pay-off scandal, involving a \$90,000 advance from a publishing house, linked with George Soros's business partner Oneksimbank, to each of these officials, to co-author a book on privatization. The strategic setting is the explosion of the global financial crisis, onto Russia's highly speculative, fragile stock and securities markets.

Chubais was hailed as "finance minister of the year" by *Euromoney* magazine, in September, for his transformation of Moscow into a hot "emerging market." Explaining his decision to keep Chubais on as first deputy premier, Yeltsin said Chubais could maintain good relations with the International Monetary Fund and the markets. In point of fact, the IMF is withholding the latest installment of its credit line to Russia, citing poor tax collection, while sources in and around the Moscow markets expect an imminent collapse of the Russian short-term state debt (GKO) market. The Moscow stock trading index has already fallen over 40% from its August high.

The new Russian finance minister is Mikhail Zadornov, head of the Budget Committee of the State Duma (parliament), who left Grigori Yavlinsky's Yabloko movement in order to accept the cabinet appointment. During the past two months, Zadornov criticized the Chubais team's 1998 budget draft as "flawed," especially its revenue projections, based on the assumption of 2% growth in the Russian economy next year, which Zadornov called "absolutely unsubstantiated." On Nov. 21, the State Duma postponed a vote on the budget draft, once again, until Dec. 5. On Nov. 25, Yeltsin and Prime

Minister Viktor Chernomyrdin held what was described as an "emergency" meeting, on the status of over \$6 billion in wage arrears, to Russian state sector employees and the military.

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## ***OBE mis-educator Spady confronted in S. Africa***

On Nov. 19, the U.S.-based inventor of the anti-cognitive "outcome-based education," William Spady, addressed 700 people at General Smuts High School south of Johannesburg, to help the huge push to install OBE in all South African schools. Spady got what can only be called "a learning experience," when he was greeted, in the middle of South Africa, by black and white parents and teachers protesting, with signs reading, "Spady, Hands Off Our Children," and "We don't Need Your OBE."

He was visibly taken aback when, at the end of his presentation, Schiller Institute member Phillemon Sekoatle delivered a scathing attack against Spady and OBE, to the cheers and support of many parents and teachers in the crowd. Sekoatle said that America "produced Alexander Hamilton, Henry Carey, Abraham Lincoln, and John F. Kennedy, and went to the Moon—all without the benefit of OBE—so why should anyone think it is of any use?" Further, Sekoatle said, he had been in the United States in 1993, and saw how OBE was actually brainwashing America's schoolchildren, and that in South Africa, it was being used as part of the government's plan to "right-size" schools, i.e., to cut back teaching staff.

Spady started defending the cutbacks (which have become a scandal), on the grounds that "the government has no money." Sekoatle retorted that the government has no money, because it is following International Monetary Fund strictures—"They cut the budget!" Spady then whined that, although OBE will definitely be implemented all over South Africa next year, he would be "taking all concerns about it to the minister of education, whom I am meeting tomorrow morning." Sekoatle concluded by telling Spady, "We don't need your OBE. You better pack your bag and go home."

Sekoatle and friends of the Schiller Insti-

tute have for the past several months carried out a campaign against OBE in the *Vaal Vision*, a newspaper which is widely read in the densely populated industrial area south of Johannesburg, the Vaal Triangle. That campaign resulted in 700 people coming to hear Spady, many of whom were there to oppose him.

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## ***French Socialists push Kabila model in Africa***

The French Socialist Party organized a conference of African opposition leaders on Nov. 19, where the genocidal methods of Congo-Zaire dictator Laurent Kabila were openly touted as a model for African opposition movements, over the "democratic" paradigm. The conference theme was, "Electoral Strategy, or Armed Overthrow?" The five countries from which opposition leaders were present, were Ivory Coast, Guinea, Niger, Mauritania, and the Central African Republic.

*Le Figaro* reports that the idea of democratic change through the ballot box is increasingly rejected, quoting Alpha Conde of Guinea: "After all, here in France, democracy did not come peacefully. The French Revolution cut off many heads."

Nice words, for a conference organized by the ruling French Socialist Party!

The lone dissent was expressed by the opposition to Kabila in Congo-Zaire. "The leader of my party, Etienne Tshisekedi, should be here," Tshisekedi's representative said. "It is Kabila who forbade him from leaving Kinshasa. Those who think that Kabila made a war of liberation, are dreaming. Liberation is not achieved by weapons. If this is not true, the African continent will become uninhabitable."

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## ***Report 'enormous need' for food aid to N. Korea***

Food aid makes "the difference between hunger and starvation" in North Korea, according to a team of American relief experts who returned in late November from a three-month fact-finding trip there. These experts found no diversion of food shipments to the

military, and no signs of discontent among the population due to food shortages.

Spokesman Michael Frank of the Catholic Relief Services told reporters that despite some difficulties the team had in getting access, or surmounting language and cultural barriers, they came away "with the strong conviction that there is an enormous need" for additional food shipments. Frank reported they witnessed "high levels of malnutrition," and heard reports of people taking desperate measures to survive, such as combing already-harvested rice fields to glean grains of rice to eat.

Frank said that "health services are the worst I've seen. I've never seen hospitals as empty [of medical supplies] as I've seen in North Korea. . . . Blankets are worn thin [and there is] no heating."

## German daily hails China's 'new Silk Road'

"New Silk Road in China's Wild West" is the headline of a half-page feature in the German daily *Die Welt* on Nov. 19, written by Jane Macartney from Kashi, Xinjiang. The article focusses on the economic build-up in the northwestern Chinese province of Xinjiang. Where a thousand years ago, caravans were transporting silk, jewelry, and glass between China and Europe, today copper, steel, and other products are being traded. She quotes the head of the Xinjiang foreign office, Liu Yushen, saying, "We want to use the Silk Road. We want to rebuild the old trading route. For the moment, goods have to be shipped overseas, but once we have improved our infrastructure, we will be able to transport the goods on roads or railways. That would be much more rapid and comfortable."

The feature highlighted the fact that China describes "the 11,000-km-long road and rail network, being built right now to connect the Eastern coastal regions of China with Central Asia and ultimately with Europe, as the new 'Eurasian Continental Bridge.'" Once this is in the process of being built, goods could be transported overland from China via Russia, Belarus, Ukraine, Poland, and Germany, before reaching the harbors of Rotterdam and Antwerp.

Since the 1993 opening of the rail route through northern Xinjiang, trade has been increasing enormously. Container freight, for example, has tripled this year over last year. One day, Macartney writes, "the railways throughout the moving dunes of the Taklamakan Desert could meander up to Kyrgyzstan and towards the South," transforming the oasis cities in southern Xinjiang once again into major trading centers. Traders from northern Pakistan are quoted, expressing "an optimistic view of the future for the Silk Road." In China's Wild West, "pioneer traders and government officials are committed to secure the rebirth of the old route," she concludes.

## BBC broadcast compares eco-fascists to Nazis

Two articles in the London *Guardian* on Nov. 26, carry hysterical previews of a BBC series, "Against Nature," exposing the environmentalist movement, that began airing on Nov. 30. Reviewer John Vidal labels the show's producers "intellectual cowards," for charging that "environmentalist" activists are "politically and socially akin to the Third Reich." The charges in the show, as the angry Vidal enumerates them, are that environmentalists "come from the same stock as Hitler and Goering; doom people to live in abject poverty; want misery to continue; peddle a system as pernicious as 19th-century imperialism," among others.

George Monbiot, for his part, is a bit more accurate, if also hysterical, writing that the series "argues that greens in First World countries are responsible for the deprivation and death of millions of children in the Third World. . . . In their callous disregard for human welfare and their fetishism of nature, greens, it maintains, are not merely conservative, but fascist, drawing their inspiration from precisely the same ideologies as the Nazis." He quotes from the broadcast's promo, which says that the show "highlights the absence of scientific rigor behind notions like the greenhouse effect and global warming." Monbiot doesn't like this one bit, and angrily tirades against it all.

**PRINCE PHILIP**, chief enforcer of the Club of the Isles, tried to wax *gemütlich* on his 50th wedding anniversary: "It has been a challenge for us but, by trial and experience, I believe we have achieved a sensible division of labour and a good balance between our individual and joint interests. . . . The main lesson that we have learnt is that tolerance is the one essential ingredient of a happy marriage. . . . You can take it from me that the Queen has the quality of tolerance in abundance."

**LIONEL JOSPIN**, France's Socialist prime minister is planning a spring meeting with President Bill Clinton, which is being set up by U.S. Ambassador Felix Rohatyn, according to the Paris weekly *L'Express* of Nov. 13.

**HANS-DIETRICH GENSCHER**, Germany's former foreign minister, wrote in a Nov. 19 commentary in *Der Tagesspiegel*: "The course which the 21st century will take, depends on the shaping of a world order, which is based on . . . cooperation and not on confrontation. Such a world order can not be imagined without the full partnership of China. . . . It is now Europe's turn, to make use, decisively, of the chances that were offered by the end of the Cold War."

**TEL AVIV** Mayor Ron Milo, the son-in-law of the late Menachem Begin, unveiled a plan on Nov. 17 to steal the Likud party out from under Benjamin Netanyahu, by recruiting a majority of the party's Knesset faction to split. He stressed that group was "to make sure that in the next elections the Likud will no longer be under Netanyahu's command."

**MARIJUANA** decriminalization was defeated in Australia's New South Wales by state MP Franca Arena, who cast the deciding vote against imposing lenient penalties for possession. "I vote according to my conscience," she chastised her fellow MPs. "Children will suffer as a result of your vote."