

## Report from Bonn by Rainer Apel

### A Marshall Plan for the Third World

*A new approach to developing sector problems by the German labor unions, is presented at a meeting in Brazil.*

Addressing trade unionists from Brazil and Argentina in São Paulo on July 10, Ernst Breit, the national chairman of the German Labor Federation (DGB), harshly attacked the International Monetary Fund. He said: "Many countries in this world are on the brink of economic bankruptcy. They are fighting for mere survival. There has been no lack of lip-service statements of intent to help the debtors through all the past years, however." Breit listed the recent declaration of the Toronto G-7 summit on selective debt relief and rescheduling, among those statements that "sound noble but don't help much."

Instead of selective rescheduling, debt cancellation is required "in most of the cases," Breit said, adding, "it is also urgent that conditions be created that help to prevent the return of such dramatic developments [in the Third World] in the future."

Conditionalities imposed by the IMF and the private creditor banks, Breit charged, "favor the emergence of strongman regimes that can usurp the power to impose social conditions for debt consolidation, at the expense of democratic governments."

These formulations are unprecedented in DGB official statements on Third World issues over the past 20 years. In 1969, the DGB dropped its labor organizing in Ibero-America and handed it over entirely to the U.S. AFL-CIO. This was part of a deal giving the DGB "political permits" to proceed with its work into the East bloc.

It was a bad deal, because it made the German labor movement an al-

most exclusive target for Soviet propaganda, while its former political solidarity with the Third World was abruptly ended. It opened doors in the DGB for Willy Brandt's Socialist International neo-malthusians. Efforts of the industrial labor base to revive the orientation toward the Third World, culminating in a rally of 70,000 workers in Dortmund under the slogan of "German Technology for the World" in October 1977, were contained and suppressed by the DGB apparatus.

But the labor base's deep interest in the fate of the developing sector could not be put down forever. The Fabian "Third World" commissions of Brandt, Robert McNamara, Olof Palme, and Gro Brundtland dedicated, not without success, much of their efforts to the ideological penetration of the labor movement. Workers' interest in the Third World was channeled into solidarity with the Sandinistas in Nicaragua, against the Chilean and South African regimes, and was diverted into pro-Soviet slogans, like "arms control means development."

The fact that this solidarity mobilization was fake, was exposed in early 1986, when Argentine labor leader Alberto Campos toured Germany to rally support for the Ibero-American struggle against the IMF and was officially boycotted by the DGB and the big unions. In close cooperation with the AFL-CIO, which sabotaged the growing ferment for debt moratoria among workers in Ibero-America, the DGB kept its doors closed to the Schiller Institute's Labor Commission. The DGB also sabotaged an ef-

fort to build anti-IMF ferment in the big German steel workers' strike in late 1987-early 1988.

The German Labor Federation has come under heavy pressure, though, from another side. The two main churches in Germany, the Catholics and the Lutherans, began a joint mobilization to back the debtor nations against the IMF on May 16. Their campaign did not miss its effect on the DGB, since the two churches are mass organizations with millions of members. When the labor federation's chairman Ernst Breit prepared for his two-week tour of Brazil and Argentina, he met with representatives of the churches to discuss the debt issue.

Breit's São Paulo address replicated key passages from the churches' declarations of May 16. For example, the following one: "The German democracy that emerged after the First World War undoubtedly was a victim of the debt-collecting policy of the victorious powers, who were not willing to cancel even part of the debt for the young German republic. This contributed essentially to the world economic depression of 1929, mass unemployment in our country and, caused by that, to the rise to power of the National Socialists in 1933. A cancellation of debt was finally considered, but it was too late, as the Nazi dictatorship was already established and the seeds for the Second World War planted."

Breit presented the post-1945 policy of the victorious powers as a positive alternative: "Instead of the burden of war debts, they created the Marshall Plan for the reconstruction of the destroyed countries of Western Europe." He cited the 1953 London Debt Agreement that canceled 50% of all German pre-1945 debt. This, he said, should serve as the historic model for solving today's debt problem.