

Paris Talks Collapse

Third World, Italy Ready Unilateral Debt Moratorium

Sept. 23 (NSIPS) — Spokesmen for U.S. Secretary of State Kissinger within the Group of 8 industrial countries representing the advanced sector at the Paris Conference on International Economic Cooperation (“North-South”) caused a total breakdown in the talks last week by introducing a proposal calling for “case-by-case” negotiation on debt sometime in December. The Third World countries represented by the Group of 19 responded to this refusal to negotiate by Kissinger by introducing policy documents demanding general debt moratoria and a new world economic order which were adopted by the Group of 19 at a strategy meeting in Geneva earlier this month. Diplomatic sources in Paris reported that the talks, which were scheduled to last until today, effectively adjourned three days early in hopeless deadlock.

Kissinger’s successful sabotage essentially guarantees that the countries of the developing sector and pro-development grouping in the developed countries will go for unilateral declaration of debt moratoria followed by negotiations on a new world monetary system as the only feasible alternatives for those committed to preventing Kissinger’s rampages of genocide and war. The declaration of moratoria on a mere \$30 to \$50 billion dollars of the more than \$300 billion of Third World debt must be carried out unilaterally by ten nations or so — as the necessary precondition for hamstringing Kissinger and bringing the United States and other advanced sector countries to the negotiating table for the new world economic order.

The main forum for such action now shifts to the United Nations General Assembly, where foreign ministers of many nations began gathering this week.

The Group of 8 submitted its debt proposal, drafted by Britain, on Sept. 17 — according to the London Times, “offering” moratoria only to the “most seriously affected Third World nations”

and specifying that the negotiations would begin in December. In the face of the Third World’s commitment to the resolution for universal debt moratoria and a new international monetary system adopted at the Non-Aligned Nations’ summit in Colombo, Sri Lanka — a commitment continually reiterated by leading Third World spokesmen including India and Cuba — the British proposal was clearly intended to end all discussion.

Yesterday an article in the Swiss bankers daily *Neue Zuercher Zeitung* correctly reported that the refusal of the Group of 8 to discuss general debt moratoria forced the breakup of the Paris conference. The French daily *Le Monde* reported yesterday that the “pessimism of the Third World following the failure of the last UNCTAD meeting and the stagnation of the North-South conference” will result in a “tough stand” by the Third World at the UN General Assembly.

Kissinger and the industrialized and developing countries he could blackmail into retailing his position never intended that anything would happen in Paris. Their consistent line was that no serious negotiations were possible until the United States elections were completed on Nov. 2. Agents within the developing sector’s representatives at the Paris talks, including the Pakistanis, have consistently pushed a December deadline for the implementation of general debt moratoria — and other demands unified in the Colombo resolutions — hoping to tie the Third World up in a series of fruitless meetings, while Kissinger networks rape and decapitate every pro-Colombo country they can.

The achievement of the new world economic order at this time requires that such nations as India, Yugoslavia, Mexico, Algeria, and Guyana, acting as a group, administer the necessary shock treatment of unilateral debt moratoria over the next two weeks.

Italian Gov’t Expands Policy Initiatives In Africa, Mideast

Sept. 24 (NSIPS) — The Italian anti-austerity government led by Prime Minister Giulio Andreotti is rapidly expanding its foreign policy initiatives, moving from the Mideast arena to Africa. Foreign Minister Forlani called in four of the Italian ambassadors to African countries Sept. 19, the same procedure the Foreign Office used before taking up a leadership role in pursuing a peace plan for the Mideast. Andreotti met personally with the ambassadors Sept. 20, in a meeting that included the development-oriented president of the Central Credit Bank, Parravicini. The inclusion of Parravicini in the talks indicates that financial agreements were discussed.

Il Giorno, the financial daily linked to the oil interests of ENI, the state-owned oil company, reported Sept. 21 on the conference on trade and development with Africa. The conference, entitled Industry and Cultural Development, was sponsored by IRI, the government owned Institute for Industrial Reconstruction. It was called specifically to discuss the expansion of the standard of living as the basis for future development and the role of high-level technology which lays the basis for the self-

development of a population. Concretizing the necessary cooperative ventures an Egyptian delegation this week visited the gigantic modern Italsider steel complex in Taranto, southern Italy. The delegation was led by the Egyptian Minister of Mining and Industry and included top-level officials and Egyptian government experts.

Italy continues to maintain a crucial organizing role in the European area also. Having taken the lead in undercutting the gold auction of the International Monetary Fund, Italy has begun to organize the necessary tactical alliance within Europe to develop the muscle to put an end to the IMF’s gold blackmail and to institute debt moratoria in an orderly fashion.

France continues as the political ally of the anti-austerity Italians, as it was in the anti-gold auction fight. An *Il Fiorno* editorial Sept. 22 explicitly called for the creation of a Paris-Rome axis behind the recent Italian initiatives modeled on the joint anti-IMF action. The context for this alliance, according to *Il Fiorino*, is the “unavoidable,” imminent declaration of global debt moratoria.

IRI Conference On African Development

Excerpted below are statements of African officials who participated in the IRI Conference on Industry and Cultural Development. The conference report appeared in an article by Giuliano Zanotti in Il Giorno Sept. 21

Ibahmin Heli Abdel-Rahman, advisor to the Egyptian prime minister on economic planning and development spoke on how long-term planning for the Arab countries must take into account four principle areas — energy, food, industry, and technology. With respect to cooperation with Europe, the policies and basic structures must be developed through multiple meetings including formal Arab-European dialogues. Further research will be necessary to develop the monetary base, as well as a continuing and growing cooperation that would offer reciprocal advantages, since Europe appears to be the most important commercial partner of the Arab countries with an expanding market of 200 million inhabitants.

Dr. Arena, director of IRI's manufacturing department, based his speech on the experiences of the IRI group on problems arising from industrial collaboration with Arab and Black African developing countries. He stressed the issue of professional training in these countries of the technical and managerial leadership required for a beginning process of industrialization. 'On the issue of technology transfers from the

industrialized to the developing sector,' he said, 'developing countries have given particular attention to the fact that the technology monopoly of the industrialized countries is the mechanism impeding the realization of the new world economic order to which they aspire....Some developing countries...have realized that technology transfers are an instrument for perpetuating their dependence on the industrialized countries, as well as a dangerous vehicle for a political-economic order that has a dangerous social dualism...economic exploitation.'

The IRI representative concluded by affirming that a serious professional training is costly, very costly, but the creation of a manager capable of overseeing the interests of his own country and his own corporation is absolutely priceless. The problems would be more that compensated for by the wiser decisions and hence the fundamental economic development that these friendly countries would undergo.'

'If we were to have in these countries,' he continued, 'a nucleus of valid intermediaries, we could certainly develop our collaboration with them on a more solid basis, and in such a way give life to a process of self-propulsion based on local talent capable of taking autonomous initiatives in such a way as to put in motion an independent development policy. To invest in machinery and industries without first having invested in the training of the men who will be running it and managing it, means not to build an industrial sector that would be in the service of men and from which they could derive the benefits of a better life, but merely constructing useless and dangerous monuments to industrial dreams.'

Soviets Speak Out On Debt, Offer Trade Expansion To Europe

Sept. 24 (NSIPS) — As the United Nations General Assembly opened this week, the Soviet Union indicated the precise lines of its support for the Third World and anti-Atlanticist capitalist forces preparing to establish a new world economic order.

Pravda declared the foreign debt of Third World nations to be the foremost urgent matter which has to be solved in order for the recessed North-South talks in Paris to progress. This is a new formulation from the Soviets and backing it up was an article in the journal World Economy and International Relations this month. The article drew a clear distinction between the "case-by-case" swindle of an approach to debt relief, which is all the U.S. has conceded, and the actual demands of the developing countries.

Turning to the Europeans, the Soviets offered to greatly expand "swap" operations with the European countries whose currencies are weaker — starting with Italy, which is leading Europe's opposition to the bankrupt dollar, and including Britain and France. The Soviet proposal appeared in an internationally circulated Tass news release.

The additional articles excerpted here continue the Soviets' presentation of programmatic development potentials which would be in the national interest of Western countries — renewal of coal production in Britain and peacetime use of special defense industry capacities.

Soviet Journal Analyzes Struggle for Debt Moratorium

Sept. 24 (NSIPS) — The following are excerpts from an article entitled "The Third World Struggle for Justice and Equality" by I. Ivanov, which appeared in the September issue of the Soviet Union's monthly World Economy and International Relations:

The difficult financial situation has forced the developing countries to advance the demand for alleviation of their debt burden. Indeed, from 1965 on, this indebtedness has grown 16 per cent per annum (increasing to 20 per cent in 1974-1975), because the crisis forced the young states to divert a considerable part of the means they received in the form of aid and credits for development, in order to cover their present trade deficits and payments on old credits. These payments now amount to \$12 billion per annum, or 14 per cent of the export earnings of the Third World. Private financial circles turned away from the developing countries which were on the verge of bankruptcy, forcing them to rely on inter-governmental aid, which was also reduced because of the crisis — especially aid from the USA, England, West Germany, France and Japan.

Under these conditions, the Manila Declaration again recalled the United Nations recommendations to set the developed