

The Battle At Nairobi

Nairobi Meet Disbands, Third World Plans Unilateral Action

May 30 (NSIPS) — The United Nations Conference on Trade and Development (UNCTAD) meeting in Nairobi, Kenya, has disbanded over the past two days, creating the immediate potential for some form of unilateral action by the Third World against the bankrupt dollar empire. This action could take the form of the declaration of a debt moratorium.

The conference deadlock developed when the Third World stuck to its demands for debt moratorium and the creation of a new world economic order. Since the beginning of the conference the advanced capitalist countries, with minor exceptions have demanded that the developing sector submit to a Wall Street-ordered debt collection drive. This failure to give ground by either side — as evidenced in proceedings over the course of the two week conference — had made a deadlock inevitable.

The conference is scheduled to officially end sometime today, after sessions were extended two days. Sources report, however, that no serious discussions are now taking place. The leadership of the Third World which over the course of the conference has learned that you simply can not "negotiate" with the Rockefeller-directed Atlanticist machine, is now meeting to map plans for unilateral action. Pakistani Prime Minister Bhutto issued a call two days ago for an emergency meeting of the leaders of the developing sector countries to plan action to "impose" the new world economic order on "imperialism," yesterday's London Times reported. Further, the steering committee of the non-aligned group of nations which includes Guyana, Peru and Algeria, is meeting in Algiers to plan post-Nairobi Third World strategy.

At this time it is difficult to determine how the formal conference proceedings will end, since only sketchy reports from highly unreliable sources, such as the New York Times and the Washington Post have appeared. Several press sources have reported that a "last minute" attempt to end the conference with a "compromise resolution" is underway. But the course of the entire proceedings and related political developments make it clear that if such a resolution is "passed" it will only represent a "gesture of diplomatic protocol" on the part of the developing countries. The NSIPS Weekly will present a full analysis of the formal end of the conference and related developments in its next edition.

U.S. Sabotage of Debt Demands Fails

A final effort by U.S. Secretary of State Henry Kissinger and his toadies to wreck the conference and dupe the Third World into dropping the demands for debt moratorium was launched last week. Kissinger dispatched West German Development Minister Igon Bahr to Nairobi to present a hurriedly-formulated "compromise" plan on the "commodities" side-issue. All so-called commodity plans are Wall

Street instigated schemes to raise the prices of raw materials and enable Third World governments to meet their debt payments. The commodities issue had taken a back seat to the debate on the debt question at the conference despite Kissinger's successful duping of several nations to push for the adoption of some indexing scheme. Since the beginning of the conference, the French delegation, led by pro-Atlanticist Finance Minister Fourcade has taken a "soft-cop" conciliatory stand toward the Third World call for a "common fund" to finance buffer stocks of selected commodities. Both the West German and U.S. delegations — the "hard cops" — had until last week refused to accept any part of the Third World commodity program.

Following Bahr's arrival at the conference the West German delegation indicated that it was now willing to "discuss" and "study" the possibility of establishing a common fund. The "new" position had been formulated during Kissinger's meetings last weekend with West German leaders while in Europe. Then on May 29 the advanced capitalist countries issued two "negotiating papers" on the commodity issue, one of which is reported to have been more sympathetic to the common fund idea than the other. Kissinger strategy thus became clear; it was premised on the hope that the Third World would bite the bait of the "soft-cop" conciliatory paper. In return for this "major compromise" by the advanced countries, the Third World would abandon its demands for a generalized debt moratorium.

But after a lengthy meeting late into the night of May 28, the Third World rejected both papers as "insulting and meaningless," according to several press reports, and issued a paper reiterating all their demands — including generalized debt moratorium.

This action ended all serious talks at the conference with the debt issue totally unresolved. The London Financial Times reported yesterday that there was no serious discussion by the capitalist countries whatsoever on the debt question throughout the whole conference. Numerous other press sources report today that the capitalist countries have issued a position paper on the debt question which reiterates their refusal to even consider debt relief, except on a "case-by-case" basis. (A position which had been covertly fielded by Kissinger and rejected by the Third World leadership)

The Alternatives Open

With the deadlocked conclusion of UNCTAD IV the Third World has been left only one viable means to avoid the Lower Manhattan-ordered destruction of their populations through labor intensive slave projects and debt collection — a unilateral debt moratorium against debt owed to International Monetary Fund, the World Bank and the New York banks and their Eurodollar market. A possible move by

the developing countries in this direction — a move planned by UNCTAD leadership in anticipation of a collapse of the conference — is to convene a "Debtor-Creditor" conference to implement the moratorium. Such a conference would be convened whether or not the capitalist "creditor" nations attended.

This action might also be linked with the proposal made to the UNCTAD conference by Guyana Foreign Minister Fred Wills for the liquidation of the IMF and the establishment of a new international central bank — a move directly paralleling the International Caucus of Labor Committees' proposal for the creation of an International Development Bank. These actions would receive support in working class, political and industrial circles in the advanced sector.

Atlanticist Hysteria

The Atlanticists are now hysterical over the possibility that the Third World "will bolt" — that an hour of reckoning on the debt question is here.

In a lead editorial called "No Debt Remission for Developing Countries" yesterday's Frankfurter Allgemeine

Zeitung called the Third World demand for debt moratorium "foolhardy" because once the moratorium is up the debts will still exist — and must still be repaid. "Therefore," the paper says, "every demand for a global debt remission should be energetically rejected by the industrialized countries, and the same for a general postponement of debt payments, or an automatic moratorium"

Similarly, Jeremy Morse, a Vice Chairman of the Lloyds Bank of Britain warned at an international bankers meeting in Deauville, France two days ago that "developing countries could default substantially on debts" in the near future, according to yesterday's Financial Times. To prevent such a default from "leading to a disastrous chain reaction" collapse of the western banking structure, Morse called on the IMF and other international agencies to monitor the financial situations in developing countries and impose fascist austerity terms on those countries about to default.

Such blustering however cannot hide the fact that the ball is now in the Third World's court and Wall Street is scared to death about what the Third World could do with it.