

Wall Street celebrates stepped-up bombing of Serbia

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The Clinton administration's rejection of a negotiated settlement in Yugoslavia and its intensification of the bombardment of Belgrade and other Serbian cities was followed within a few hours by a 225-point surge on the New York Stock Exchange, with the Dow Jones Industrial Average reaching the 11,000 mark for the first time in its history.

One does not have to take an excessively mechanical view of the relationship between the economic interests of corporate America and the foreign policy of the US government to recognize that these two phenomena are intimately related.

Indeed, the six weeks of US-NATO bombing of Yugoslavia have coincided with the most rapid 1000-point movement in the history of Wall Street. The Dow went from 10,000 to 11,000 in only 24 days, compared to the previous fastest 1000-point movement, the 85 days to get from 6000 to 7000 in early 1997.

Some corporations which stand to benefit directly from the war contributed substantially to the Dow's advance. Among the 30 stocks which comprise the industrial average are United Technologies, a leading military contractor, DuPont and Alcoa, whose chemical and aluminum products go into bombs and aircraft fuselages, and Caterpillar, which can anticipate huge orders from the rebuilding of the war-devastated region.

The biggest military contractors, and those whose products have been "featured" in the air war, have significantly outperformed the Dow Jones average. While the Dow has risen 13.9 percent since the bombing of Yugoslavia began March 24, Lockheed Martin's stock price is up 15.1 percent, while Boeing is up a whopping 24.2 percent.

Loral Space, the leading manufacturer of avionics (electronic systems for US warplanes), saw a 15.9 percent stock price jump. Williams International, which

makes engines for cruise missiles, enjoyed a run-up of 19.9 percent. Topping the list was Raytheon, maker of Patriot missiles and other components for the Pentagon, which saw a 23 percent rise in its Class A stock and 24.4 percent rise for Class B.

The financial press has pointed to the sharp swing in investor interest over the past month from the Internet and computer stocks, which have been the focus of an enormous speculative bubble, to more traditional industrial stocks, including paper, chemicals, aluminum and machinery. But none of these commentators have pointed to the benefits which companies like Goodyear, 3M or Allied Signal can expect from a dramatic increase in military spending.

The Clinton administration has requested an additional \$6 billion in spending authorization to finance military action in the Balkans through September 30. Congressional Republicans moved quickly to double the proposed spending to nearly \$13 billion. A large portion of this huge sum will flow into the coffers of American corporations doing business with the Pentagon. Expenditure on bombs and missiles alone is expected to top \$500 million.

While corporate America reaps a bonanza, the people of Yugoslavia--Serbs, Kosovar Albanians, Montenegrins and numerous smaller minorities--are seeing their homes, workplaces and social infrastructure systematically destroyed.

US warplanes dropped a new type of "blackout bomb" Sunday, only hours after the release of three American soldiers held as prisoners of war in Yugoslavia, plunging Belgrade and much of the rest of the country into darkness. Hospitals saw their electrical power abruptly terminated, threatening the survival of premature infants, the critically ill and others on life-support and monitoring equipment. Only 20 percent of

the country's power grid was restored 24 hours later.

NATO spokesman Jamie Shea boasted, "NATO has its finger on the light switch in Yugoslavia now, and we can turn off the power whenever we need to." Such attacks demonstrate the real target of the US-NATO war. Despite the pious claims that the air war is directed against the government of Slobodan Milosevic, not the people of Yugoslavia, the "blackout bomb" is a weapon which disrupts the lives of millions of ordinary people, but will have little effect on critical military and intelligence systems, well equipped with emergency generators and other backup power sources.

A particularly dangerous consequence of the long-term power blackout is the damage to the water systems in many Yugoslav cities, which are dependent on pumping stations run by electrical power. Novi Sad, a city of 300,000 which is the capital of the Vojvodina province of Serbia, has been without running water for eight days, according to residents. Families have been compelled to get water from the Danube river to wash and operate the toilet, and a handful of wells to provide drinking water.

Sewage treatment plants have also been shut down, with the result that raw, untreated sewage has begun to flow into the network of rivers that feed into the Danube, central Europe's most important waterway.

According to the Yugoslav government and independent economists, the damage caused by the bombing has already passed the \$100 billion mark. Among those facilities destroyed are the country's two biggest oil refineries; the factories that make its cars, petrochemicals, motorbikes and construction equipment; 23 bridges; 11 rail lines; and four civilian airports.

On Monday, in the latest of what now seem almost daily atrocities, a civilian bus was attacked by NATO bombers on an open road in Kosovo. Seventeen people died, including many women and children. The deliberate, terroristic character of the attack was demonstrated by the tactics employed: first the bus was hit by a bomb which ripped it apart, killing many of the passengers instantly. Then another attack followed, a cluster bomb, which is an anti-personnel weapon.

According to an American reporter on the scene, one fragment of the cluster bomb was recovered with clear markings: sensor proximity FZU 39/B, lot number MN89F005-010, part number 77757-10, made in the

United States by Magnavox Corporation--another company doing well in the stock market.

The reporter, almost incidentally contradicting the official US-NATO propaganda about a depopulated Kosovo, wrote, "Hundreds of thousands of civilians, many of them ethnic Albanians, still live here. As NATO intensifies attacks on roads and bridges, many are left to wonder whether Kosovo has become a free-fire zone."



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