

Report from Paris by Yves Messer

Guillaume and his 'Marshall Plan'

The French Agriculture Minister is confident his plan will work—if only he could get the United States to agree.

My essential preoccupation is to help Third World countries increase their production and reduce their food dependence, and make them into real trade partners. That should be done in the context of an elaborate plan for economic and agricultural development, in each relevant country, and with the backing of international organizations."

That is the way French Agriculture Minister François Guillaume described his "Marshall Plan" for the Third World, in an interview published on Jan. 21 in the Catholic daily *La Croix*. It is a plan based on raising the prices of the commodities exported by Third World countries, primarily food, in conjunction with programs to develop their production capabilities.

Guillaume has been pressing for such an approach to the Third World debt and underdevelopment problem for years. The *La Croix* interview shows that he has not given up, and that he views his primary problem as that of getting the big dumb giant in Washington to agree to it.

Guillaume described the problem his program is intended to address in this way:

"Right now, war is being waged on world agricultural markets. . . . The result is a collapse of world prices way below production costs, as well as a drop in income—which is particularly intolerable when the country has no means to compensate for the loss through subsidies—for farmers in the North [developed nations] as well as in the South [underdeveloped nations]. Because of this worldwide agricultural disorder, developing coun-

tries' export revenues for coffee, cacao, cotton, etc. are dropping and their economic situation is getting worse, as they are forced into increasing indebtedness.

"Also because of the disorder, the leading agricultural nations of the North are engaging in a ruinous trade war, through subsidies. These same countries have adopted a policy of limiting production, although hundreds of millions of people are suffering from malnutrition. . . . My idea is to organize agriculture markets, beginning with grain, so that world prices go up. . . .

"In 1975, grain and sugar prices on the world market were five to six times higher than domestic European prices. The Soviets and Japanese bought anyway. The price is overlooked when a vital need must be met.

"The price rise we plan will lead to a reduction of the subsidies, financed up to now by the developed countries. The money saved will go into an assistance fund for developing countries, and be used for three main actions: food aid, development aid (first and foremost in training programs), and lastly, in getting rid of the debt of poor countries."

His *La Croix* interviewer challenged him, calling it "well known" that any food assistance program is "harmful" because it "discourages local production and increases food dependence. Wouldn't development aid be better?"

The minister retorted, "Those who claim food assistance is useless are hypocrites. Of course, food assistance must be given thoughtfully. And nothing should be done in a country with-

out the local authorities agreeing to it. . . . However, I repeat that food assistance is necessary."

Without the United States, "nothing can be done," his interviewer stated.

Guillaume replied with a swipe at the Reagan administration's "free trade" ideology. "The United States only promotes free trade when it's good for them. Before their presidential election, they will not move. Nevertheless, they must find another policy, or else continue spending indefinitely nearly \$30 billion a year on agriculture.

"And in fact, some voices are being raised to say so in the United States.

"Geopolitical considerations should help the Americans change ideas: first of all, Mr. Gorbachov's redoubtable diplomatic offensive; then, the dramatic indebtedness of the Third World threatening the American banks. Also the Japanese, who are losing industrial markets because the Third World no longer has the means to buy, would profit from the application of this plan, since it would lead to improving the economic situation of poor countries."

Guillaume denied that he had strictly geopolitical aims in mind.

"The outline of my plan has been the same since 1977. But I shift argument according to my audience. So, for the Americans, I insist that it is not only a humanitarian gesture, but also a long-term investment with geopolitical implications. . . . Countries living in misery look toward extremist ideologies. So, Western countries must help them to increase their living standard, and that is my objective. It is the example of the 'Marshall Plan,' devised by the United States after 1945, which allowed Western Europe to recover, to become their leading trade partner, and not to fall into the Soviet camp."