

Labor urges Clinton to put Africa on Denver G-8 agenda

by William Jones

In a meeting with President William Clinton on June 9, representatives of the international labor movement led by AFL-CIO President John Sweeney urged Clinton to put the issue of development aid to Africa on the agenda of the “Summit of the Eight” (G-7 plus Russia), in Denver, Colorado on June 20-21. Cuts in such aid over the years has led to the African continent getting what one labor leader called “the worst of all worlds.” The primary focus of the meeting with President Clinton was an attempt by the labor leaders to reverse the major austerity cuts, in wages and social services, planned by the governments of the industrial world, in their head-long rush to bring “budget deficits” into line with the demands of “globalization.” Such budget hysteria has led to major cuts in social services and welfare programs in all of the industrialized countries, and starvation and death in the countries of the developing world.

Encouraged by the general disillusionment with the “Maastricht austerity,” the specific form this insanity has taken in western Europe—as manifested in the election upset in France, and the rapid dissolution of the Maastricht system—the labor leaders took the opportunity to add their voices to the growing outcry against the murderous austerity. They characterized the cuts in wages and social services as the “social deficit,” and the labor leaders made clear that they want it reversed.

“The objectives of central banks must be widened to include policies for growth, employment, and balanced trade, instead of their narrow fixation on price stability,” reads the statement issued by the Trade Union Advisory Committee of the Organization for Economic Cooperation and Development (OECD), and presented to President Clinton. “Workers have suffered sacrifices while global financial markets have contributed to the deflationary overkill of real interest rates

and unwarranted currency speculation.” The meeting was also attended by Vice President Al Gore, Labor Secretary Alexis Herman, and Treasury Secretary Robert Rubin.

The trade union statement also referred to the earlier proposals of the European Union’s “Delors Plan” for infrastructure development, which reflected in turn a 1989 proposal by Lyndon LaRouche for building a rapid mass-transit transportation system to bring the nations of Europe into a “productive triangle” of global economic development.

These are the issues the trade union leaders want to bring to the fore in Denver, where the leading industrial nations and Russia will discuss the major economic and political questions facing the world. This year, the meeting is hosted by President Clinton, and the labor leaders turned to him to put their concerns on the agenda. “First of all, it’s getting [these issues] on the agenda,” AFL-CIO President Sweeney told the press outside the Oval Office immediately following the meeting with President Clinton. “It has not been on the agenda up till now. All that’s been on the agenda is, ‘Let the markets take their course, it will all work out very well, folks.’ We want to say that governments have a role.”

Labor’s ‘new internationalism’

The discussion with President Clinton also reflected what Sweeney called the “new internationalism” of the trade union movement, concern about the condition of the developing countries, particularly the disastrous situation in Africa.

“We also brought to the President’s attention the fact that the world investment regime is really failing,” said Bill Jordan, president of the OECD Trade Union Advisory Committee, speaking to reporters outside the Oval Office on June 9, “as too many people—by that, millions of people—certain parts of the world are the lucky ones, while continents like

Africa are bypassed. And, therein lies our serious problems of poverty and deaths of millions of people.”

EIR asked the labor leaders if their proposals had any relation to the program envisioned by the late Secretary of Commerce Ron Brown. “On Africa, we were given an example of the failure of the investment regime,” Jordan replied. “Yes, there was an increase in world investment to developing countries. Marvelous! But then we see China getting \$38 billion while the whole continent of Africa got a mere \$5 billion. And even within that, of that \$5 billion, we saw that go into, perhaps, oil-producing nations in Africa. So we asked the President, ‘Bring this to the attention—let’s see a fairer investment regime.’”

“The austerity in the Western world in the last few years—the first pockets to be hit, unfortunately, were those in the developing world,” Jordan continued, “as they cut back on development aid, you get a place like Africa that actually got the worst of all worlds—and translate that into the real poverty in sub-Saharan Africa.

“There is now a new development aid initiative and a debt initiative for the world,” Jordan said. “We want that backed. We want it publicized. We want a commitment. That’s what you’ve heard. We want a commitment off Denver that will ring in the corridors of power of every country in this world. The politicians better start addressing the issues that are not necessarily high on their lists. But if they don’t address them, they damn soon will be. . . I don’t accept that Denver cannot make a difference. We believe that it can. And if people like President Clinton and other world leaders talk about these issues—because they’re now the most important things in the world, that the system is going wrong—then they will make a difference.”

“We had a cordial and very helpful exchange of ideas,” Sweeney added, “and we are sure that the President will be supportive of our joint statement, and that he will be joined by the other representatives in that support.”

The White House has concerns

The growing chaos in central Africa, fomented and fed by Hitler-lover Yoweri Museveni and his mad plans for a federated ethnic Tutsi state, has become a major matter of concern for the United States. UN Ambassador Bill Richardson is conducting virtual non-stop diplomacy to get an accounting of the genocide carried out by the forces led by Laurent Kabila, now head of Congo/Zaire. Already on June 2, White House spokesman Mike McCurry indicated that the situation in Africa would be on the Denver agenda. In response to a question as to whether the multinational financial institutions would have as prominent a role as they did at last year’s G-7 summit in Lyons, hosted by France’s President Jacques Chirac, McCurry said, “There was in Lyons a very specific discussion about global institutions that exist and the architecture of those global institutions. . . . That followed up on a conversation that began in Halifax [Canada] the year

before. I think that we’ve gone from that general discussion about the architecture of the post-Cold War era down to more specific issues. And some of those same groups may be there or be present for a discussion that I anticipate about Africa and about sustaining economic development in Africa.”

On June 5, in a commencement address at Harvard University, Secretary of State Madeleine Albright also touched upon the question of Africa. “In Africa, poverty, disease, disorder, and misrule have cut off millions from the international system,” she warned. “But Africa is a continent, rich both in human and natural resources. And today, its best new leaders are pursuing reforms that are helping private enterprise and democratic institutions to gain a foothold. Working with others, we must lend momentum by maintaining our assistance, encouraging investment, lowering the burden of debt, and striving to create successful models for others to follow.”

The deteriorating economic situation in sub-Saharan Africa and the British-led destabilizations in the francophone countries of Central Africa, however, are demanding that such rhetoric be transformed into action—and that quickly. Attempts to deal with the disastrous economic situation were earlier formulated under the leadership of Commerce Secretary Brown, who died in a plane crash last year on a mission to Croatia with a planeload of CEOs whom he hoped to encourage to invest in the war-torn areas of Bosnia and Croatia. Since Brown’s death, however, little has been done to follow up on the Africa economic initiatives. The genocide conducted by the forces of Kabila, and the growing instability in neighboring countries, have forced the question of Africa back on the front burner—with a vengeance.

Also of significance in the trade union intervention into the Denver summit, was their clear warnings about the danger of financial collapse. “The uncontrolled spread of new financial products such as derivatives, have increased systemic risk,” the TUAC statement read. While TUAC merely limits itself to calling for a reform of the International Monetary Fund and the World Bank and an alleviation of the more “stringent” measures imposed by these entities on their “clients,” it falls far short of what is required—a complete scrapping of the bankrupt IMF system and the establishment of a new Bretton Woods system, as outlined by LaRouche, and supported by many political leaders around the world.

The statement, however, puts added pressure to place these issues directly on the agenda of the leaders of the industrialized world, and on that of the U.S. President. The issues that were first broached by the G-7 leaders at the Halifax summit two years ago, where Chirac referred to derivatives as the equivalent of “financial AIDS,” have become evermore urgent. And, the ultimate solution to the crying problems of Africa is the launching of a new “development decade,” similar to the one supported by President John Kennedy in the 1960s. This, however, requires new thinking and new institutions, not burdened by the weight of the wrong thinking of the last 30 years.