

Lithuania's Landsbergis reproves western usurers

We reprint in full, the official text of the speech entitled, "Baltic Reintegration: Good Wishes and Barriers" delivered by Lithuania's President Vytautas Landsbergis in London on Jan. 23. The subheads have been editorially added.

On the road to reestablishing independence, the Baltic states, at first Lithuania, heard many good wishes from the West. In truth, the loud expression of these wishes was at times avoided, for this was disliked by the Soviet Union which could become annoyed and punish the recipient of good wishes.

However, as these good wishes, as well as wishes to avoid resistance and peacefully come to an agreement with Mr. Gorbachov, gradually increased, everyone became accustomed to certain permissible formulas.

Then the question of cooperation arose: What can you, westerners, do to concretely assist, for example, Lithuania?

Investment, to which no one in principle had any objections, showed itself as a not so simple business matter. Investments were shrouded in doubts and this was something from the sphere of psychology.

Thus, factors of *doubt* and *investment* formed a certain systemic relationship within western policies directed toward Lithuania, which has changed forms a few times, but still functions up to today.

These are barriers of doubt to substantial investment. Barriers which draw, one after another, real circles of unattainable paradise.

A few years ago, when Gorbachov had already announced certain economic perestroikas, potential western investors who were considering possibilities in Lithuania, would at first search for guarantees from Moscow. But Soviet officials procrastinated on everything within that large city. Additionally, the situation in the Soviet Union did not look stable, so that someone, even having received guarantees, could not believe in them.

And Lithuania was still very dependent upon the Soviet Union—factually and legally. Her status truly remained beyond the boundary of doubt.

There were a few observers who still walked beyond that farthest barrier of the circle of paradise. In the best of circumstances they would sign some sort of protocol of

unfulfillable intentions.

Later, Sajudis arrived and Lithuania rose to the peaceful struggle for independence.

Western policy based on 'might is right'

The West was interested in how we looked at the future. Would we truly reach for a market economy and private property? Concerning investment, they would nevertheless say something like: Everything is all right, but where are your guarantees that the Soviets will not act in an underhanded way?

And no one in the world could give those kinds of guarantees.

Following March 11, 1990, when the democratically elected parliament of Lithuania announced the decision to reestablish the independent Republic of Lithuania, which had been annexed by the Soviets 50 years ago, there were no significant changes concerning the situation in the sphere of foreign investments.

We passed independent legislation concerning investments, but the Soviets rejected our reestablished state with all her laws. The West, never having legally recognized the legitimacy of the annexation, still avoided the establishment of diplomatic relations with Lithuania and honored the code which says: *Might is right*.

Invest we would say. Invest because of our sovereign guarantees and the Soviets will be forced not to come into conflict with you and to recognize the greater independence of Lithuania as well.

And we would hear an answer that was not even uttered: The strengthening of independence is your own problem.

This circle of paradise was in reality an enchanted one.

They, the westerners, could make policy through economics that would be important to all. With this type of policy, we thought that they would be the first to win new territories for their economies. But they did not want that if there were no absolute guarantees that, dear friends, the Soviets, would never attack.

And no one in the world could give those kinds of guarantees.

Investments did not look like "doctors without frontiers" but like ordinary tourists from well-off countries who do not

travel to areas of unrest.

That is how August and September of 1991 arrived. Many states reestablished or established diplomatic relations with the Republic of Lithuania. The Soviet Union did this as well, while repenting prior to its death.

More guarantees were found that they would not attack, but a new enchanted circle, a new barrier, formed in the sphere of investment.

We saw how we were looked at: Your country has great economic problems. That is why tension is mounting. You are proceeding down the correct road of reform, but have not yet reached the end of it. That is why there is tension, instability. There are more stable places to invest in the world.

Obviously, we thought and told the West: Invest here. When you invest, things will get better, tension will be re-

duced, the political and social situation will stabilize, it will be better for foreign investment, and there will be a better place to invest.

"Oh no," was the said or unsaid answer that we heard. Social stability and the reduction of tension is your problem. As if, stabilize without us, we will come later.

The KGB and 'western voices of doom'

And then finally, we began to understand this and that about damned capitalism.

Capitalism does not like risk and we live in a bad place in the world. And when we make that place better because of this, capitalism scowls and desires that it become even better. But it will come only when someone does almost all the work of betterment without it. It is this way because

On Jan. 23, Vytautas Landsbergis, President of the Supreme Council of the Republic of Lithuania, made the speech we print here, condemning both the western governments' and banks' failure to provide development investment aid for his nation, and their outrageous demand that Lithuania be held responsible for paying back part of the former Soviet debt owed to the West as a condition for receiving aid. The speech was remarkable in its bluntness and use of ironical metaphor to get his point across, but all the more so because of the audience it was delivered to. Landsbergis was speaking at a conference on "The Reintegration of the Baltic States into the World Community," sponsored by the Royal Institute of International Affairs ("Chatham House") in London, the central policy institution for British geopolitical/imperial strategists in this century. This was truly "in the lion's den."

His intervention occurred against the backdrop of a rapidly growing crisis in the Baltic nations, which have been the victims of an international credit embargo by the West since their independence was formally achieved and recognized internationally during 1991. Indicative of the intensity of this crisis, is that in the hours following this speech, the government of Prime Minister Edgar Savisaar collapsed in Estonia, after Savisaar had failed to win sufficient parliamentary support for a package of emergency economic measures. Under conditions of the western credit embargo, Estonia has been victimized by Russian cutbacks of fuel and other vital supplies.

A Baltic source in London familiar with the state of relations between Lithuania and Great Britain told *EIR* Jan. 27: "Landsbergis is no fool, he knows the game that is being played with Lithuania. The West only wants that we become members of the International Monetary Fund, so that we can then get loans and successfully strangle ourselves. The conditions for loans from the international

banking fraternity will mean that, in three or four years, Lithuania will be another Brazil, except that Brazil has a more developed infrastructure and capability. Landsbergis is particularly unhappy with the pressure from London to pay back parts of the Soviet debt; this would be suicidal for Lithuania. This is what the game, the routine, is all about: 'You repay the old Soviet debt, or part of it, and then maybe you'll get some money.' But the routine doesn't seem to care what happens to Lithuania." He said that London was adding insult to injury, by "offering to give back to Lithuania" and other Baltic nations tens of millions of dollars of gold that the Bank of England had seized and credited to Soviet accounts during World War II, so that that gold could now be used to repay "Lithuania's portion" of Soviet debt owed to the West!

Aside from its denunciation of the "damned capitalism" behind such policies and his explicit identification of the embassies of Great Britain and Canada for most actively pressuring Vilnius on the Soviet debt-repayment matter, what is otherwise noteworthy about Landsbergis's remarks is his repeated stress on the East-West arrangements behind the sabotage of Baltic independence and economic development, and his pinpointing of the West's belief in a "might is right" philosophy of international affairs that has been used to justify its dealmaking with Moscow over the past decades. He tweaks the western nations' conscience by recalling that it was the martyrdom and sacrifices of the Lithuanian people that was crucial in bringing down the Soviet totalitarian empire.

Of special importance is Landsbergis's call for a debt moratorium to be granted to the republics of the former U.S.S.R., including Russia, and his insistence that international investment policies must be based on morality and creativity, not ostensible exigencies of debt-repayment, i.e., usury.—*Mark Burdman*



President Vytautas Landsbergis of Lithuania addresses the U.N. General Assembly, Sept. 17, 1991.

private capital does not like risk and does not believe in any promises.

And what can a capitalist state—its government, which has an amount of its own money and can stimulate and bolster private capital—do to give this capital guarantees? A government of a state produces policy. So perhaps it is allowed to sometimes risk a bit of its money in the name of a positive political goal? We already have small, positive answers to this question, but there is still a great silence that has yet to be overcome.

And we have some small economic assistance programs. They can be categorized, depending on moods, into friendly smiles, gestures, or categories of silence.

It would be incorrect to cover the fact that *doubts over investments, credits and assistance* were influenced by completely different actions as well. Different barriers were built as well.

All types of rumors, disinformation, and slander were spread in the propaganda war of the Soviet KGB against Lithuania. Each mistake made by a reestablishing and inexperienced state was explained as ill will and a danger to people. This was intensively done in the United States and the Scandinavian countries which are so close to us. And the secret idea would sometimes break out into the open: It is not necessary and not recommended to help the Lithuanians. At the same time, in Lithuania, when politicians and propagandists of a certain color were announcing that the West will not help, that we must apologize to Mr. Gorbachov and listen only to Soviet Moscow—at that same time, in surprising harmony, western voices of doom would chant the refrain: Lithuania's independence is bad and it does not need to be helped, either economically or politically. And of course, it is not worth even investing.

Those who followed this history will easily remember that the concrete motives most often heard were few and interchangeable.

In the end, we paid for political support with blood, the great totalitarianism of the East fell, and the West will now be able to save the costs of an enormous arms race. Is it worth

helping those who helped save these costs? Now that is a secondary question of lesser importance.

For those who like black humor, I can relate the history of one of Lithuania's latest crimes.

This autumn, the Lithuanian government decided to raise a serious question with several newspapers that were affected by the law on former and hidden property of the former Communist Party, because this property should belong to the state and therefore be privatized according to the appropriate law. As it happens, at that same time, newspapers sold in kiosks happened to be included in a list of goods affected by a revised value-added tax.

Loud complaints and protests were heard: The government is against the press! The possibilities for noise from the producers of newspapers are much greater than those of shoe producers. That is why letters from certain gullible westerners still arrive in Vilnius with advice that no newspaper in Lithuania should feel abused. And from one northern capital, a warning was even heard: If you abuse the residents of Vilnius this way, if you take away their newspapers, we will punish those same residents and discontinue their assistance program!

West demands repayment of Soviet debt

That type of logic is also from the area of paradise.

And now we have come face to face with another, apparently much higher barrier. The same capitalism that longs for over-borrowed socialism is attempting to raise this barrier.

We have received signals concerning this issue from the embassies of Canada and the United Kingdom.

Western countries, and especially their capitals, truly had and have something to be concerned about.

In the East, there occurred what had already been prophesied during N. Khrushchov's times by the Turkish poet residing in Moscow, Nazym Hikemet. In his play, *Did Ivan Ivanovich Exist?* that play ends with a scene in which Ivan Ivanovich, the announcer of intelligent, bad ideas and the perpetrator of various misfortunes, disappears, and the other stunned characters ask each other: "In general, did Ivan Ivanovich exist at all?"

Lithuania believes that Ivan Ivanovich is that Soviet communism or bolshevism which murdered several tens of millions and which must be tried like Nazism at Nuremberg.

The West is concerned with finding Ivan Ivanovich so that he can repay debts.

It is strange, but he is being searched for even in Lithuania. There are suggestions, even threats of not granting assistance that do not take a moment to consider other important matters, that suggest we pay part of the Soviet debt.

First, the western states are well aware that Lithuania was occupied and annexed by the Soviet Union.

Lithuania was not a constituent state of the Soviet Union and is not a successor state.

Lithuania did not attack Afghanistan. Lithuania did not

build nuclear submarines, did not finance putsches and uprisings in Africa and Latin America, did not financially support communist parties in Europe, did not create aggressive space programs, and did not bug the U.S. Embassy in Moscow. Western credits received by the Soviets as well as the product of Lithuanian labor were used to finance these matters, but nowhere was the will of the people of Lithuania or the Lithuanian state used. When the will of the Lithuanian people was expressed for the first time after the Second World War, in 1988, its content was independence. And the final, coerced flow of Lithuanian finances to the budget of the U.S.S.R. was severed at the end of 1990.

But even then, the West loaned nothing to the reestablished Lithuanian state. Still, even today, giving credits to Lithuania is a great problem for the West.

The Soviets ruled an annexed Lithuania through 1940-41 and 1944-90. And after that, they terrorized and attacked for a year and a half. But in a legal sense, Lithuania was never part of the Soviet state.

Russia recognized this during the summer of 1991. The Soviet Union recognized this, at the end of 1989 when it rather abstractly condemned the results of the Molotov-Ribbentrop Pact; and later, on Sept. 6, 1991, it recognized Lithuania's recovered independence. The U.S.S.R. liquidated itself in December 1991, already being "without Lithuania"

and without any claims to Lithuania "within the structure of the U.S.S.R." for three whole months. The process that is legally called the dissolution of a state does not touch Lithuania for there is no basis for this. And Lithuania does not offer itself as a successor to the rights and obligations of the U.S.S.R.

Any other viewpoint would not coincide with the traditional and consistent assertion of western states to not recognize the 1940 annexation of Lithuania by the Soviets. We would be surprised that if now, searching for a few million dollars, certain western creditors would favor the historical recognition of that brutal and tragic annexation.

Even blacker humor would be the recognition of those few hundred billion in damages which were done to Lithuania by the Soviet Union's occupations, plundering, destruction, and deportations. Is it possible that Lithuania—as the suggested "part of the U.S.S.R."—raped, exiled, and murdered herself?

Lithuania does not desire, and does not intend to demand, a part of the loans that India and Ethiopia still owe the Soviet Union; Lithuania does not demand a part of the Soviet nuclear missile force, even though a large amount of Lithuanian finances was pumped here. Then why is the West pushing Lithuania in that direction? So that only following that it can grant a bit of aid or credits?

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Erase the former Soviet debt!

Frankly speaking, sometimes the great search for Ivan Ivanovich among the forests and steppes of Russia seems strange.

Is it possible that it would please the West to see a reborn Soviet Union, greatly in debt and again a threat?

Is it possible that the erasing of all those debts would be too great a price for peace?

Is it possible that the choking of Russia with debts, while at the same time doing little to help it, really pays? So that some sort of Zhirinovskiy arises and sends western creditors to farther places than even Lenin or Stalin sent them?

Lithuania is observing the strangeness of the world and attempting not to add to it. Lithuania is working, reforming an economy, and creating a democratic state. And Lithuania thinks—and has said this more than once—that in those instances in which its factories or other concrete economic projects have used western credits, these debts, Lithuania would agree to repay. Not as an inherited obligation of the Soviet occupation, but in good faith—*ex gratia*.

We know that some western investors may be held back in the inflexibility of our laws, especially the reluctance to sell our land. We are thinking, discussing, these matters in parliament and in society. But when we hear today the question of the westerner: Is it completely safe or not? Will not the Soviets come again?—one desires to awake from the grotesque dream of paradise or desires that the questioner finally awake.

This history of our integration into the European free market can be continued. We are told: You will not get serious investments until you introduce your own currency. We tell them: Help us in introducing our own currency. We have already printed it. Extend a guarantee for our currency—a stabilization fund. Perhaps it will never be necessary like for Poland, but extend it nevertheless. It is not that large of a risk. We are told: Wait. The routine does not allow us to help you now. Stabilize on your own. That is your own problem.

The routine prescribes one should wait. The routine does not allow assistance at present, but the routine allows one to coldly watch from the other side of the barrier: Now what will follow in that Lithuania?

And I sometimes think—is it inevitable that we must divide into: we, they, you?

Is it that difficult to say “we” and to sit at a table that is stable enough for everyone?

Let all types of things be important to us.

Not only capital and guaranteed benefits, but moral investment, the security and proliferation of democracy, a common European future.

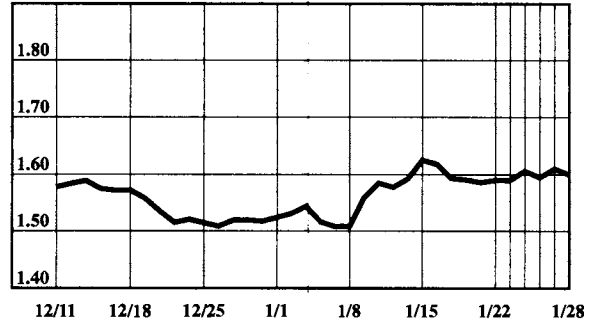
To invest carefully, to achieve guaranteed earnings, is very intelligent and important, but that is not the most interesting way to live.

Let us search for creativity in our lives.

Currency Rates

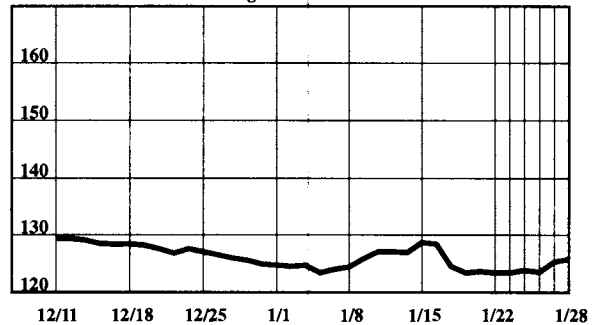
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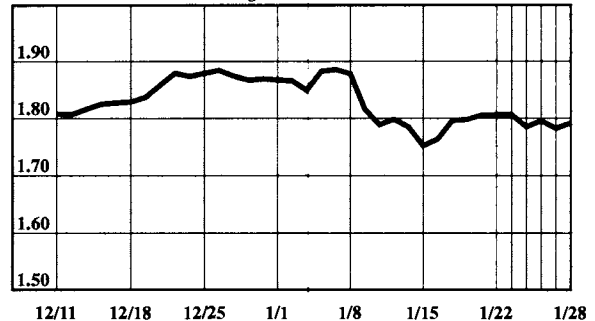
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