

which, along with its drug output, explains the overriding interest that the British nation-smashers have in it. Venezuela is the largest supplier of oil to the United States; Ecuador is also a major oil producer and member of the Organization of Petroleum Exporting Countries; Colombia has sizable oil deposits as well.

Most revealing, however, is a report published in the December 1999 edition of the Colombian Armed Forces magazine, written by Army Majors Jorge Segura Manonegra, Jairo Cerón Castro, and Otto Quiñones Arboleda. They write that the area presently in the FARC's hands has been proven by geologists to be rich in oil, diamonds, uranium, and plutonium, among other minerals, and that in this regard it is very similar to the Guyanas region of South America.

They ask: "Are there interests in other countries who covet these resources? Foreign countries have already made contact" with the FARC. They then point to the "strange meeting of Grasso with the FARC," which had the following objectives: "First, channeling the vast sums of money in the FARC's hands into investment in the United States. Secondly, to reach an agreement whereby part of these investments are allocated to the exploitation of the strategic resources. . . . And third, to seek agreements whereby the rest of the money is invested in the New York Stock Exchange."

Piracy, by any other name

The reference to the Guyanas is of note. The full picture of today's British plan for this area only comes into focus once we place these emerging narco-nations of the twenty-first century side by side, in our mind's eye, with the nineteenth-century British plot to split off a northern chunk of South America, known as the Guyana Island, or Guyana Shield (see Figure 1)—a project which is still alive and well today.

As *EIR*'s Rio de Janeiro correspondents Nilder Costa and Lorenzo Carrasco document in the Dec. 10, 1999 issue of *EIR*, there is today a "Guyana Shield Initiative," financed and controlled by Prince Philip's World Wildlife Fund and its sister organization, the International Union for the Conservation of Nature, as well as other non-governmental organizations. Its alleged objective is to protect the flora and fauna of the Shield. However, its actual goal is to, first, remove these territories from any economic integration with their respective nations (for example, 44% of the Brazilian state of Roraima, which falls within the Guyana Shield region, has already been segregated into either Indian reserves or nature conservation areas); and, second, split the area off entirely from their nations—East Timor style.

This is not a new strategy for the British. As *EIR*'s Nilder Costa reported: "Recent research by *EIR* in Brazil has uncovered that the so-called 'Indian card' had already been astutely used by colonial British military intelligence, and before that, by the British West Indies Company whose agent was that famous pirate, Sir Walter Raleigh. Raleigh was a leading pro-

motor of the idea that the area later known as the 'Guyana Island' was the paradise of El Dorado.

"British intelligence operations during the last century to conquer the 'Guyana Island' led to the loss of Brazilian territory, to what became the Crown Colony of British Guyana. That operation was planned and run by Lord Palmerston, who, in 1837, deployed his agent, Robert Schomburgk, to Guyana, under the auspices of the Royal Geographic Society, a body created and run by British military intelligence. Schomburgk did the field work so that the territories inhabited by 'independent tribes' could first be 'neutralized,' and then 'assimilated.' Schomburgk's work provides a thoroughly documented historical precedent for what is happening today. As a consequence, Brazil lost 15,000 square kilometers of territory, to England's benefit, fulfilling, in part, the dream of the pirate Raleigh. Raleigh and the German Schomburgk were knighted for their services to the British Crown."

Such is the pedigree of those who are attempting to disintegrate the nation-state today.

Ecuador is turned into a concentration camp

by Gretchen Small

When Ecuador's government fell on Jan. 21, 2000, brought down by mass protests led by the the Confederation of Indigenous Nationalities of Ecuador (Conaie) and a revolt by sections of the Armed Forces, a shock went through Ibero-America. Here, they saw one of their neighbors pass from financial disintegration, to disintegration of its government, and heading straight for civil war and territorial disintegration. Sober people in every Ibero-American country asked, not if such a process could be repeated in their nations, but only why it had not occurred yet.

What is driving the disintegration of Ecuador is that it is bankrupt. In January 2000, central bank officials estimated that public and private obligations due in 2000, were \$7.4 billion more than the total public and private means available to meet those payments.

In the process of attempting to pay, the value of the currency has been destroyed (the sucre fell from 7,000 to the dollar in March 1999, to 25,000 when President Jamil Mahuad was overthrown). This, in turn, paralyzed imports and exports. Vital items such as medicines (largely imported) are no longer available. Productive capacity plunged by at least 40% in 1999, in a country where over 70% of the population is officially underemployed or unemployed. Hyperinflation exploded in January, sending the cost of basic foods up by 20%

on average that month alone. The official statistical agency reported on Feb. 1, that its basic food basket costs 250% more than one year ago, a cost which more than 45% of Ecuadorean families cannot afford.

Under the gun of international financial bodies and foreign governments, the government of President Mahuad attempted to make good on foreign speculators' claims on paper owed, no matter the cost. The policy has been continued by his vice president, Gustavo Noboa, who assumed the office of President in the wake of the Jan. 21 revolt. The U.S. dollar is being adopted as the official currency of Ecuador, while the national currency, the sucre, will be relegated to coins with which to buy candies on the street. Private bank deposits confiscated in March 1999 in a desperate attempt to get cash, remain largely frozen, leaving many pensioners, households, and businesses penniless. Plans are proceeding to raise prices of state services and goods (telecommunications, energy, water, oil, etc.) to international levels, while labor laws are being amended so as to lower wages and "recycle" labor. State sector companies are being readied for a huge fire sale to foreigners this year, all for a bit of cash. So, too, it is proposed, that rights to future oil revenues be handed over to foreign creditors, as collateral for a piddling loan.

The policy has been, in sum, to "put paper first," precisely the opposite of the kind of national bankruptcy reorganization which Lyndon LaRouche outlined in his document, "People First!" (*EIR*, Oct. 16, 1998). It is this policy, as inhuman as it is insane, which is systematically destroying the fundamentals of the nation. The national currency has been abandoned, and with it, any power to protect and advance the national economy. All branches of government have been discredited, as the revolt exposed. Conaie is now collecting petition signatures for a referendum to declare current members of the Congress and the Supreme Court illegitimate and to convoke new elections, and its leaders warn of civil war, if profound policy changes are not made within three to six months. The only remaining bulwark of defense for national existence, the Armed Forces, survived the Jan. 21 revolt intact, but the fact that some 300 military officers participated, reveals how profoundly divided that institution is, too.

Beyond apartheid, to genocide

Faced with genocidal policies, human beings will revolt. The key, from the standpoint of the oligarchy's strategy today, is to ensure that those revolts turn against the nation-state, and thereby destroy the very means by which the people could defend themselves. Just so, Ecuador's Jan. 21 revolt was shaped by one of the oldest oligarchical instruments deployed against the nation-state, the racist politics of "indigenous insurgency," with the broader objective of sparking similar such uprisings throughout the continent.

The *Washington Post* hailed Conaie on Jan. 27 as the first Native American group to organize a coup. Mirko Lauer, a Peruvian ideologue of the Cuban-run São Paulo Forum,

FIGURE 1
Canada — 'indigenous' land claims



The areas outlined in bold show territory over which "indigenous" claims have been granted or where agreements in principle for such claims exist. In addition to the Inuits' control over Nunavut, these include claims by the Dene, Metis, Cree, and Inuvialuit, among others. By the same 1973 Supreme Court decision that made the creation of Nunavut possible, the entire state of British Columbia is up for claim, as is much of Quebec.

elaborated on this continental game, in a Jan. 28 column in Peru's *La República* newspaper:

"What is really new in the coup in Quito [Ecuador] . . . is the active participation of the Conaie. . . . The success in the overthrow of Mahuad is the most recent advance of the autochthonous peoples as a new American political actor, from the polar Arctic Circle to Tierra del Fuego," at the tip of South America. Indians have used globalization to position themselves to gain autonomy, Lauer wrote. Major advances toward this were made in the last decade, beginning with Venezuelan President Carlos Andrés Pérez's granting of extensive autonomy to the Yanomami Indians (June 1991), but the most important step down this road, was the establishment of Nunavut in 1999, "an autonomous territory for the Inuit (known as Eskimos) in the north of Canada. More or less what the Zapatistas of Chiapas are demanding from the government of Mexico."

What Lauer notes favorably has repeatedly been documented by *EIR* to be British imperial policy, beginning with a July 20, 1982 exposé, "Nazi Anthropologists Incite New Ethnic Terrorism," which warned that foreign anthropologists were building a separatist project with an indigenous

FIGURE 2

'31 Nations' of the Americas



FIGURE 3

'Ethno-linguistic regions' of Ibero-America



profile in Chiapas, Mexico.¹

Nunavit, a purely geopolitical construct without viability as any form of “government,” typifies the project. This so-called “self-governing Indian territory” covers one-fifth of Canada’s territory (see **Figure 1**), for a total of 17,500 people of Inuit descent. Many of the Inuits who live there do so only because previous Canadian governments forcibly relocated their families back to the frigid North Arctic, from which they had tried to escape. A 1994 report by Canada’s Royal Commission on Aboriginal Peoples baldly admitted that its Inuit bantustan policy is genocidal, but declared that “periodic famine and starvation . . . was considered the natural state for the Inuit. The goal of the relocation was to restore the Inuit to what was considered their proper state.”

The government of Canada, whose head of state is Queen Elizabeth II, is at the forefront of the effort to create “Nunavits” around the globe. It funds and runs outright numerous so-called “indigenous” groups. In 1996, it became the first major nation to endorse the “self-determination” articles in the United Nations Draft Declaration on the Rights of Indigenous Peoples.

The aim of that Draft Declaration is to codify into international law the right of whosoever should be so categorized as an “indigenous people,” to sovereignty, and to international “protection,” should the state or states within which they are located object. It mandates the creation of a world body to enforce those provisions. The Declaration is, in fact, an attack against the very conception of the human race. It designates millions of people as *outside* the human race, as separate species which, under international law, are to be deprived of their hitherto universally recognized inalienable rights as human beings. Using the sophistry of invented “collective rights,” those human beings designated “indigenous peoples” would be forced, at gunpoint if required, to live in the most primitive of conditions, denied the right to exercise their God-given powers of cognition and participate in universal history.

Bankers’ boys

Conaie, one of the most influential and largest of South America’s indigenous movements, has played a central role in this separatist project since its founding, in 1986, by several indigenous associations of Ecuador. Its domestic goal is the break-up of Ecuador into a “pluri-national state,” composed of autonomous regions.

In this, Conaie’s program is in full agreement with the “right-wing” neo-liberals whom they claim to oppose. The

1. Some of *EIR*’s major exposés on indigenism include: “Nazi Anthropologists Incite New Ethnic Terrorism,” July 20, 1982; “The Coming Fall of the House of Windsor,” Oct. 28, 1994; “Royal Family Uses Indigenism To Cull the Human Flock,” Nov. 11, 1994; “Action Anthropologists Train the ‘Indigenous’ Shock-Troops,” March 31, 1995; “Prince Philip’s Indigenist Plot To Carve Up Australia,” April 28, 1995; “British Indigenism Spawned the MRTA and Shining Path,” Jan. 31, 1997.

only difference is that, while the business class of the relatively rich (for Ecuador) province of Guayas demands the right to keep “their” money for themselves, Conaie demands as its “right,” that Ecuador’s Indians live in pristine conditions of starvation! As reaffirmed in their November 1999 National Congress, Conaie demands that no development be allowed: No oil, forestry, pharmaceutical, mining, or agroindustrial companies are to enter Indian lands, nor shall the Army be allowed to enter, even “under the pretext of carrying out social, educational, and national security projects.”

Or, as they stated more bluntly in 1993: They want *sovereignty*.

From its outset, Conaie took the lead in organizing a continentwide network, seeking to redraw the map of the nations of the hemisphere entirely into a myriad of ethnic entities (**Figures 2 and 3**). Conaie led the organizing for mass mobilizations in 1992 against the celebrations planned for the 500th anniversary of the Evangelization of the Americas, forming a coordinated continentwide apparatus in the process. In July 1990, Conaie hosted the “First Continental Conference of First Nations and Organizations.”

Conaie has played a leading role in the Coordinating Committee of Indigenous Organizations of the Amazon Basin (COICA), which seeks to gain international recognition for the Amazon basin as “a global unit,” that is, as de facto a separate nation. COICA became a player on the world stage, organizing the World Conference of Indigenous Peoples on Territory, Environment, and Development in 1992, which brought several hundred “indigenous” activists from Asia, Africa, Australia, Europe, the United States, Canada, the Pacific islands, and Ibero-America to Rio de Janeiro, Brazil, preparatory to the UN’s Rio de Janeiro Eco-92 summit.

Conaie is also distinguished as one of the leading indigenous groups to first forge a tight alliance with the international environmentalist movement, particularly Prince Philip’s personal environmentalist movement, the World Wildlife Fund. The WWF closely coordinates strategy for the region with COICA, as well as with Conaie directly within Ecuador. In 1994, London’s *Latin American Newsletter* hailed Conaie’s alliance with the global ecology movement as “the shape of things to come”—an allusion to the futurist tract by British intelligence operative H.G. Wells.

Within the Americas, Conaie shows up in every imaginable bankers’ project fomenting indigenous separatism. When the Inter-American Development Bank (IADB) set up an Indigenous Peoples Fund (IPF) in 1992, in order to channel resources into the indigenous movement for the express purpose of achieving indigenous autonomy, Conaie was there. Likewise, when the Anglo-American establishment’s hit-squad against the Americas, the Inter-American Dialogue, set up an “Ethnic Divisions Project,” representatives of Conaie provided the requisite “native” color to the

appropriately named project, by serving on its advisory board.

The founding director of the IAD's project, Peru specialist Donna Lee Van Cott, summed up the goal of the project in a Nov. 4, 1992 column in the *Christian Science Monitor*: "In virtually every country in Latin America, indigenous cultures are challenging the legitimacy of nation-states. . . . They challenge not just the state's disposition of their lands, languages, resources, and heritage, but the very concept of national identity and national culture."

Argentina stands on the edge of the abyss

by Cynthia R. Rush

At the end of 1999, news began to trickle out in Argentina that a significant number of national companies had left the country and transferred their operations to Brazil. By late January, the specific numbers emerged. A confidential report prepared by the Argentine Industrial Union (UIA) revealed that 100 firms had relocated to Brazil, causing the loss of at least 10,000 jobs in the affected industries — auto, textiles, agro-industry, shoes and other leather goods, and food processing, to name only a few. The transfer began during the last year of the Carlos Menem administration in Argentina, following the January 1999 devaluation of Brazil's currency, the real, which overnight jacked up the prices of Argentine exports to Brazil, while cheapening Brazilian imports. Thirty percent of Argentina's exports go to Brazil, its most important trading partner, and one of the four members of the Common Market of the South (Mercosur), which also includes Uruguay and Paraguay.

Reeling, like the rest of Ibero-America, from the unraveling of the world economy which hit in 1997-98, in January 1999 the Brazilian government both devalued the real and imposed a package of draconian austerity, as demanded by the International Monetary Fund (IMF) and allied financial oligarchs. There is a certain irony, therefore, in the fact that Brazil's crisis has played out so dramatically in Argentina. Even while its own industry and productive capacities have suffered under the regime of Fernando Henrique Cardoso, Brazil has been able to entice Argentine businessmen with incentives such as 50% lower labor costs, tax exemptions, lower tariffs for import of industrial inputs, and land grants. "As incredible as it seems," said auto producer Jorge Aguado, "Argentine businessmen feel more protected in Brazil than in their own country."

Some analysts correctly asked whether the flight of in-

dustries to Brazil meant that Argentina was being relegated to the role of a raw materials producer, which the British Empire had always envisioned for it, while Brazil would be allowed to have some industry. A panicked UIA president Oscar Rial warned that Argentina "must immediately take measures to protect its industry." Officials of the Alianza government of Fernando de la Rúa, which took over from Menem on Dec. 10, 1999, quickly announced they had a "plan" — no details given — to promote national industry and keep businesses at home.

But the exodus of companies to Brazil is only one of the more visible aspects of the Argentine crisis. Unless the de la Rúa government scraps the free-market and globalization policies of the last 15 years, instead of presiding over the economic "recovery" it claims is just around the corner, it will take credit for the economic, and territorial, shattering of the Argentine nation-state.

Provincial crisis is a powderkeg

Nowhere is the danger of Argentina's dismemberment more evident than in the provincial crisis. In the nineteenth century, the separatism and armed conflict encouraged by British geopolitics threatened the territorial integrity of Argentina, and many other Ibero-American nations. Today, the IMF is doing the same job, at London's behest.

For ten years, Argentina has been under the gun of "convertibility," the same currency-board system which the British Empire imposed on its colonies. It has locked Argentina into the bankrupt U.S. Federal Reserve System, and, by law, pegged the peso to the dollar in a 1:1 parity. The imposition of deep austerity, total trade and financial liberalization, mass privatizations, and ever-increasing foreign indebtedness have ruined industry and agriculture, gutted the labor force and living standards, and made the country a lucrative site for drug trafficking, money-laundering, and all manner of contraband and illicit activity.

Argentina's provinces are economically wrecked, unable to generate tax revenue, pay debt, or cover essential expenditures such as salaries. Many provinces have debts which are higher than their total annual income, and creditors have taken to confiscating up to 100% of the revenue-sharing funds which by law provinces must receive from the federal government. Amid rising unemployment — the provincial unemployment rate is estimated to be at least 30% — the likelihood of social explosions and violence in several provinces is great. The riots that erupted in Corrientes last December, sparked by workers who hadn't been paid in eight months, augurs what can be expected should the current policy remain unchanged.

In negotiations for a \$7.4 billion standby loan that was announced on Jan. 28, the IMF repeatedly demanded that the provinces be included in the calculation of Argentina's global fiscal targets, despite the fact that Argentina's federal