

## NSIPS Exclusive Report

# Gaullist Michel Jobert Speaks On Economic Crisis

**NEW YORK, July 15 (NSIPS) —** The following are excerpts from a presentation today by outspoken Gaullist leader Michel Jobert before the French Association of Business Students at Columbia University's Business School here. The former French Foreign Minister prefaced his remarks on "Economic Realities Today and Tomorrow's Perspectives," by warning his mostly American audience that many among them would be "shocked" by his forthright "criticism of U.S. foreign policy."

Mr. Jobert then began his address:

Europe is a brilliant whole, ... a whole which does not exist as it should. In Senator Frank Church's mind (Senator Church spoke yesterday at the Democratic Convention of the need to reform Mr. Kissinger's policy — on this I do agree with him), Europe does not exist, he did not cite Europe once ....

Europe also suffers from being treated as a non-person and is getting ready to become the sub-contractor of a number of U.S. firms .... It is not in our interest, Europeans, to accept the world economic government composed of IBM, Exxon, Mobil Oil and so forth. If we accept this degradation, we will one day accept being "shock-absorbers" of crises for the United States....

....Since World War II the U.S. proceeded from the analysis that it had to reconstruct the world and that it needed economic partners near equal to them, especially for their firms like ITT, which works practically only outside of the United States, who needed markets. The United States took the lead in the reconstruction operations... It was implicitly understood that the expenses (for this undertaking), especially military expenses, had to be supported by the others. The easiest method was chosen: the disequilibrium of the United States' balance of payments... This had led to a continuous inflation in Europe...

For thirty years, we have not gotten out of a profound disequilibrium. The system had to break and it did in 1971. Now it has been re-consolidated because West Germany, France and Great Britain agreed to perpetuate this system, because they have not mustered the courage to find sufficient monetary unity to ensure world trade exchanges.... Those who believe today that this system can last, and ...believe that you just have to shut up those who shout too loud, give a bit of food to those who starve too much, and for those who are already dead, well fine, they don't bother anyone any more. This, then is the U.S. reasoning.

At the Democratic convention, I noticed that reflections were not oriented toward economic realities... The United States is not in the least bit concerned about measures to redistribute (global) economic power. This situation is extremely grave.... There are growing forces in the world who are going to use dramatic means to "redistribute the cards." At the recent (May —ed.) UNCTAD conference in Nairobi, these problems were dealt with in a moderate fashion, with no results. Except that is, for (Secretary of State) Kissinger's proposals (for an International Resources Bank —ed) — but Treasury Secretary Simon does not have the least

intention of considering his colleague's proposals.... The underdeveloped countries have a demographic force which they are ready to use. Take the Bucarest conference on population: the underdeveloped countries have refused to enter into birth-control schemes because they do not want to use their population as a means of pressure on the rich countries.

Now, the two big worlds (i.e. the Americans and Soviet —ed.) agree to a dialogue and to co-exist. I even suspect the big U.S. firms to believe now that it is in the Soviet bloc that they could develop their capacity (markets), after having depleted Europe.... We must be favorable to those who want to regroup and constitute new poles of power....

An NSIPS reporter asked Mr. Jobert to comment on the recent Soviet and Comecon proposals to use gold and the transferable ruble as the basis for a new international monetary system and on the growing pro-debt moratorium sentiment within the Third World and the advanced sector's peasant organizations.

Mr. Jobert replied: This idea seems good to me. Why wouldn't the Soviet bloc enter the international monetary system? I suggested this myself to (Soviet Foreign Minister) Mr. Gromyko when I was Minister. And (the late French ) President (Georges) Pompidou wanted this issue to be discussed at the 1974 Washington conference. A lot of people believe in France that if detente must be furthered, then why shouldn't it spread to a joint currency arrangement. The Soviet Union is certainly in a position to pledge its currency on its resources, not only on its gold. So, you see, I have no qualms at all about this idea....

Moratoria? Debtors are always in favor of moratoria...but the underdeveloped countries are in such a situation now that even if the term moratorium does not please Mr. Kissinger, the relations between the West and the Third World will have to be established on some moratorium basis. Do you see these moratoria as going toward a new order of world trade exchanges?

NSIPS replied that such a move was a necessary first step toward a global expansion of trade. Mr. Jobert continued:

A first step, this is right, but I don't see these moratoria as systematic and general, they will occur here and there, in a shameful way...and a very skillfull way."

In response to a question about the present French monetary policy, Mr. Jobert replied: Since 1972, I have seen (French President) Mr. Giscard D'Estaing assert this perspective of fixed exchange rates from one meeting to the next, and then renounce it every time...Giscard's doctrine is that of the viscuous exchange rates..."

Asked about whether a creation of a left government in Italy would modify European policy as a whole, Michel Jobert replied, "Concerning defense, no one on the Left in Italy nor France has been shouting too excessively: US Go Home. They say we will accomodate with this, NATO is not too much of a bother.... Mr. Mitterrand (head of the French Socialist Party —ed) is not a man who separates himself from the United States on the strategical level."