

Report from Bonn by Rainer Apel

García attracts Social Democrats

The Peruvian President's stand on debt has provoked healthy economic debate in the SPD for the first time in years.

The news of Peruvian President García's stand on the debt issue, along with the news of Castro's rival position, reached this city in the middle of the summer parliamentary recess. Nevertheless, lots of activity was provoked.

García's moves are now being watched with much more sympathy than Castro's activities, even by left-wing Social Democrats and trade unionists. "Well, García is a Social Democrat," one might say; true, but he is not acting in very Social Democratic fashion, especially given the general trend of the Social Democrats toward the Soviet camp.

It would not be surprising if the German Social Democratic Party (SPD) came out in favor of Castro. There is much more emphasis on "solidarity with Nicaragua" in the SPD's diplomacy in Ibero-America, for example, than on solidarity with the traditional Socialist or Social-Democratic parties on that continent. Recently, several of these parties in Central America split from the Socialist International because of President Willy Brandt's pro-Nicaraguan policy.

Why, then, should the German Social Democrats be backing García?

There are two reasons. First, the Schiller Institute Labor Commission conference in Mexico City (July 15-16) left an impression on the German unions, both positive and negative, but an impression nonetheless.

Due to SPD Chairman Brandt's sympathy for the World Bank's and Henry Kissinger's recommendations on the debt problem, the Social Democrats have largely abstained from

taking any public position.

But the Christian Democratic government in Bonn has taken a public position—in favor of the IMF, the World Bank, and the creditors. Bonn's Third World Affairs Minister, Jürgen Warnke, attended García's inauguration and had a half-hour discussion with the new Peruvian President. He then made an official statement: "Without, or even against the IMF, the World Bank, and the [creditors] Club of Paris, a solution to the debt problem is not possible." At his press briefing here on Aug. 2, he characterized "current Latin American discussion on the debt problem" as "largely ideological."

Meanwhile, the Schiller Institute in Germany began to generate telegrams of support to García, including many signed by Social Democrats and trade union members.

In short, the peculiar silence on the part of the "official" SPD obviously left many party members with the impression that a political flank against the conservative government was not being exploited. According to sources inside the SPD, some 15 Social Democratic deputies sent a telegram to Alan García, assuring him of their support for his policy.

In individual discussions, *EIR* has found Social Democrats acutely aware of García's proposals. Mrs. Ingrid Matthaeus-Maier, a member of the financial affairs committee of the parliament, said she was a quite angry at the German media for publicizing Castro's views, while not reporting her own call for a change in the handling of Third World debt. In a second press

statement on Aug. 6, she stated her support for García's "10% formula"—no more than 10% of foreign exchange to go for debt service—and issued a call for an "international conference on Latin American debt."

The SPD's economic policy spokesman, Deputy Wolfgang Roth, said in a private discussion: "García's policy of imposing a 10% ceiling on all debt repayments" could serve as a "model for other countries."

For several years, the official discussion of economics in the SPD has been confined to debates on environmentalism or job-creation schemes based on redistributing the nation's labor force. There has been no debate on exports, nor on world debt and the IMF's role, nor on the call for a new world economic order. Since García's call for political support has reached Germany, this is beginning to change. SPD members are beginning to talk about world economic issues again, and because they control two-thirds of the organized labor movement in Germany, this may also have beneficial effects in the trade unions, which are now preparing "autumn actions against unemployment."

The solution to the economic recession, after all, is not to be found in national make-work programs, but in the establishment of a new world economic order.

As for Brandt, who has given himself the profile of "Mr. North-South," the man who ostensibly cares about the Third World, many Social Democrats have begun to ask why he has abstained from any public statement on García for almost two weeks after the Peruvian President's now famous inauguration address. He actually works for the creditors, of course, but can't be open about that. Brandt must therefore contain the debate, or, sooner or later, stand exposed