

French premier backs Vatican on the debt

Coinciding with Brazil's declaration of a debt moratorium, French Premier Jacques Chirac has joined with Pope John Paul II to support the effort of developing-sector countries to achieve a just solution to the debt crisis. Speaking at a meeting of the American Chamber of Commerce in Paris on Feb. 19—the day before the Brazilian moratorium was announced—Chirac denounced the “hypocrisy” of the creditors, and criticized the role of the International Monetary Fund (IMF) in “destabilizing” the world's governments.

Four days later, French Agriculture Minister François Guillaume met with the Pope at the Vatican to discuss a “Marshall Plan” for development of the Third World countries, in the spirit of the new document of the Vatican's *Justitia et Pax* Commission, “An Ethical Approach to the International Debt Question.” The Pope designated Roger Cardinal Etchegaray of *Justitia et Pax*, a Frenchman, to pursue the initiative; French Economics Minister Edouard Balladour, in turn, submitted the Vatican's document to his staff for study. Balladour, in an interview with *Paris-Match* magazine published Feb. 27, explained: “I have a moral conviction: We have duties toward them [debtor nations]. These countries have to help themselves, but we have to help them too, especially those which are often indebted because they were forced to be.”

Chirac's move is the first by a top-ranking Western leader in support of Brazil. It represents a policy shift of potentially far-reaching import; for while Chirac has been a strong partisan of the Western alliance against the “decouplers,” and has carried out a tough anti-terrorism campaign, still his economic policy has been a disaster—closer to Margaret Thatcher than to Charles de Gaulle.

Jacques Cheminade, the chairman of the European Labor Party in France (POE) and a collaborator of Lyndon LaRouche, declared upon hearing of Chirac's moves: “The suspension of Brazil's interest payments on its foreign debt is the decisive shock which will force Western leaders to confront their responsibilities. We are convinced that France, strong because of its industrial achievements in the years of de Gaulle and Pompidou, independent because of its *force de frappe* [nuclear deterrent] and its advanced research capabilities, can and must be the OECD country which dares to seize this opportunity. The Marshall Plan of François Guillaume and Jacques Chirac is an essential step in this direction, and

we support it totally.”

Chirac, in his speech to American businessmen, took up the moral theme of the Vatican documents. “How may we define values presented as in conformity with the dignity of man, and at the same time let countries die of despair and starvation?” he asked. He characterized this attitude as “irresponsible and unworthy of the values we want to defend.” Criticizing the “hypocrisy of the creditors,” he said that it was in the political interest of the democratic countries “to find the means to prevent a deterioration of the debt of these countries. . . . It is time to stop the hypocrisy and assume our responsibilities toward those populations, not merely wait for readjustment procedures proposed by the IMF, whose inevitable result is the destabilization of political regimes and more misery, and whose effect is to bring countries back to economic equilibrium to allow them to borrow tomorrow, for the greater profit of big Western bankers.”

The concept of a Marshall Plan

Chirac has long had the idea of a “Marshall Plan” for the Third World under consideration, according to reports in the French press. In 1975, he proposed a system for the “moral use” of surplus petrodollars, which would make it possible for oil-producing countries to issue long-term loans at low interest rates to the poorer nations, with the industrialized countries of the North providing the human and technical resources needed in the South.

Agriculture Minister Guillaume, in a Feb. 21 interview in *France-Soir*, explained the idea of making the surplus food stocks of the European Community available for Third World countries where people are starving—in opposition to the current EC policy of reducing agricultural production. He proposed that the EC stop subsidizing grain sales to the Soviet Union, but sell at standard prices, using the profits to provide food aid to the Third World.

“There is something which is shocking to me,” Guillaume added. “I am a farmer, and a farmer is one who produces. As a farmer, I was forced to reduce milk production by quotas. . . . This gulf between countries that are stockpiling, reducing production, and the countries whose populations are starving, is unacceptable for a farmer, and for a man who has a humanitarian sense. . . . I thought that the moral authority of the Pope, which is unquestionable, and his dynamic personality, could help things move forward. . . .”

“Let's take the example of the Marshall Plan after the war. The effort of the United States on behalf of Europe was considerable. And the United States benefited from this, because Europe did develop herself. From this initiative, the Western world could draw a political advantage, in the noble sense of the word. . . . We will have helped a country to start its development, and there are greater chances it will look to the West rather than to the East. For the moment, it is looking toward the East.”