

Editorial

## Stephen Harper's Smoke Screen to Cover Privatization of Medicare

Last week, Prime Minister Stephen Harper criticized Alberta Premier Ralph Klein's "Third Way" for health care as a violation of the Canada Health Act, while lauding the approach of the Quebec Liberal government as a model for all provinces to follow. One of the key features of Alberta's proposed legislation is the removal of the current ban on extra-billing by doctors. Alberta is proposing that doctors be allowed to accept private payments – from patients or their insurance plans – in addition to the payments they receive through Medicare. This practice is prohibited under the Canada Health Act because it will inevitably lead to the wealthy and those with private insurance coverage getting preferential treatment over those who cannot afford to pay extra to receive health

care. Therefore, doctors must choose to work exclusively through Medicare or opt out of Medicare entirely. Harper has threatened to penalize Alberta by reducing transfer payments if it proceeds with its plans to pass legislation that openly violates the Canada Health Act on this front.

Last year the Canadian Supreme Court ruled unconstitutional Quebec legislation prohibiting private insurance plans which pay doctors who provide services outside of the Medicare system. In response to that decision the Quebec government has proposed legislation which goes far beyond the Supreme Court ruling. Not only does it propose dropping the ban on private insurance for doctors

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## The Iranian Nuclear Issue is Not a Nuclear Weapons Problem

On March 6 the Board of Governors of the International Atomic Energy Association (IAEA) met in Vienna to again discuss the Iranian nuclear issue. In preparation for the meeting, on February 27 the Director General of the IAEA, Mohammad El-Baradei, issued a report entitled "Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran". This updates the board on the situation since its last meeting on February 4, 2006 and provides an overall assessment of developments since September 2005.

The United States continues to insist that Iran's nuclear activities are not for peaceful purposes alone. It claims that Iran is diverting some activities into building nuclear weapons in violation of the 1968 Treaty on Non-Proliferation of Nuclear

Weapons (NPT) and the 1974 Agreement Between Iran and the IAEA on the Application of Safeguards in Connection with the NPT. For the past three years, the Iranian government has cooperated fully with the IAEA in its investigation of these allegations. Furthermore, it has gone beyond its legal obligations by suspending certain research and consenting to additional safeguards in order to dispel any doubts about its activities.

After three years of extensive investigations the IAEA has found no evidence that Iran is building nuclear weapons. Despite this, the U.S., Britain, France, Germany and Canada managed to convince a majority of countries on the IAEA Board of Governors, including Russia, China and India, to vote

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## For Your Information

# Quebec, Alberta Introduce Proposals to Weaken Public Health Care

Both the Charest government in Quebec and the Klein government in Alberta have put forward proposals that will weaken public health care by increasing the role of private health care providers in the system.

Charest's Liberal government introduced a bill in the National Assembly following last year's Supreme Court ruling that the Quebec government had to allow people to pay for health care they could not receive in a timely manner from the public system. The bill enables patients in Quebec for the first time to purchase private insurance to cover health care services provided entirely in the public system. However, the Quebec government's proposal goes well beyond what was required by the court by allowing doctors to practice both in the public and in a private system. This is in direct contradiction to one of the fundamental principles of public health care in Quebec – the complete separation of public and private systems.

In Alberta, the Klein government's "Third Way" on health care comes after almost five years of consultation with different vested interests, the majority of whom stand to benefit greatly from any privatization in the public system. The Health Policy Framework released by the Alberta government last month says that Alberta's health system is founded on five values: patient-focused health care; delivery of

quality health services; timely and fair access to services; accountability for evidence-based investments, fiscal management and responsive service; and increased choice and control over one's health and wellness. These contrast sharply with the five principles enshrined in the 1984 Canada Health Act – comprehensiveness, universality, accessibility, portability and public administration.

The "Third Way" document states: "Albertans want the freedom to choose the type of provider and mode of service delivery that best suits their needs and circumstances. Albertans are open to having their health needs met in new and innovative ways and by different service providers ... Many Albertans have shown a willingness to pay a reasonable amount for customized services – provided that they obtain added value, benefit and convenience."

According to media reports, Alberta is preparing a massive public relations campaign in the province to support the "Third Way" changes to health care. The purpose of such a campaign would be to shift Albertans' views on healthcare so they no longer think of it as an "entitlement" – in other words, believe they have a right to health care – and start to think of it as a "shared responsibility" – one that they must pay for.

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operating outside the Medicare system, it will also allow doctors to operate simultaneously both inside and outside of Medicare. In other words, the legislation being proposed in Quebec will allow doctors to extra-bill their patients in the same way that the proposed Alberta legislation will. Prime Minister Harper opposes one and endorses the other even though both proposals violate the same provisions of the Canada Health Act. In other words, his "strong stand" in opposition to Klein's "Third Way" is just cheap politicking for the purpose of covering up his support for the Quebec approach to privatizing the Medicare system.

Both the Alberta and Quebec governments are claiming that private medical insurance and allowing doctors to extra-bill is the only way to save Medicare. However, neither government has the slightest interest in saving Medicare as a publicly-funded health care system. Both are following the neo-liberal dictate of slashing corporate taxes and the personal taxes of the wealthy, and then claiming that there is simply not enough money to provide the levels of health care that Canadians expect. In Alberta, the Klein government is talking openly about ending the "mistaken" notion of Canadians that they are entitled to good medical services. According to

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in favour of resolutions alleging that Iran has violated various provisions of its nuclear non-proliferation obligations. As a result, on February 4, 2006 the board decided to “report” Iran to the UN Security Council. In addition, it placed demands on Iran that are outside the legal obligations of any country under the terms of the NPT, outside the terms of the specific Safeguards Agreement between Iran and the IAEA, and outside the framework of the voluntary Additional Protocol to which Iran is not even a signatory.

Iran has rejected these allegations and demands. It has informed the IAEA that as of February 6, 2006 its “commitment on implementing safeguards measures will only be based on the NPT Safeguards Agreement between the Islamic Republic of Iran and the Agency” and that “all voluntarily suspended non-legally binding measures, including the provisions of the Additional Protocol and even beyond that, will be suspended.” In addition, it requested that the IAEA inspectors’ presence in Iran for verification activities be scheduled on the basis of the Safeguards Agreement, that all of the IAEA containment and surveillance measures that were in place beyond the normal safeguards measures be removed by mid-

February, and that, from now on, the regular channels of communication should only be through the Permanent Mission of the Islamic Republic of Iran to the IAEA in Vienna.

Under the terms of its February 4, 2006 resolution, the IAEA board must again “report” Iran to the UN Security Council after its March 6 meeting. Since Iran has refused to comply with the illegal demands made as a result of the resolution and has stopped other voluntary non-legally binding co-operation with the IAEA, the U.S. will again demand that the matter be taken out of the hands of the IAEA and handed over to the UN Security Council on the grounds that Iran is a threat to international peace and security.

### **Supposed “ Ulterior Motives”**

Iran, as a signatory of the NPT, has an inalienable right to nuclear energy for peaceful purposes. No justification is required to pursue this right. Like all other signatory states, it has the right to possess nuclear material, equipment, and scientific and technological information. However, the U.S. continues to question Iran’s motive in seeking nuclear technology. According to its flawed logic: Iran is an oil and gas rich country; no oil and gas rich country

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Klein, health care is a privilege which Canadians must be prepared to pay for.

Of course, the logic that governments cannot afford to pay the full bill for health care so individuals must be prepared to shoulder more of the burden is flawed logic. No matter who pays for it the total expenditure will be at least as much, if not more. It is just a matter of whether people pay for health care services collectively through their taxes or individually through private user fees or insurance premiums. Nor, as the example of the American health care system proves, will private funding of health care result in cost savings through the promotion of competition. It has been proven that Americans spend a greater percentage of their incomes on medical care than anyone else in the world. The logic

of Klein and others like him only makes sense if there is an absolute reduction in the quantity and/or quality of health care that is provided to a significant section of the population, that is to the poor and working poor.

It has been suggested that Klein and his fellow-travellers are motivated by ideology and not by reason. While it is true that they promote an ideology of rampant individualism and total disregard for society, that ideology is not devoid of reason. It is an ideology that serves very definite economic interests which stand to profit enormously from the increasing privatization of Canada’s health care system and the reduction of medical services to the poor and working poor. Prime Minister Harper’s endorsement of Quebec’s privatization efforts proves that he too shares Klein’s ideology, regardless of whatever noises he makes about Klein’s own plans to privatize Alberta’s health care system.

requires nuclear power; therefore, Iran must be seeking nuclear technology to build nuclear weapons!

It is patently false to conclude that every country that is developing nuclear power is doing so with the ulterior motive of building nuclear weapons. It is just as false to say that every country that is rich in oil and gas has that ulterior motive. It is possible that some countries, whether they are rich in oil and gas or not, have that motive. However, there is no evidence that this is what Iran is doing.

According to the Iranian government a nuclear program is important even for an oil and gas rich country. It considers that the continued use of energy in its present form is bound to turn Iran into a net importer of crude oil and some of its by-products in the coming decades. It has also determined that the local use of these resources as fuel will drastically affect Iran's foreign exchange earnings from the export of crude oil and natural gas. It would also prefer to utilize these resources in processing industries such as petrochemicals which will generate much greater added value. Furthermore, even though Iran has vast gas reserves their development is extremely costly and the costs can only be offset by gas exports as envisaged and implemented in current gas development projects. In addition, nuclear technology has wide applications in Iran's medical, agricultural and industrial sectors.

The Iranian government also recognizes that the environmental impact of increased reliance on fossil fuel is a serious concern. It has calculated that with 7,000 megawatts of electricity generated by nuclear reactors it would save 70 million barrels of crude oil annually with an economic value of US\$1.5 billion. The environmental benefit would amount to preventing the release into the atmosphere of over 157,000 tons of carbon dioxide, 1,150 tons of suspending particles, 130 tons of sulfur, and 50 tons of nitrous oxide.

### **Origins of Iran's Nuclear Program**

Iran's nuclear activities began 50 years ago with the establishment of the Atomic Centre at Tehran University and construction of a five megawatt

research reactor by an American company called AMF. The reactor went into operation in 1968; at the time the U.S. supplied Iran with uranium enriched to 93%, which is weapons-grade purity. The Atomic Energy Organization of Iran (AEOI) was established in 1974. It was mandated to plan for and develop a complete fuel cycle including the construction of the 23,000 megawatt Bushehr Nuclear Power Plant.

The AEOI took over the Atomic Centre, renamed it the Nuclear Research Centre (NRC), and took over the five megawatt research reactor. Iran also concluded an extendible 10 year nuclear fuel contract with the U.S. in 1974, with Germany in 1976 and with France in 1977. At that time, these countries were competing with each other to provide Iran with a complete nuclear fuel cycle including uranium enrichment. In 1975 Iran even purchased a 10 percent share in a Eurodif uranium enrichment plant being built at Tricastin in France.

During this whole time the U.S. did not once demand that the pro-U.S. fascist regime of the Shah justify Iran's need for nuclear technology, nor did it restrict or block Iran's access to the highest levels of nuclear technology. The advisability of a nuclear energy program for Iran was actually endorsed by the U.S. State Department. In a memo dated October 20, 1978, it stated that the U.S. was encouraged by Iran's efforts to expand its non-oil energy base and was hopeful that the U.S.-Iran Nuclear Energy Agreement would be concluded soon and that American companies would be able to play a role in Iran's nuclear energy projects. Throughout the 1970s European and American companies competed with each other to construct several nuclear power plants in Iran producing a total of 23,000 megawatts of electricity.

### **American.-Led Restrictions On Iranian Nuclear Development**

In its pursuit of its right to peaceful nuclear technology Iran sought the assistance of the IAEA and its member-states from various parts of the world. In official consultations throughout the 1990s,

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Iran openly presented its plan to acquire various aspects of nuclear technology, for exclusively peaceful purposes, including fuel enrichment. It persistently invited the cooperation and participation of others in these activities. At the same time, all of the existing nuclear establishments in Iran remained under IAEA safeguards.

However, for the past 27 years, since the overthrow of the American-supported Shah, the U.S. and its allies have systematically blocked Iran's pursuit of nuclear and other modern technology, with the aim of destabilizing Iran and hampering its economic development. In addition they have disregarded the treaty obligations under the NPT and IAEA Statutes that provide for and facilitate the sharing of nuclear technology. This American-led policy has involved terminating bi-lateral and commercial contracts for the provision of material, equipment and technology. As a result the Bushehr Nuclear Power Plant, which was scheduled to begin producing energy in 1980, is still under construction after 27 years and hundreds of millions of dollars of expenditure. The U.S. has also breached the contract it made prior to 1979 to supply new fuel for the Tehran five megawatt research reactor which was producing radioisotopes for applications in medicine, agriculture and industry. It neither delivered the fuel nor did it return Iran's two million dollars advance payment. None of the international organizations, including the IAEA, have taken any steps to redress this situation and force the U.S. to fulfill its contractual and legal obligations.

The U.S. has imposed restrictions on Iran's access to modern technology and equipment, even for the most essential needs of the civilian population, in not only nuclear but nearly every field. In 1995, U.S. President Bill Clinton issued two Executive Orders that prohibited any investment by American companies in Iran. On July 23, 1996, the United States Congress unanimously passed the Iran-Libya Sanctions Act (ILSA) which extended sanctions to cover foreign companies that made investments in Iran in excess of \$20 million.

As a result, Iran was left with no option but to rely primarily on unofficial channels to acquire the means necessary for economic and technological advancement and the welfare of its population. The fact that Iran acquired some nuclear technology from unofficial channels, and hence secretly, does not prove that it was doing so to conceal a plan to build nuclear weapons. Rather, it only shows that Iran was unable to procure technology on the open market because it was prevented from doing so by the U.S. and its allies. Nevertheless, Iran has allowed all of its nuclear facilities, even those acquired through unofficial channels, to be put under IAEA safeguards. And IAEA inspections of these facilities have shown no evidence of a nuclear weapons program.

#### **Iran's November 2003 Statement**

In November 2003 a representative of the Iranian government presented a statement to the Board of the IAEA. It explained Iran's predicament and its actions:

“The protracted pattern of failure to facilitate and provide Iran access to nuclear technology for peaceful purposes, coupled with an active campaign to deprive Iran of its rights, compelled Iran to take certain limited measures to protect its inalienable right and its vital national interests.

Iran's shortcomings in reporting and declaring elements of its peaceful nuclear program were primarily due to the above-mentioned prior wrong and were motivated solely to avoid further hindrances in Iran's access to technology for peaceful purposes.

These measures were not contrary to Iran's obligations under the NPT or to the objectives of the IAEA safeguards system. At no time did Iran divert nuclear material to non-peaceful use. Iran has now been able to provide a full accounting of all its activities leading the Agency to conclude that 'to date, there is no evidence that the previously undeclared nuclear material and activities...were related to a nuclear weapons program.'

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Therefore, the past failures by Iran can be described as failures in the past to meet the reporting and declaring procedures of the Agency and not attempts at diverting nuclear material — they were procedural, not substantive.

Rather than passing an unsubstantiated judgment that such failures were indicative of ulterior motives by Iran, it is reasonable to take into account that past failures were commensurate with a prior and unjustifiable failure to meet the obligations under the NPT and the IAEA Statute to facilitate and provide Iran with access to nuclear material, equipment and technology for peaceful use.

The fact that Iran was still able, albeit with tremendous hardship and excessive cost, to develop a primarily indigenous nuclear technology represent, *ipso facto*, clear and convincing evidence that:

Undue sanctions, restrictions, impediments and obstacles to deny the rights of member states run counter to the process of transparency and cooperation required by the Agency. It is also wrong to consider them as effective tools to deprive member states from exercising their rights. Had it not been for the severity of impediments, Iran would have pursued all its activities with transparency and in collaboration with other fellow members as it has always sought.

The fact that Iran has remained loyal to the NPT and the objectives of the safeguards, despite its unwarranted deprivation from its fundamental right, demonstrates the depth of its commitment to nuclear non-proliferation. It is hard to perceive that any other member, facing similar restrictions, would have sustained unreserved commitment to the Treaty.”

### **The Monopoly Over the Supply of Nuclear Material**

The question of an assured supply of nuclear material for peaceful uses has been one of the most

problematic issues in the application of the terms of the NPT. The IAEA has not upheld the statutes of the NPT when it comes to defending the rights of the non-nuclear weapon states, particularly those of the developing countries; nor has it upheld the NPT statutes when it comes to enforcing the obligations of the nuclear weapon states.

In 1975, in response to India’s explosion of a nuclear device the previous year, a Nuclear Suppliers Group (NSG) of states was set up, which now has 44 members, including all the major nuclear powers within the NPT. Under the auspices of this group, these states have voluntarily agreed to guidelines regulating the export of nuclear materials and equipment. However, because the guidelines are voluntary and not enshrined in any international treaty, ultimately these suppliers, including Canada, can export any materials and equipment they like to whoever they want. Equally, they can refuse to export materials and equipment permitted under the guidelines. In the case of Iran, the U.S. used the NSG and other sanctions to cut off supplies of nuclear material.

The question of an assured and sustainable supply of nuclear material is an international problem. In 1980 the UN General Assembly adopted a resolution to convene the United Nations Conference on the Promotion of International Co-operation in peaceful uses of Nuclear Energy (UNPICPUNE). The conference was mandated to identify constraints and propose ways and means for the promotion of international co-operation in this area. After almost a decade of preparation and negotiation, the conference was finally held in Geneva in 1987. However, as a result of obstacles created by the U.S., Britain, France and some other supplier countries, it failed to adopt any decisions.

A similar situation occurred in the IAEA. Its Committee on Assurances of Supply was supposed to establish internationally recognized principles and legally-binding instruments to assure sustainable nuclear supply. However, after seven years of intensive deliberations in 1987 it failed to agree on any principles.

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### **The Misleading Reports of the Director-General of the IAEA**

The reports regarding Iranian nuclear activities, prepared and presented to the IAEA Board by its Director-General, Mohammad El-Baradei, have contributed to the American ability to exaggerate and misrepresent the real situation to Iran's detriment. Every positive new development undertaken by Iran is sandwiched between the negative experiences of the past. The reports use terms such "breach", "concealment", "transparency", "full cooperation" and "completeness of information" either without defining them, or not incorporating them into the governing instruments of the agency, or not supporting them with factual findings, or presenting them in a misleading manner. Other member states have even expressed concerns that the practice of using new terms in the resolutions and reports pertaining to Iran might set new precedents in terminology in determining and interpreting the legal obligations of member states under their Safeguards Agreements with the IAEA. The reports also present dubious information as substantive allegations against Iran.

The February 27 report presented by El-Baradei to the March 6, 2006 meeting of the IAEA Board of Governors is true to this form. Paragraph 53 begins with a positive statement:

"As indicated to the board in November 2004 and again in September 2005, all the declared nuclear material in Iran has been accounted for."

However, it then goes on to say that it is really impossible to know the truth, especially because of Iran's past:

"Although the Agency has not seen any diversion of nuclear material to nuclear weapons or other nuclear explosive devices, the Agency is not at this point in time in a position to conclude that there are no undeclared nuclear materials or activities in Iran. The process of drawing such a conclusion, under normal circumstances, is a

time-consuming process even with an Additional Protocol in force. In the case of Iran, this conclusion can be expected to take even longer in light of the undeclared nature of Iran's past nuclear program."

It then refers to some dubious information that has come into its possession:

"including... recent information available to the Agency concerning alleged weapon studies that could involve nuclear material."

### **The Green Salt Project and the Laptop Story**

The reference to "alleged weapon studies" goes back to the January 31, 2006 Report by the Assistant General-Director of the IAEA, Oli Heinonen, prepared for the special meeting of the board on February 4, 2006. The report begins by stating that it contains only "factual information" and that it "does not include any assessments thereof". However, when it comes to the "alleged weapon studies" it states:

"...information had been made available to the Agency about alleged undeclared studies, known as the Green Salt Project, concerning the conversion of uranium dioxide into UF<sub>4</sub> ("green salt"), as well as tests related to high explosives and the design of a missile re-entry vehicle, all of which could have a military nuclear dimension and which appear to have administrative interconnections."

These are not factual findings, but rather speculative assessments and conclusions. An article in the *New York Times* revealed that these studies were given to the IAEA by U.S. intelligence services and that the studies came from a "laptop seized in Iran". According to the article, the laptop is said to have belonged to "someone in Iran who is now dead and had given it to someone else" who had somehow smuggled it out of the country.

The February 27, 2006 report by El-Baradei repeats the same story about "alleged undeclared studies". Instead of disclosing the exact source of this information and validating its veracity before making

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unsubstantiated accusations against Iran, El-Baradei demanded an explanation from Iran. The Iranian government responded that these allegations “are based on false and fabricated documents so they are baseless”. It further stated that “such projects and such studies do not exist today, and have never existed.”

### **The Iranian Nuclear Issue is Not a Nuclear Weapons Problem**

Three years ago the U.S. and Britain invaded Iraq. There are striking similarities between the arguments and methods employed by the U.S. and Britain to justify their aggression against Iraq and the way in which the U.S., Britain, France and Germany, and other countries like Canada, are now acting towards Iran.

In the case of Iraq, Hans Blix, former head of the IAEA, was called back from retirement by UN Director General Kofi Annan to lead the United Nations Monitoring, Verification and Inspection Commission in charge of monitoring Iraq. While his inspections found no evidence of weapons of mass destruction, Blix accused Iraq of attempting to hinder or delay his mission. Although he found nothing substantive in the U.S.-British accusations against Iraq, he had some disagreements with Iraq over procedural issues. This was all the ammunition needed by the U.S. and Britain to justify their aggression. After the fact, Blix accused the U.S. and British governments of dramatizing the threat of weapons of mass destruction in Iraq, in order to strengthen the case for the 2003 war against the regime of Saddam Hussein.

The U.S. has made no secret of its hostility towards the Islamic Republic of Iran. Following the overthrow of the pro-U.S. and fascist regime of the Shah by the Iranian people in 1979, the Americans have taken countless hostile actions against Iran. These have included supporting Saddam Hussein’s invasion of and war against Iran that began in 1980 and only ended in 1988. Throughout this time the U.S. supplied Iraq with intelligence and economic aid, normalized relations with the Iraqi government (which had been broken during the 1967 Six-Day War) and

also supplied weapons. This war cost Iran an estimated 1.5 million casualties. On January 29, 2002, U.S. President George Bush delivered his now infamous State of the Union Address in which he demonized Iran, Iraq and North Korea as constituting an “axis of evil” and issued all kinds of threats against them.

There remains no evidence that Iran has a nuclear weapons program and the “big lie” technique is being used to claim that the country is a threat to international peace and security. The legal, procedural, technical and scientific issues arising in the course of monitoring the nuclear non-proliferation regime, which are routinely disposed of by the IAEA in the case of other countries, have been politicized by the U.S. and its allies in order to justify the continuation and escalation of their attacks against Iran.

The governments of the U.S., Britain, France, Germany and Canada should be condemned for this campaign of lies against Iran. The Canadian people should support the right of Iran to develop nuclear energy for peaceful purposes and oppose the plans of the Americans and their allies to escalate their attacks on Iran. It is the U.S. and Canadian governments and their friends who are the real enemies of international peace and security and who are deliberately heightening international tensions over the question of Iran’s nuclear activities for their own ulterior motives.

## **Modern Communism**

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