

G-7 Leaders Fiddled, Genoa Burned: Washington Next?

by Jeffrey Steinberg

The leaders of the Group of Seven industrialized nations met in Genoa, Italy July 20-22, and stubbornly ignored the reality of the global financial crash. This resounding failure by the heads of state and government of the United States, Germany, Britain, France, Italy, Japan, and Canada, to address fundamental strategic reality, allowed violent street demonstrators to seize the headlines by causing hundreds of millions of dollars in property damage, in the biggest show of Jacobin “rage against globalization” since the Seattle World Trade Organization (WTO) meeting of December 1999.

In fact, the bankrupt performance by the heads of state of the world’s leading industrial economies has added further credibility to the emerging “new generation” of terrorists, who have set their sights on the September-October 2001 annual International Monetary Fund/World Bank meeting in Washington, D.C., for their next Jacobin rampage. Already, Washington police are putting out the word that they expect the biggest and most violent demonstrations since the height of the anti-Vietnam War movement of the late 1960s and early 1970s. But the police warnings hardly anticipate the level of irregular warfare that is being planned for the nation’s capital over the next several months.

‘Don’t Go There’

The mood of unreality that dominated the G-7 discussions and the final communiqué in Genoa was captured by the *International Herald Tribune* on the eve of the gathering. On July 18, the *International Herald Tribune* wrote, of a speech that President George W. Bush had delivered at the World Bank outlining his agenda for Genoa: “In his speech on Tuesday, the President left unaddressed some of the larger questions facing the economies of the leading industrialized nations and Russia. He said nothing about the convergence of the threat of

a financial default by Argentina, Japan’s continuing economic slump, a European slowdown, and the mottled U.S. economic picture.”

German Chancellor Gerhard Schröder confirmed that Bush’s “don’t go there” attitude was shared by the other leaders at the summit, when he told the *Washington Post* and Associated Press on July 20 that “it’s now clear that there is no longer any reason to talk about the dangers of recession.” At an earlier preparatory meeting of the G-7 finance ministers, U.S. Treasury Secretary Paul O’Neill had similarly openly lied, by claiming that a U.S. recovery was just around the corner, early next year, and that the U.S. “model” of tax cuts and interest rate cuts would carry the global economy through its current downturn without causing a systemic crash.

Indeed, the final communiqué of the G-8 meeting (Russian President Vladimir Putin joined the G-7 leaders on the second day) made no mention of the worldwide financial and economic collapse under way, instead speaking in general terms of the importance of spreading the benefits of globalization and free trade to the underdeveloped sector—a recipe for an even more devastating crash.

In his weekly radio address, delivered from Genoa July 21, President Bush summed up the retreat from reality: “We want to spread the benefits of free trade as far and as wide as possible. Free trade is the only proven path out of poverty for developing nations. And when nations are shut off from the world, their people pay a steep price. Despite trade’s proven track record for lifting the lives of the poor, some still oppose it. They seek to deny the poor and developing countries their best hope for escaping poverty. . . . The developing countries have no need for protectionist policies that would condemn them to permanent poverty.”

Bush also said the wealthy nations must work with devel-



The G-7 leaders' denial of reality—the clearly worsening global crisis—had the effect of giving the spotlight to the “anti-globalization” anarchists, funded by drug money and by British “green billionaire” Teddy Goldsmith.

oping countries “to help them overcome obstacles to their development, such as illiteracy, disease, and unsustainable debt” (what he called “compassionate conservatism at an international level”).

The communiqué made it clear that, in addition to being drunk on the elixir of free trade, the G-7 leaders are still embracing the IMF's agenda of austerity and privatization as the “guarantor” of the system.

Meanwhile, Out on the Streets

The Genoa summit was dominated by violence, as hundreds of thousands of protesters jammed the streets to demonstrate against globalization. A hard-core group of violent anarchists associated with the People's Global Alliance umbrella group, engaged in street battles with the Italian police, resulting in the death of one demonstrator, and the injury of hundreds of protesters and police.

British “green financier” Teddy Goldsmith was one of the major patrons of the Genoa violence, according to several sources, as well as Goldsmith's own website. His own International Forum on Globalization (IFG) is an amalgam of environmentalist and “people power” groups, which provide a liberal veneer while, in fact, trapping many legitimate opponents of free trade and globalization, particularly in the developing world, in a no-win agenda. Indeed, the “Siena Declaration” of the International Forum on Globalization explicitly attacks the original Bretton Woods system of Franklin D. Roosevelt, which formed the monetary backbone of the post-war economic recovery, based on a rational system of fixed

exchange rates, making possible long-term investment.

While peddling the group's fractured economic theories, complete with a hefty dose of quack environmentalism, Goldsmith has also been a piggybank for the violent anarchists at Seattle, Quebec, and Genoa.

Sources tracking the activities of the “Black Bloc” of anarchist terrorists reported that sponsors of the three days of street terror had hoped to induce an overreaction by police, resulting in a larger death toll. According to the source, this would have been used by socialists in the Italian Parliament to stage a no-confidence vote against the Berlusconi government.

Looming Assault on Washington

The next big target of misnamed “anti-globalization” protests and violence is the annual Autumn meeting of the IMF and World Bank in Washington, D.C. in late September.

The People's Global Alliance (PGA) has scheduled a meeting in Cochabamba, Bolivia Sept. 16-24, at which they will make final plans for the “battle of Washington, D.C.,” four days later.

Among the groups involved with the PGA are: Reclaim the Streets, the London-based anarchists who carried out some of the first riots, targetting the City of London financial district on May Day 1998, and later played a significant role at the Seattle WTO summit; the Zapatistas of Mexico; the Colombian FARC; the Italian anarchist group Ya Basta!; the Brazilian Landless Movement (MST); and the Spanish group Global Resistance Movement (MRG). According to one website, Ya Basta! hosted the first meeting of the European affiliates of the PGA in Milan on March 24-25, shortly after the Naples riots against the IMF, World Bank, and OECD. The Cochabamba meeting is expected to draw representatives from all of these groups, as well as others from Russia, Israel, Bolivia, and the United States.

According to a source who has been tracking the Black Bloc networks for several years, many of the European-based anarchist/terrorists have been receiving training from ETA, the Basque separatist terrorist group responsible for hundreds of bombings and assassinations in Spain.

The source reported that ETA personnel have been recently spotted in northern Mexico, possibly entering the United States, where they can “disappear” into the Basque population centers in Southern California. Similarly, the source reported, Hezbollah networks from Lebanon are surfacing in Mexico, perhaps in preparation for targetting the United States at the time of the IMF/World Bank events.