**Is US/NATO (with WEF help) pushing for a Global South famine?**

Is the proxy war in Ukraine turning out to be only a lead-up to something larger, involving world famine and a foreign-exchange crisis for food- and oil-deficit countries?

Many more people are likely to die of famine and economic disruption than on the Ukrainian battlefield. It thus is appropriate to ask whether what appeared to be the Ukraine proxy war is part of a larger strategy to lock in U.S. control over international trade and payments. We are seeing a financially weaponized power grab by the U.S. Dollar Area over the Global South as well as over Western Europe. Without dollar credit from the United States and its IMF subsidiary, how can countries stay afloat? How hard will the U.S. act to block them from de-dollarizing, opting out of the U.S. economic orbit?

U.S. Cold War strategy is not alone in thinking how to benefit from provoking a famine, oil and balance-of-payments crisis. Klaus Schwab’s World Economic Forum worries that the world is overpopulated – at least with the “wrong kind” of people. As Microsoft philanthropist (the customary euphemism for *rentier* monopolist) Bill Gates has explained: “Population growth in Africa is a challenge.” His lobbying foundation’s 2018 “Goalkeepers” report warned: “According to U.N. data, Africa is expected to account for more than half of the world’s population growth between 2015 and 2050. Its population is projected to double by 2050,” with “more than 40 percent of world’s extremely poor people … in just two countries: Democratic Republic of the Congo and Nigeria.”[[1]](#footnote-1)

Gates advocates cutting this projected population increase by 30 percent by improving access to birth control and expanding education to “enable more girls and women to stay in school longer, have children later.” But how can that be afforded with this summer’s looming food and oil squeeze on government budgets?

Neoliberal models of the economy fail to take into account show a demographic plunge that their policies cause. But the tendency is so universal and similar that of course it is part of the collateral damage of U.S. policy. The question is, is it more than just “benign neglect”? At what point does depopulation policy become conscious? One need merely look at the Baltic disaster. Since 1991 the populations of Latvia, Estonia and Lithuania have declined by over 20%, primarily because the working-age population has had to emigrate to the rest of Europe in order to find work. Neoliberal policy kills – as the world saw in Russia after 1991, echoed in Ukraine.

South Americans and some Asian countries are similarly impacted by the jump in import prices resulting from NATO’s demands to isolate Russia. JPMorgan Chase head Jamie Dimon recently warned attendees at a Wall Street investor conference that the sanctions will cause a global “economic hurricane.”[[2]](#footnote-2) He echoed the warning by IMF Managing Director Kristalina Georgieva in April that, “To put it simply: we are facing a crisis on top of a crisis.” Pointing out that the Covid pandemic has been capped by inflation, with the war in Ukraine making matters “much worse, and threatening to further increase inequality” she concluded that: “The economic consequences from the war spread fast and far, to neighbors and beyond, hitting hardest the world’s most vulnerable people. Hundreds of millions of families were already struggling with lower incomes and higher energy and food prices.”[[3]](#footnote-3)

The Biden administration blames Russia for “unprovoked aggression.” But it is his administration’s pressure on NATO and other Dollar Area satellites that has blocked Russian exports of grain, oil and gas. Many oil- and food-deficit countries see themselves as the primary victims of the “collateral damage” caused by US/NATO pressure.

*Is world famine and balance-of-payments crisis a deliberate US/NATO policy?*

On June 3, African Union Chairperson Macky Sall, President of Senegal, went to Moscow to plan how to avoid a disruption in Africa’s food and oil trade by refusing to become pawns in the US/NATO sanctions. So far in 2022, President Putin noted: “Our trade is growing. In the first months of this year it grew by 34 percent.”[[4]](#footnote-4) But Senegal’s President Sall worried that: “Anti-Russia sanctions have made this situation worse and now we do not have access to grain from Russia, primarily to wheat. And, most importantly, we do not have access to fertilizer.”

The African Union is not a policy-making body. A viable response will require a critical mass, and that means that it will have to come in conjunction with China and Russia. An institutional response and alliance along such lines is what US/NATO pressure is aiming to prevent. U.S. diplomats are forcing countries to choose whether, in George W. Bush’s words, “you are either for us or against us.” The litmus test is whether they are willing to force their populations to starve and shut down their economies for lack of food and oil by stopping trade with the world’s Eurasian core of China, Russia, India, Iran and their neighbors.

Mainstream Western media describe the logic behind these sanctions as promoting a regime change in Russia. The hope was that blocking it from selling its oil and gas, food or other exports would drive down the ruble’s exchange rate and “make Russia scream” (as the U.S. tried to do to Allende’s Chile to set the stage for its backing of the Pinochet military coup). Exclusion from the SWIFT bank-clearing system was supposed to disrupt Russia’s payment system and sales, while seizing Russia’s $300 billion of foreign-currency reserves held in the West was expected to collapse the ruble, preventing Russian consumers from buying the Western goods to which they had become accustomed. The idea (and it seems so silly in retrospect) was that Russia’s population would rise in rebellion to protest against how much more Western luxury imports cost. But the ruble soared rather than sunk, and Russia quickly replaced SWIFT with its own system linked to that of China. And Russia’s population began to turn away from the West’s aggressive enmity.

Evidently some major dimensions are missing from the U.S. national-security think-tank models. But when it comes to global famine, was a more covert and even lager strategy at work? It is now looking like the major aim of the U.S. war in Ukraine all along was merely to serve as a catalyst, an excuse to impose sanctions that would disrupt the world’s food and energy trade, and to manage this crisis in a way that would afford U.S. diplomats an opportunity to not only lock in Western Europe but to confront Global South countries with the choice “Your loyalty and neoliberal dependency or your life – and, in the process, to “thin out” the world’s non-white populations that so worried Mr. Gates and the WEF?

There must have been the following calculation: Russia accounts for 40% of the world’s grain trade and 25 percent of the world fertilizer market (45 percent if Belarus is included). Any scenario would have included a calculation that if so large a volume of grain and fertilizer was withdrawn from the market, prices would soar, just as they have done for oil and gas. Mining the Ukrainian harbor channels and Black Sea, blocking payments to Russia in dollars or its satellite currencies and imposing sanctions against countries trading with Russia obviously cause violent disruptions in world grain and energy prices.

Adding to the threat of balance-of-payments insolvency for countries having to import these commodities, the price is rising for buying dollars to pay their foreign bondholders and banks for debts falling due. The Federal Reserve’s tightening of interest rates has caused a rising premium for U.S. dollars over euros, sterling and Global South currencies.

It is inconceivable that the consequences of this on countries outside of Europe and the United States were not taken into account, because the global economy is an interconnected system. Most disruptions are in the 2 to 5 percent range, but today’s US/NATO sanctions are so far off the historical track that price increases will soar substantially above the historic range. Nothing like this has happened in recent times.

The best one can say is that it is a case of gross negligence. But at some point benign neglect becomes malevolent. There is an obligation of nations to think of the consequences of their bellicose policies. These consequences must be deemed intentional if the consequences are quite obvious. In legal practice, gross negligence is punished *as if* the negligent party actually wrought damage.

American politicians take plains to avoid any sign that they recognize collateral damage (“external economies”) of their policies. But such negligence is a danger to the world. If a nation’s behavior is consistently damaging to other countries, the *effect* is as if it were planned. That is the case with America’s Cold War 2.0 policy, and with neoliberal economics generally.

Taking the looming disruption of trade and payments into account suggests that what appeared in February to be a war between Ukrainians and Russia is really a trigger intended to restructure the world economy – and to do so in a way to lock U.S. control over both Western Europe and the Global South. Geopolitically, the proxy war in Ukraine has been a handy excuse for America to seek to counter China’s Belt and Road Initiative (BRI).

The choice confronting Global South countries: to starve by paying their foreign bondholders and bankers, or to announce, as a new basic principle of international law: “As sovereign countries, we put our survival above the aim of enriching foreign creditors who have made loans that have gone bad as a result of their choice to wage a new Cold War. As for the destructive neoliberal advice that the IMF and World Bank have given us, their austerity plans were destructive instead of helpful. Therefore, their loans have gone bad. As such, they have become odious and we will not pay them.”

NATO’s policy has given Global South countries no choice but to reject its attempt to establish a U.S. food stranglehold on the Global South by blocking any competition from Russia, thereby monopolizing the world’s grain and energy trade. For many years the major grain exporter was the heavily subsidized U.S. farm sector, followed by Europe’s under its highly subsidized Common Agricultural Policy (CAP). These were the main grain exporters before Russia entered the picture. The US/NATO demand is to roll back the clock to restore food and oil dependency on the Dollar Area and its eurozone satellites.

*The implicit Russian and Chinese counterplan*

What is needed for the world’s non-US/NATO population to survive is a new world trade and financial system. The alternative is famine for much of the world. More people will die of the Western sanctions than will have died on the Ukrainian battlefield. Financial and trade sanctions are as destructive as military attack. So the Global South is morally justified in putting its sovereign interests above those of the wielders of international financial and trade weaponry.

First, Global South countries need to reject the sanctions and reorient trade to Russia, China, India, Iran and their fellow members of the Shanghai Cooperation Organization (SCO). The problem is how to pay for imports from these countries, especially if U.S. diplomats extend sanctions against such commerce.

There is no way that Global South countries can pay for oil, fertilizer and food from these countries and also pay the dollar debts that are the legacy of U.S.-sponsored neoliberal trade policy and the U.S. and eurozone protectionism that went with it. Therefore, the second need is to declare a debt moratorium – in effect, a repudiation – of the debts that represent loans gone bad. This act would be analogous to the 1931 suspension of German reparations and Inter-Ally debts owed to the United States. Quite simply, today’s Global South debts cannot be paid without subjecting debtor countries to famine and austerity.

A third corollary that follows from these economic imperatives is to replace the World Bank and its pro-U.S. policies of trade dependency and underdevelopment with a genuine Bank for Economic Acceleration. Along with this institution is a fourth corollary in the form of the new bank’s sibling: a replacement for the IMF that is free of austerity junk economics and does not subsidize America’s client oligarchies or currency raids on countries resisting U.S. privatization and financialization takeovers.

The fifth requirement is for countries to protect themselves by joining a military alliance as an alternative to NATO, to avoid being turned into another Afghanistan, another Libya, another Iraq or Syria or Ukraine.

The main deterrent to this strategy is not U.S. power, for it has shown itself to be a paper tiger. The problem is one of economic consciousness and will.

1. “Bill Gates has a warning about population growth,” World Economic Forum/Reuters, September 19, 2018. <https://www.weforum.org/agenda/2018/09/africas-rapid-population-growth-puts-poverty-progress-at-risk-says-gates>. [↑](#footnote-ref-1)
2. Lananh Nguyen, “‘It’s a hurricane.’ Bank chiefs warn of a weakening economy,” *The New York Times*, June 1, 2022. [↑](#footnote-ref-2)
3. Kristalina Georgieva, IMF Managing Director, “Facing Crisis Upon Crisis: How the World Can Respond

   April 14, 2022. https://www.imf.org/en/News/Articles/2022/04/14/sp041422-curtain-raiser-sm2022. [↑](#footnote-ref-3)
4. “Putin meets with African Union Chairperson at Sochi, June 3, 2022.” President Sall was accompanied by Moussa Faki Mahamat, Chairperson of the African Union Commission. <http://en.kremlin.ru/events/president/news/68564>. For a related discussion on the sanctions see <https://www.nakedcapitalism.com/2022/06/sanctions-now-weapons-of-mass-starvation.html>. [↑](#footnote-ref-4)