

'Basket 2' Economics Up Front As Belgrade Conference Opens

The Belgrade Conference on Security and Cooperation in Europe (CSCE) opened Oct. 4 with an emphasis on East and West European economic, and especially energy, cooperation. Milos Minic, Prime Minister of the conference's host country, Yugoslavia, told the gathering—which brought together the U.S., Canada and the 33 European nations which signed the 1975 CSCE accord in Helsinki—to seek “generous international credit extension” for regional cooperation on energy development. Minic's appeal to West Germany to make a special contribution to this effort was reciprocated Oct. 5 in the presentation by West German delegate Van Well, who said that only concerted pan-European planning can provide energy on the scale needed by “the industrial continent of Europe.” Van Well, echoing a proposal made many times by Soviet President Leonid Brezhnev, suggested a special conference be held on energy development.

The three sections, or “baskets,” of the Helsinki document are up for review at the Belgrade conference. These are: military and defense matters (Basket 1), economic cooperation (Basket 2), and the area of cultural and other exchanges, including “human rights” (Basket 3). The Belgrade conference had been slated as a battlefield for East-West confrontation over “human rights.” But the Carter administration's attempts to downplay the provocative “human rights” issue in order to ensure collaboration with the USSR on strategic arms and Middle East peace may force the Basket 3 talks to take a back seat.

The importance of discussions in Belgrade on economic program is underscored by the presence there as observers of delegations from the non-European Mediterranean nations of Israel, Egypt, Algeria, Morocco, and Syria. Outside the official CSCE framework, Bel-

grade has also played host to Saudi Oil Minister Sheikh Yamani and other Arab financial delegations in recent weeks. Yugoslavia is an obvious crossroad for European and Arab factions whose sights are set on radical new financial arrangements. Indeed, Yugoslav Premier Minic reiterated in his speech the nonaligned nations' stand in favor of “international financial reorganization.”

This flurry of diplomatic activity in the Yugoslav capital in the opening weeks of October directly complements the earlier high-level Franco-Soviet and Italo-Soviet discussions on financing tremendous increases in world trade, and significantly, have included representatives of the powerful Communist Parties of France and Italy as well as regular government delegations.

General Secretary Enrico Berlinguer of the Italian Communist Party traveled to Budapest, Hungary and then to Belgrade recently, where he conferred with President Tito. The communiqués from Berlinguer's discussions in both capitals stressed economic issues; with Tito, he called for establishing a new world economic order. Berlinguer will be followed on the Budapest-Belgrade route by his French counterpart, Georges Marchais.

This pattern of diplomacy has led to informed speculation that Moscow is in the process of resolving its polemics with the so-called Eurocommunists, by giving precedence to the issues of economic development on which the USSR, the Andreotti government in Italy, the government of French President Giscard d'Estaing, and the healthy sections of the Italian and French Communist Parties can agree. Italian press commentaries observed that during his latest trip to Eastern Europe, Berlinguer distanced himself from the extreme Eurocommunist leader of the Spanish Communist Party, British agent Santiago Carrillo.

Britain: Unions Give A Qualified 'Yes' To Callaghan

In answer to party leader and Prime Minister James Callaghan's ultimatum “back us or sack us,” this week's Labour Party annual conference had little choice but to affirm its support for the beleaguered Labour government. But the trade-unions, the largest bloc delegation to the conference, are far from enthusiastic supporters of the government, whose economic policy, sired by Chancellor of the Exchequer Denis Healey, they feel is driving a wedge between the unions and industry, supposed allies in the Callaghan strategy for the regeneration of British industry.

Ironically, it was at last year's conference that Callaghan launched his then near-revolutionary strategy for tripartite support in rebuilding the British economy through investment in high-technology industries and export-led growth. While the other half of the strategy — below-inflation rate wage increases and cutting of government expenditure in social services — has been vigorously adhered to in the past year (real incomes

have declined by nearly 6 percent), the collapse of world trade and the giant speculative paper bubble in the City of London has precluded any serious success in the government's regeneration strategy.

Not surprisingly, Healey, just returned from his trumpeted reception at the International Monetary Fund meeting in Washington, D.C. the previous week, met with a decidedly cold reception at his own party conference. The government's so-called economic miracle for which Healey received high praise at the IMF meeting, was disclaimed as a “financier's recovery” by delegates whose constituencies face growing unemployment and further collapse in industrial investment.

Labour, Nonetheless

Yet, at the vote, the unions backed the government's wage-control, “regeneration” program; not because there is complete acceptance of the strategy, or even sim-

ply out of fear of a Tory government. But because without union support, the Callaghan government would be forced to resign, leaving the way clear for the destruction of the Labour Party as a viable working-class party in Britain.

Little attempt is being made to hide efforts to split the Labour Party into two opposing factions, neither of which would pretend to represent Britain's large trade-union movement, which in contrast to the U.S., has practically 80 percent of all workers within it. The right-wing social democratic faction, led by Healey and European Commissioner Roy Jenkins, would be free to align with the Liberal Party and factions of the Tory party under a strict monetarist economic program which would leave Britain a deindustrialized wasteland. The other, a "neo-Marxist" faction based on grassroots constituency parties, would form a zero-growth, "left" alternative.

The trade unions' support for the Callaghan government, therefore, signaled their intent to keep the Labour Party firmly committed to a proindustrial growth strategy. Successive interventions by trade-union representatives at the party conference registered their commitment to growth by blocking constituency party resolutions demanding a ban on nuclear power development. Electricians Union leader Frank Chapple warned of cold, starvation, and world war without nuclear power, while Miners' union general secretary Joe Gormley predicted "a return to the Stone Age" if the zero-growth proponents were successful.

Healey Under Fire

Preliminary attempts to weed out the monetarist faction of the party were made by Transport Workers Union general secretary Jack Jones, who launched a bitter attack on the corruption within the Labour Party — corruption which directly involves former Prime

Minister Harold Wilson and his Jewish financial friends in the City of London. Following the suicide of ex-Second International Treasurer Sir Eric Miller (knighted by Wilson), evidence concerning Miller's connections and shady transactions with several of Wilson's top aides, including Chancellor Healey, has become public knowledge. When asked if he was implicating Healey in his attacks on ministerial conduct, Jones only replied "draw your own conclusions," but proceeded to charge that the government's lack of credibility with traditional Labour voters could be directly linked to its hypocrisy. He called on the Labour party to "come out as a clean party, a party of principle... above suspicion."

Jones' attack on Healey is just an extension of general discontent over the way the Chancellor has deliberately driven a wedge between the unions and industry over wage policy. Healey announced in his August budget that any company which contravened the government's "suggested" pay increase of 10 percent would immediately face withdrawal of all governmental aid, export credits, or investment assistance. While several smaller companies have already been hit by Healey's sanctions, the largest, and most recent industrial rebel is Ford Motors of Great Britain, whose announcement only last weekend that it would provide 7,500 jobs in a new engine plant in South Wales was greeted by the government as "a major boost for our industrial strategy."

While the government's position against Ford is still undecided, major trade-union support has already been mobilized for the companies caught in Healey's deindustrialization squeeze. Moss Evans, general secretary-elect of the Transport workers, denounced the Healey strategy as "blackmail", charging that it "smacks of the corporate state" and might destroy the government's hopes for collaboration with the unions on the industrial strategy.

Union Of The Left Break Means PCF Must Renew Program

The following policy statement from the European Labor Party (ELP) on the current programmatic debate threatening to fracture the Union of the Left, the French Communist Party's electoral alliance with the Socialist Party of François Mitterrand, was released in the Oct. 4 issue of the ELP's bi-monthly publication Nouvelle Solidarité:

The break in France's Union of the Left and the new forward motion taken by Franco-Soviet cooperation are creating an entirely new political configuration in France. In view of this historically decisive situation, the French Communist Party (PCF) and its allied trade union, the CGT, can only respond by becoming a center of prodevelopment programmatic initiatives to which other forces will have to define themselves, or else disappear as representative institutions of the working class. There is no other choice for them now.

This immediately raises the question of the Common Program of the Left. Officially, it is in the name of the

letter of this program that the PCF broke with the Socialist Party (SP), by demanding, against SP leader Mitterrand's will, the nationalization of all the subsidiaries of the nine industrial groups that are listed in the text of the 1972 accord between the two parties.

Reality, as militant Communists well know, is quite different. In effect, it was not a certified public accountants' dispute over the number of nationalizations which provoked the split, but a surge of morality which spread from the rank-and-file up to the leadership of the party.

This surge was made possible by the intervention of the Soviet Union, which unequivocally condemned any complicity with the "decentralization," zero-growth, Atlanticist policies defended by François Mitterrand in the name of the City of London, rightly counterposing to him the positive elements offered by the governmental majority, generally close to Prime Minister Raymond Barre on the one hand, and the Gaullist movement on the other.