

and technologies for the Third World, and industrialization of the southern hemisphere" must be put into motion in the coming months.

In this connection Manley emphasized that Third World debt moratoria and rescheduling would be a major subject of discussion at the meeting. The Jan. 4 *Financial Times* asserts that during the meeting, Schmidt called for the Lome price stabilization system, known as Stabex, to be reorganized on a global scale.

Also attending the meeting was Venezuelan President Carlos Andres Perez, who last week became the first Third World leader to publicly and explicitly identify the EMS as a replacement for the bankrupt, anti-industrial International Monetary Fund. Following the past decade's continued breakdowns in the world economy, Perez told a Caracas military garrison on Christmas Day that the Venezuelan government was "astounded by the meeting a few months ago of the European Economic Community to discuss the possibility of creating a monetary order different from that formed by the IMF."

French offensive into Africa

During the Kingston meeting, Giscard and other French leaders were engaged in a historic diplomatic undertaking in Africa, Asia, and the Mideast. Since France's ruling Union for French Democracy (UDF) proposed three weeks ago a \$100 billion fund for European and Third World development, France has initiated a worldwide effort to consolidate agreements which will pave the way for

economic development programs which can politically stabilize Third World crisis zones, and undermine British-instigated war scenarios on several continents.

The French offensive included Giscard's public reconciliation in Guinea with President Sekou Toure; a Giscard tour of Gabon; a visit by Foreign Trade Minister Deniau to India; and key discussions between Foreign Affairs Minister Jean Francois Poncet and leaders of Kuwait, the United Arab Emirates and Saudi Arabia.

In addition, France is holding these discussions with the publicly recognized approval of the Soviet Union, with whom negotiations were carried out last August in Moscow and in Paris during the November visit of Foreign Minister Andrei Gromyko. Soviet circles in Paris have themselves explored the possibility of France acquiring observer status in the Comecon, the central economic planning body for the East bloc countries, according to the Dec. 18 *Le Nouvel Economiste*. Only three other non-East bloc nations enjoy this status: Mexico, Iraq, and Finland.

India's "second independence"

While in India, Deniau heralded the perspectives for India's "second independence," essentially publicly admitting that economic development for the Third World calls for the need to finally dismantle British networks of control. Speaking before the Bombay Chamber of Commerce, Deniau said that relations between the two countries "must be based on long-term industrial

'Economic growth through higher Third World living standards'

In an article published in the weekly Le Nouvel Economiste Dec. 18 by Pierre Moussa, President of the Banque de Paris et des Pays-Bas [Paribas], entitled "The Third World, Our Chance," put forward a unique solution to unemployment. In this article, Moussa describes the policy of high wages of U.S. industrialist Henry Ford I that can be applied toward the Third World to develop new markets for Western technology. Here are portions of Moussa's article.

I firmly think that the Third World constitutes, not *the* real chance, but one of the fundamental chances of development for the industrialized countries. When, 20 years ago, I had proposed the name of 'proletarian nations' to designate the underdeveloped countries, it was to suggest that we could possibly see develop, in the relations between rich countries and poor countries, the same phenomenon which we saw in the last century in the relations between rich classes and poor classes.

I had written (in *Les Nations Proletaires*, PUF 1959) "Why, in this last area, were Marx's predictions belied by the facts? Because of the trade union movement first, which put an end to the weakness of the employee

in front of the employer. . . . But further, because of the evolution of capitalism in the sense symbolized by Ford, an evolution which is based on the prodigious discovery that high wages are the only durable means to make business work. . . . *Fordism is also possible in international relations.* I have not stopped thinking about how the economic growth of the West could result from an increase in the living standard of the Third World. . . .

Industrial production employs about 40 percent of the active population of the West: if the growth of outlets for the industrial production sector decreases, unemployment will result. You cannot transform a skilled mechanic into a cultural social-worker.

This industrial tool is capable of supplying equipment goods, intermediary goods and the technological know-how necessary for the industrialization of the Third World countries; in a second stage, when a buying power begins to appear, to supply certain sophisticated consumer goods. . . .

The proper role of bankers is to supply to industry the competitive financial tool it needs for a great export drive. . . .