

Poverty and AIDS

South African President Thabo Mbeki has been slandered by the press around the world for insisting that poverty and its relationship to the spread of AIDS be discussed. In his address to the conference, he said, "The world's biggest killer and the greatest cause of ill-health and suffering across the globe, including South Africa, is extreme poverty." In bringing up the need for building real public health and medical infrastructure in Africa, he has hit upon exactly the questions that the IMF, World Bank, and many governments don't want to deal with. This epidemic will never be solved by throwing condoms into areas that have no hospitals, clinics, clean water, or nutrition sufficient to support the population. Only an approach that includes real infrastructure-building and development, combined with training of medical personnel and intense biological research, will turn the tide against the epidemic.

So far, most of the official responses from UNAIDS and the U.S. government to the AIDS epidemic have been woefully inadequate. The Clinton Administration has asked for a mere \$250 million to fund anti-AIDS efforts overseas for the 2000 budget. The flurry of media coverage and the release of multiple reports in the last four months about the unexpected severity of the epidemic, would lead one to believe that somehow everyone just now discovered that AIDS is a global threat. The fact is, that warnings and forecasts were made more than a decade ago by Lyndon LaRouche, which have been proven accurate.

In 1988, as part of his Presidential campaign, LaRouche went on nationwide television outlining a program of massive medical infrastructure-building and a crash research effort to combat AIDS, which he warned would become a threat to the very existence of nations, just like the Black Death of the 14th century. Also in 1988, *EIR* produced a detailed report analyzing the spread of the AIDS epidemic, and warned that measures needed to be adopted immediately to avert a catastrophe that would first erupt in Africa. The report was sent to the Centers for Disease Control in Atlanta, Georgia, which responded officially that AIDS "represented no such threat." Why were the warnings made more than a decade ago ignored, and why has the acknowledgment of the severity of the crisis taken so long? Helene Gayle, Director of AIDS Prevention at the CDC, was quoted by the *Washington Post*, saying, "We saw it coming, and we didn't act as quickly as we could have. I'm not sure what that says about how seriously we took it, how seriously we took lives in Africa."

Perhaps President Mbeki has part of the answer as to why the AIDS epidemic has been viewed without urgency by most of the industrialized nations. Addressing the International AIDS Conference and referring to Africans, he said, "They die largely because of world indifference, but most of all they die because they are poor."

Italian Parliament Readies Debt Moratorium

by Muriel Mirak-Weissbach

On June 23, Lyndon LaRouche was the guest speaker at a conference organized in Rome, by Italian Member of Parliament Hon. Giovanni Bianchi, on the proposal for a New Bretton Woods conference (see *EIR*, July 7, 2000, p. 12). While the American economist and candidate for the U.S. Democratic Presidential nomination, was presenting his proposed monetary reform to a group of political leaders, industrialists, intellectuals, and press, in the Cenacolo Hall of the Parliament, his host, Bianchi, was forced to be absent; the reason was that he, a Deputy of the Italian Popular Party (PPI), was himself engaged in presenting a bill to the Parliament, on a debt moratorium for the most highly indebted countries of the developing sector. Happily, Bianchi's bill was passed unanimously by the Chamber of Deputies on June 28, and is expected to be approved as well by the Senate.

That the two events—LaRouche's public appearance and the debate on the bill—were connected, was more than coincidental; in fact, LaRouche has been the inspiration for a series of extraordinary steps taken over recent months by the Italian Parliament. Among them, are the Senate's resolution for a New Bretton Woods conference to set up a new global financial system, followed by its presentation by Italian members of the European Parliament, to that body; and, a parliamentary inquiry, addressed to the government, regarding the reported violations of human rights by the Democratic Party's obstruction of LaRouche's political campaign in the United States.

The intense discussion of Bianchi's bill on debt moratorium, and the ongoing debate on the New Bretton Woods in Italy's political institutions, demonstrate a high level of political culture in the country, reflected in LaRouche's influence over decades.

The bill presented by Bianchi is known as the decree on "Measures for the reduction of foreign debt for countries with the lowest income and the highest foreign debt." If the Senate, as expected, also approves the initiative, the government will then be called upon to act.

The bill says that Italy will cancel foreign debts for a total of \$6 billion over three years, affecting about 62 developing countries, 41 Highly Indebted Poor Countries (HIPC's), and all the other nations which are eligible to

receive credits from the International Development Association. The decree allows the Italian government to take this initiative unilaterally, that is, without awaiting the decisions of the other creditor countries. In addition to debt moratorium, the government will be charged to take other initiatives, including debt reduction or renegotiation, or conversion of debt into credit for investments aimed at reducing poverty.

The developing countries are called upon “to respect human rights and basic freedoms, to renounce war as a means for solving conflicts, and to pursue the welfare and full social and human development, particularly with measures to reduce poverty.” These countries are also invited to present concrete projects and programs for agriculture, health, education, and infrastructure.

In addition, the Italian government would commit itself to call upon the International Court of Justice to comment on the “coherence between international rules dealing with the foreign debt of the developing countries and the general principles of law, and of the rights of man and of peoples.”

Originally, the bill had been formulated months ago by representatives of the present government, and was later further debated, with some changes in the text, under Bianchi’s leadership. His party, the PPI, is part of the government coalition, and Bianchi is a member of the Foreign Affairs Committee of the Parliament.

Bankers’ Arithmetic

In his remarks introducing the bill, Bianchi denounced the process which has led to the “slavery of foreign debt,” and detailed what *EIR* calls “bankers’ arithmetic,” or the looting of the resources and capital of poor countries, which are left afterwards with a bigger foreign debt. “Looking at the century which is passing away,” he began, “we can say that there have been many [positive] results; but at the same time, some other factors, together with few benefits, have produced true evils, among them the slavery of the foreign debt.” He elaborated on this with facts and figures. “Every baby born in the poorest countries of the world has a debt of \$360 to the richer countries and the international financial institutions. Instead of receiving education and health care, or even being able to satisfy its primary needs, this child will have to see the economy of his country suffocated under the burden of debts.”

Bianchi quoted from Pope John Paul II in his “Message for Peace Day 1999”: “In this context, I send a pressing appeal to international leaders in financial relations, to take into their hearts the solution of the worrisome problem of the international debt of the poorest countries. Some international financial organizations have begun in this regard, a concrete initiative which is worthy of support. I appeal to all who are involved in this problem, especially to the rich nations, to give the necessary support to assure the full success of the initiative.”

Continuing to explore the nature of the problem, Bianchi posed the question, “What is foreign debt? How does it develop?” and “Why does Sub-Saharan Africa, despite the fact that it paid its total foreign debt twice over between 1980 and 1996, now have a foreign debt three times greater than it had 16 years ago?” These are questions, he said, that the Foreign Affairs Committee, in the process of preparing the decree for parliamentary debate and action, “has tried to answer.”

The answers he gave to these questions were the following: “At the origin, there is the ‘meaningless’ financierization of the globalized economy: an excess of financial movements, starting from the Eurodollars at the beginning of the 1970s; the frenetic behavior of the stock markets; the lack of investment in infrastructure. Some data indicate that every day there is \$1.5 trillion in currency trading. It is clear that creditors have a great power not only on the economic-financial level, but also at the political level. Foreign debt, since its appearance at the beginning of the 1970s, has constantly grown. During 1982-90, the developing countries paid \$1.345 trillion, receiving at the same time \$927 billion. This means that they contributed to the creditors \$370 million per day, that is, \$260,000 per minute. . . . In the past 40 years, international debt has shown the following escalation: \$8 billion in 1955, \$16 billion in 1960, \$66 billion in 1970, \$573 billion in 1980, \$1.132 trillion in 1986, \$1.5 trillion in 1992, \$2.095 trillion in 1996, and \$2.171 trillion in 1997. One has to add that it is not easy to establish with precision the actual amount. Usually the data used are provided by the World Bank and the OSCE [Organization for Security and Cooperation in Europe], keeping in mind that between these two sources there are also differences.”

Bianchi quoted UNICEF to the effect that “world debt, and the policies applied with respect to it, cause the death of 500,000 children every year.”

After describing the initiative that the Italian government intends to undertake with the bill, Bianchi said: “The concrete strategies which, at the international level, should go together with the cancellation of debt, are not yet clear. In this sense, nothing has as yet been studied to review the rules of the international financial mechanisms, in order to create new credit lines for the poor countries, avoiding at the same time, setting in motion again the perverse process, maybe a worse process, in the new conditions imposed by globalization. . . . We have to avoid the risk . . . that debt cancellation should become nothing but a purely accounting exercise. . . . Italy has to pass this law immediately . . . so that the debt cancellation be translated immediately into real, measurable, and visible investments to favor the emancipation and development of the poorest populations.”

The “concrete strategy” required at the international level, to reform financial structures, does indeed exist, in the form of the New Bretton Woods proposal which LaRouche has taken to Italy.