

mine layoffs already over the past three years, and 80,000 more threatened, South Africa's fragile economy is in trouble.

A Gold Crisis Committee of government, labor, and mining companies has been formed in South Africa, to try to deal with the job crisis. Pretoria is approaching the 14 nations in the Southern African Development Community to join forces. President Thabo Mbeki denounced the British move as "incomprehensible and unacceptable."

In London, on July 13, Her Majesty's government of Prime Minister Tony Blair reaffirmed that it will continue its policy of selling gold. The IMF plans to sell 10 million troy ounces, or 311 metric tons of gold.

But the oligarchs are also fighting among themselves. Look at the investigation now under way into Coutts & Co.,

for money laundering and fraud. Coutts is the British royal family's favorite private bank. Fraud investigations are under way by Manhattan District Attorney Robert Morgenthau, and by the New York Federal Reserve. Civil actions filed at the New York Supreme Court against Coutts charge that the bank specializes in tax evasion and money laundering. Coutts' customers, who must prove they have liquid assets of at least £100,000 before they are taken on as clients, include Britain's Queen Mother.

While the thieves fight among themselves, the opportunity presents itself for the friends of nations to make the post-crash period one of nation-building and economic development. In this regard, immediately below is a report on the trip to China on July 8-10, by Japanese Prime Minister Keizo Obuchi.

Japanese Foreign Minister looks to 'New Silk Road'

"Japan has set forth its Eurasian diplomacy as seen from the Pacific Ocean side, a new perspective announced in 1997 in building diplomatic relations with various countries in this vast continent." These are the words of Japanese Foreign Minister Masahiko Komura, in the January-March 1999 issue of *Japan Quarterly*. In an article entitled "Japan's Eurasian Diplomacy: New Perspective in Foreign Policy," Masahiko discusses Japan's attention to the "New Silk Road," or Eurasian Land-Bridge project for global international relations based on economic cooperation and reconstruction.

"Ten years since the Berlin Wall came down, the outlines of a new international order that can replace the stable order under the Cold War structure are still difficult to detect," he wrote. "It is now widely accepted that trying to stabilize international relations on the basis of balance of power backed by military force is impossible, and that the issues facing the international community cannot be solved, and stability cannot be maintained, without cooperation among countries, regardless how they align vis-à-vis the traditional west-east and north-south camps."

"Through Eurasian diplomacy," Komura continued, "Japan now seeks to build closer ties with Russia, China, and the Republic of Korea [South Korea], as well as with the nations of Central Asia and the Caucasus that make up the Silk Road region, and hopes thereby to foster stability on the Eurasian continent. The significance of Eurasian diplomacy thus resides in its propelling force for Japan's enhanced role in fostering a more stable environment in the continent."

The cornerstone of Japan's policy

He elaborated: "The cornerstone of Japan's Eurasian diplomacy is its relations with China and the Korean peninsula. . . . Strengthening relations with Russia is one of the top diplomatic priorities of Keizo Obuchi's cabinet.

"Diplomatic relations with the countries of the Central Asia and Caucasian region—the so-called Silk Road region—are an important dimension of our Eurasian diplomacy. . . . The Silk Road region has recently drawn worldwide attention as a potential source of supply of energy resources such as oil and natural gas. . . . Important not only for its energy resources, this hinterland of Russia, China, and Middle East nations is a key to the stability of the Eurasian region as a whole. . . . Based on these perceptions of the region, the Japanese government has sought to forge closer relations there in accordance with its specific action plan since the beginning of 1998. The effort is three way:

"Political dialogue to promote trust and mutual understanding;

"Economic and resource development cooperation to facilitate regional prosperity;

"Cooperation for peace through non-proliferation of nuclear weapons, democratization, and stabilization."

The Foreign Minister concluded: "Japan's foreign policy from the viewpoint of Eurasian diplomacy has only just begun. . . . It is my sincere hope that people will eventually come to realize that the adoption of this perspective will prove the occasion of greater strides in Japan's foreign policy."

In August, Foreign Minister Komura will travel to Iran, as one of the first initiatives of this Silk Road diplomacy. His trip follows Prime Minister Obuchi's recent successful three-day visit to China, where Prime Minister Zhu Rongji accepted his invitation to come to Japan for fuller discussions on economic cooperation.—*Paul Goldstein*