

“Greater Serbian” operations. For example, Milosevic, Radovan Karadzic, Ratko Mladic, and other Serb war criminals spread the story that the Feb. 6, 1994 mortar attack on the market square in Sarajevo, while it was under siege, had been carried out by the Bosnians themselves. Now, a senior journalist, Ed Vulliamy of the London *Guardian*, has revealed that the line was spread by British Intelligence. Journalists were routinely contacted. Wrote Vulliamy: British “MI6 was peddling an ill-disguised agenda: the Foreign Office’s determination that there be no international intervention against Serbia’s genocidal pogrom. British ‘UN officials’ or ‘diplomatic sources’—usually coy—suddenly offered eager briefings. . . . Their ‘information’ was that the Muslim-led government was massacring its own people in Sarajevo. Sarajevo’s defenders were dumb with disbelief; if there was any evidence for this satanic notion, the spooks never produced it. Indeed, Unprofor [UN Protection Force] reports invariably found that, as usual, Serbian mortars had wrought the killing. But Unprofor’s deliberations were tampered with and selectively leaked.”

Similarly, the case of Her Majesty’s Army Maj. Milos Stankovic, the right-hand man of Unprofor commander Gen. Sir Michael Rose, who delivered to Karadzic and Mladic any NATO secret plans in Bosnia, is continuing. Despite the contortions of the London *Times*, claiming that Stankovic is a “victim of the Americans,” he is still on trial for treason and, apparently, new evidence is accumulating.

Indeed, the British-Serb plans to retrigger the Balkan war through the explosion of Kosova, are not proceeding as planned. Milosevic and his regime are reportedly in a state of hysteria over the U.S. role. After the smashing electoral victory of Kosova Albanian leader Ibrahim Rugova, Milosevic refused to receive President Clinton’s envoy, Robert Gelbard, who reportedly is sharpening his line toward the Greater Serbs. On March 31, the UN Security Council approved, with the abstention of China and the support of Russia, an arms embargo against Serbia. And although guns in Kosova can be bought for little more than \$10, the fact that the British could not provoke a U.S.-Russia split on the issue is significant.

Unleashing fascist mobs

On April 2, Milosevic proposed a referendum against the nomination of a mediator for Kosova. Given the hysteria, fear, and rage he has sown among the Serbian population, there is no doubt that he is going to win the referendum.

The referendum is just the latest element of a precise strategy, based on the London Tavistock Institute’s methods of mass manipulation. Milosevic has already set up a militant fascist movement, creating the conditions for mass riots. In any major city in Kosova, for example, mobs of Serbs are attacking Albanian houses and shops, destroying windows, smashing doors, harassing passersby, shooting. In Milosevic’s mind, the only “solution” is an orgy of mass intimidation and violence.

Ukrainians vote against IMF policies

by Konstantin George

On March 29, Ukraine held its second parliamentary elections since attaining independence in 1991. The results revealed deep dissatisfaction with the current government, which has slavishly implemented the austerity policies of the International Monetary Fund (IMF), causing widespread suffering and a collapse of physical production. An important new factor emerging from the election was the entry into the parliament, for the first time, of the Progressive Socialist Party of Ukraine, headed by Dr. Natalya Vitrenko, a leading advocate of a New Bretton Woods international financial system.

Over 30 parties and hundreds of independent candidates participated in the elections, which were the first held under last year’s new election law, providing for one-half the 450 seats to be filled through direct district election of individual candidates, and the other half through nationwide party slates. For parties to gain seats via the second route, required a minimum of 4% of the popular vote. When the official results were announced on March 31, only eight parties had managed to cross the 4% hurdle. Five of these had run, each in their own way, on a platform of opposition to President Leonid Kuchma, whose re-election next year is already in deep trouble.

The eight were:

- The Communist Party of Ukraine (CPU), 123 seats;
- The nationalist Rukh Party, 46 seats;
- The Socialist Party (SP)-Peasant Party bloc, 32 seats;
- The government’s Popular Democratic Party, 28 seats;
- The Hromada (Community) party, of former Prime Minister Pavlo Lazarenko, 23 seats. Lazarenko was sacked by Kuchma last June, and was in bitter opposition to the President; he had been closely connected with recently deposed Russian Prime Minister Viktor Chernomyrdin.
- The Green Party, 19 seats;
- The Social Democratic Party (United), 17 seats. This party is headed by former President Leonid Kravchuk and former Prime Minister Evhen Marchuk, and is open to collaboration with the government.
- The Progressive Socialist Party of Ukraine (PSPU), 16 seats.

In the 225 direct election races, the big winners were 114 independent candidates, a telltale indicator of how deeply



Dr. Natalya Vitrenko's PSPU party cleared the threshold for membership in the new Ukrainian parliament. Here, at a press conference on Dec. 23, 1997, she shows Lyndon LaRouche's graph of "a typical collapse function," to illustrate the causes of the economic crisis in Ukraine. With her is Volodymyr Marchenko, also a leader of the PSPU.

discredited the regime and all of the older parties are. The other indicator was the fact that the new Progressive Socialist Party broke the 4% threshold for membership in parliament. Dr. Vitrenko, the party's head, focussed her campaign against the IMF and for a New Bretton Woods system, using Lyndon LaRouche's "triple curve" diagram of the economic collapse. The vote for the Greens, though they are diametrically opposed in policy to the PSPU, fits into the picture of a vote against the status quo. They scored so well, not because of ecological issues per se, but because the voters viewed them as a new "untainted" anti-regime party.

A revolutionary situation

The elections show the emergence of a revolutionary situation in Ukraine, with surprises on the agenda from now on.

The fact that Dr. Vitrenko's PSPU cleared the 4% hurdle, for example, confounded all the pundits and pollsters. The party victory was coupled with sweeping district election victories on the part of Vitrenko herself and of another PSPU leading figure, Volodymyr Marchenko.

Vitrenko had campaigned tirelessly and uncompromisingly against the new, post-Soviet form of colonialism imposed on Ukraine through the IMF and the country's ruling comprador caste. The PSPU leader is also famous for her repeated public support for the creation of a New Bretton Woods system. She was the co-initiator in February 1997, along with Schiller Institute President Helga Zepp-LaRouche, of the international campaign for a New Bretton Woods system to replace the current hopelessly bankrupt international financial-monetary system. (In an interview with *EIR* published on Feb. 6, 1998, she discussed the worldwide financial crisis. "The outbreak of this crisis," she said, "has

affirmed the theoretical, scientific basis of the LaRouche movement, especially the great service of Lyndon LaRouche in revealing the roots of this crisis, as well as the timeframe in which it would develop. . . . My source for full information, on the crisis that is actually going on, is *EIR* magazine, the LaRouche newspapers; there, as an economist, I can see the real scope of this tragedy.")

Last but not least, the PSPU cleared the 4% hurdle without the benefit of a party machine or any kind of "big money" sponsors, the only such case among the eight parties that made it over that threshold. The PSPU came into existence as a splitoff from the Socialist Party of Oleksandr Moroz, the opportunistic and unscrupulous president of the outgoing parliament, after Moroz engineered the expulsion of Vitrenko and Marchenko from the SP leadership over two years ago. Vitrenko and Marchenko had insisted that the IMF issue had to be the cornerstone of the political fight in Ukraine. Moroz, reflecting the so-called "conventional wisdom" of centrism in political parties, dispatched the two to what he thought would be the "political wilderness." Their emergence as a strong, independent political force testifies to the revolutionary nature of the current situation.

The nation's crisis deepens

The victory of the PSPU, however, cannot obscure the tragic components of the election overall. The broad anti-regime vote was hopelessly split up among parties that have, for the most part, badly flawed political platforms, and that virulently oppose one another. This means that a coherent parliamentary majority is probably impossible, let alone the two-thirds needed to override Presidential decrees, or to change the Constitution.

The vote, first of all, reflected the extremely broad popular disgust with the regime of President Kuchma and Prime Minister Valeri Pustovoitenko. Since 1991, Ukraine's economy has witnessed a steep decline in living standards every year, while the country has been bled white by a corrupt leading stratum drawn from groupings of the "former" Communist nomenklatura, and "Red Directors" of major Soviet-era plants, collaborating with the IMF and financier quarters in the West.

As in Russia, there is an ever-growing mountain of back wages and pensions owed by the state. In March, before the elections, this reached a peak of 5.3 billion hryvnia (about \$2.6 billion). Measured on a per-capita basis, the Ukrainian crisis of wage and pension arrears exceeds the much more publicized Russian crisis.

The biggest winner in the election was the Communist Party of Ukraine, led by Petro Symonenko, which received nearly 26% of the vote, winning 123 seats, compared to the 80 seats it had previously held. The "Left Bloc," comprised of the CPU, the Socialist Party (SP), the Peasants Party, and assorted left-wingers from smaller parties and among the independents, now comprises some 40% of the new parliament. After the CPU, the largest left grouping is the SP-Peasant Party bloc, under Moroz, with 32 seats.

The Communist Party scored its big gains through a two-pillar platform. The first of these was a very strong campaign against the IMF, with the election slogans, "The country must not become a colony of the IMF," and "Immediate break with market economy reforms." Leaving aside the "fine point" that Ukraine already *is* a colony of the IMF, the slogans, as such, were on the mark.

But the second slogan of the CPU's campaign was "Ukrainian reunification with Russia and Belarus, under an autonomous Ukrainian leadership," sometimes shortened to "An autonomous Ukraine in union with Russia and Belarus." This open call for Ukraine to become again a Russian colony shows the true colors of the CPU, by calling for an end to Ukraine's existence as an independent nation.

The task most immediately vital to Ukraine's survival is to throw off the colonial yoke of the IMF, to achieve national sovereignty, and not to trade off one (IMF) colonialism for another (Russian). The added irony in this is that Russia, to which Symonenko and the CPU wish to attach Ukraine, is itself ruthlessly practicing IMF monetarist austerity policies. The CPU electoral platform thus adds up to: "No to the IMF through the front door; yes to the IMF through the back door."

The other tragic component of the election results, giving a renewed impetus to a partition dynamic which had been dormant since 1994, is the extreme disparity in the regional breakdown of the CPU vote. As could be expected, the CPU scored extremely well in the heavily ethnic Russian regions of eastern and southern Ukraine. In Crimea, where ethnic Russians form the majority, the CPU got 60% of the vote;

in the ravaged former centers of heavy industry in Donetsk and Luhansk (subjected to massive disinvestment in the final decades of Communism and delivered the *coup de grâce* by IMF shock therapy), the CPU got 45% and 55% of the vote, respectively. In some districts of Kiev, the CPU also won, drawing heavy support from pensioners.

In western Ukraine, the bulk of the vote went first to Rukh (which scored 8.9% nationally, coming in second), the party which, through its appeal to patriotic sentiments, attracts the support of many good Ukrainians, and, secondly to a new grouping of conservative parties, called the National Front. The National Front did not cross the 4% mark nationally, but scored district victories in the west. Here, one has the reverse problem of the CPU: These parties are in favor of Ukrainian sovereignty and nationhood, but sabotage this principle by their support for the IMF's "market economy," and thus play directly into the hands of the ruling groups in Kiev. The vote for these parties in east Ukraine was negligible, just as the CPU vote in west Ukraine was negligible.

This east-west divide, provided it is not massively supported by outside forces, meaning from both Moscow and the British and continental European oligarchy, does not threaten any near-term partition of Ukraine. A closer look at the CPU vote shows why, even in east Ukraine, where it did so well: The CPU only did well where it could hide behind the relative anonymity of a party list. For example, in its industrial stronghold of Donetsk Oblast, the CPU got 37% of the vote, but won only 7 out of 23 district races.

This brings us to the other "divide" in Ukraine, the age divide. Pensioners make up some 30% of active Ukrainian voters, and the highest proportion of CPU votes came from them. When one looks at the election picture from the standpoint of who wants a continued independent Ukraine and who doesn't, then over two-thirds voted for independence, and the percentage of non-pensioners who voted for independence was much higher.

Now, with the elections over, the first shots in the coming confrontation between the regime and the new parliament have been fired. On March 30, CPU head Symonenko and Rukh head Chornovil, in separate statements, called on Kuchma to dismiss the present Cabinet. A Cabinet reshuffle is definitely in the cards, as Kuchma will seek to tactically adjust to the situation.

But even greater storms will be hitting soon, as the economic-financial crisis intensifies in April and May. The IMF has suspended injections of money, because Kuchma, to prevent the total disgrace of the government party not clearing the 4% hurdle, overrode the IMF's budgetary restrictions, to get some back wages paid. Also, facing a possible suspension of half of its U.S. foreign aid, Ukraine will have to refinance the Treasury bills that come due. Whether it can do that, even without outside financial shocks wreaking havoc, is an open question.