

Margaret Thatcher, George Bush promote voodoo economics in Asia

by Kathy Wolfe

Former British Prime Minister Margaret Thatcher toured India on Sept. 19-23 for the Citibank Asian Leadership lecture series, and demanded that India rapidly implement extreme free trade "economic reforms" on the marvelous model of Britain. "Your [India's] influence and example are crucial to the future," said Thatcher, who has been called a witch for waving her hand and turning her own once-industrial nation into a junk heap. "Russia has democracy but struggles for economic reform; China has economic reform but resists democracy. But India has the advantage of both economic reform and an established democracy," she told an audience in Bombay on Sept. 19.

Speaking after bubonic plague was already devastating the Indian countryside, Lady Thatcher complained that Indian Prime Minister P. V. Narasimha Rao and Finance Minister Manmohan Singh have been far too slow in cutting government expenditure—despite their 42% cut in India's disease prevention budget, which paved the way for the plague outbreak. Thatcher demanded that India move immediately to privatize public sector industry and banking, and to smash the trade unions in order to do so.

"We had to get government out of running business, for which it has no talent or qualifications, and give management the power to manage, through our privatization," Thatcher said. "So I know both how difficult the tasks facing Prime Minister Rao and how vital it is for India's future that he succeed, as it was vital for Britain's future that I should."

Parameters for the 'new world order'

Thatcher's tour is part of Citibank's plan to set "parameters for Asian leadership in the new world order," the purpose of the Asian Leadership Series, a Citibank public relations official told a journalist on Sept. 28. Joining Thatcher on the lecture circuit for Citibank is her protégé, former U.S. President George Bush. Bush addressed the same demands for free trade before a Citibank audience in Singapore on April 13-15, 1994, and he will speak in Sydney and Melbourne, Australia on Nov. 22-23, and also in Djakarta, Indonesia on Nov. 24-25.

Former West German Chancellor Helmut Schmidt just completed a tour for Citibank, visiting Manila in the Philippines and Bangkok, Thailand on Oct. 24-31; Bush Secretary of State James Baker will speak in Taipei, Taiwan on Nov.

7-8. Other speakers have included Bush Defense Secretary Richard Cheney, post-industrial guru Alvin Toffler, former U.N. Secretary General Javier Pérez de Cuellar, and Carter National Security Adviser Zbigniew Brzezinski.

Thatcher's 'International'

"The Citibank Asian Leadership Series was begun in 1992, to celebrate the 90th anniversary of Citibank's entry into Asia," Citibank's press materials say. "Citibank, the leading bank in Asia . . . generates public interest in the emerging role of Asia—and parameters for Asian leadership in the new world order."

Lady Thatcher also spoke for Citibank earlier this year in Abu Dhabi and Dubai, and last year in Singapore, Malaysia, and Bangkok. "Our speakers, people like Thatcher, are highly paid because they are so sought after—just like Henry Kissinger," a Citibank press agent said. Citibank pays the speakers \$25,000 per speech plus expenses.

Add to this the Sept. 21-23 Asia Society conference on South Asia led by Bush administration Trade Representative Carla Hills and other Bush luminaries, who called for extreme privatization in the region (see *EIR*, Oct. 7, p. 12). It seems that these Thatcherites are on a global tear to try to wreck economies in Asia. The Asia Society is run by the Rockefeller family, and Bush's good friend Kissinger.

The Hills group attacked in particular the use of government financing for infrastructure projects. South Asian nations "must privatize their state sector industries, lift rules controlling domestic and foreign equity investment, further lift trade tariffs, lift labor rules, remove all subsidies to fertilizer, agriculture, and other industries, and generally expand the breadth and depth of reforms to fully open their economies as Mexico and China have done," Hills said on Sept. 22.

The "Thatcher International" is also keen to sabotage the upcoming U.S. trade mission for President Bill Clinton to India by Undersecretary of Commerce Jeffrey Garten on Nov. 14-18, and by Secretary of Commerce Ron Brown in January 1995. Secretary of Commerce Brown has said that President Clinton wants to "junk the last 12 years of [Reagan-Bush] laissez-faire economics" in U.S. export policy toward Third World nations, and to engage in some real infrastructure development with U.S. government funding.

Bush's April speech in Singapore was also a push for straight International Monetary Fund (IMF) free enterprise. Bush demanded "what I call the new world order: more democracy, more economic freedom, and growth and prosperity for all. . . . No government program can equal the benefits of the global trade which will help bring the developing world out of poverty." Bush even took credit for creating the "recent economic freedom in South Korea, Taiwan, and the Philippines," referring to the recent Wall Street-style deregulation in these countries which has led their financial markets into disaster.

Bush also made a pitch for amoral, i.e. geopolitical, condominiums as a model for international relations. "You don't influence countries by insulting them," he said. He related that he deliberately did not cut China off in June 1989 after the Tiananmen Square massacre, and then he deliberately did not fly to Berlin when the Wall fell—all of which paid off, he claimed, when China and Russia backed "the coalition" in the Persian Gulf war against Iraq.

The rat baroness

In "Why Does She Speak Nonsense?" the Indian newspaper *The Pioneer* suggested on Sept. 27 that the method in Thatcher's madness was to reduce India's population, by precisely such things as the spread of the Black Death. "India, she announced, must make economic reforms in its cosseted labor market to allow easier hire and fire of workers," wrote columnist Jeremy Seabrook. "She is telling her audience that 'you cannot run an efficient business if it is grossly overmanned.'

"Baroness Thatcher is not dismayed by issues which are a matter of life and death for the people of India," Seabrook wrote. "She takes credit for the neo-liberal revolution which has swept the world. . . . Unshackled from morality, Thatcher has been one of the principal architects of the creed which dominates the globe, that the Supreme Good is the making of money. . . .

"Which brings us to the rats dying on the streets of Surat," the plague center, Seabrook concluded. "For cuts in public expenditure is one of the central tenants" of the philosophy pushed by the Thatcher crowd. "That means money squandered on public health. It means education. It means nutrition. . . .

"But perhaps the Baroness is not so naive. . . . In pursuit of abolishing the evil of 'overmanning,' what more useful ally could she have than neglect of public health? Let the rats pour from their holes. . . . A good dose of plague will put an end to overmanning and over-population at the same time. The neglect of public health, the rats and their plague fleas are the allies of Mrs. Thatcher and officials from the IMF and World Bank who come to the South with their prescriptions of 'reform,' which turn out to be the dogmas of the graveyard."

"I am aware that the scale of your problem tackling poverty is greater than anything we in Britain have known,"

Thatcher said in New Delhi on Sept. 22. "But there is no point on this account slowing down necessary economic reform. . . . The quickest and best way to tackle poverty is by moving swiftly to create a market economy."

The 'invisible hand' in action

While Thatcher, Bush, et al. pontificate, the "invisible hand" of Citibank is meanwhile grabbing large chunks of the banking market of India and Asia as a whole, along with other Anglo-Venetian banks such as Hongkong and Shanghai Bank, and Standard and Chartered.

Citibank documents in particular show that the bank's strategy in India, and in Asia generally, is modeled on the Venetian Empire idea of keeping most of the population in slavery while serving an elite royally. Where there are 2 billion people (in China and India, say), then, even if 85% of the people live at starvation level, and only 5% are members of the elite with incomes, that will give you 100 million credit card accounts paying 18% interest—a market which compares very favorably with Citibank's 30 million credit card accounts in the United States.

According to "Citicorp India: A Taj Mahal," a report by Salomon Brothers investment bank on Citibank's very profitable Indian operations, India is the "prototype for Citicorp's indigenous ventures in developing countries. . . . Citicorp holds 1% of the Indian banking system's deposits, has a 10% share of the foreign exchange market, a 15% share of all securities trading, is the third largest exporter of computer software, and is the prime counterparty [i.e., chief trader] in the swap [i.e., derivatives futures] market. Its consumer banking is growing by 25% annually by volume, with over \$1 billion in deposits. It has captured a 65% share of all automobiles financed, a 27% share of consumer durables financing. . . .

"Citicorp is targeting the top 10% of the population, which translates into 80 million people. This market is in three parts: the top 1%, with average household income of \$40,000 or over, which it serves with branches as well as credit cards and other services; the next 4%, which it serves only by credit card, dealers, and telephones; and the bottom 5%, serviced entirely through payroll deduction to create both loans and deposits," i.e., without even needing a local Citibank branch.

Citibank bolsters its claim to be the "leading bank in Asia" by noting that it has over 360 branch offices in 25 different countries—which, indeed, is more than has any British bank, or Japanese bank (outside Japan). Citibank claims to be the largest single issuer of Visa and Mastercard credit cards in Asia already, with 12.6% of the market; to have already 4 million consumer accounts in Asia; and to have \$20 billion in consumer deposits, \$16 billion in corporate deposits, and \$15 billion in "private assets under management" for the super-rich, pension funds, and other large investors.