

Third World Fund is urgent

Two important summits—the Tokyo heads of government meeting of the seven most advanced industrial capitalist nations, and the Geneva ministerial meeting of the Organization of Petroleum Exporting Nations—have placed one issue in the forefront this last week of June: what will be done with the “petrodollar” surplus accumulating from rising oil prices?

The final communiqué of the Geneva meeting recommends to OPEC member countries that they approve an \$800 million replenishment of OPEC’s own special fund for aid to the developing sector. It then takes note of “another proposal for a long-term fund to be set up jointly by the industrialized countries and OPEC member countries to compensate developing countries for imported inflation, on the one hand, and any increase in crude oil prices on the other.”

The latter proposal holds the key to the “dialogue” between the oil producers and the industrialized consuming countries that was ratified, on European insistence, by the Tokyo summit. U.S. presidential candidate Lyndon H. LaRouche, Jr. has proposed the establishment of a multibillion dollar fund out of the surplus oil “tax” to finance rapid, worldwide industrial development, focusing on high-technology projects in the Third World.

This plan for “Phase Two” of the European Monetary System would reverse the spiraling collapse of the world economy under the stranglehold of the International Monetary Fund and World Bank. It would guarantee peace.

LaRouche’s program coheres with the thrust of recent diplomatic initiatives undertaken by President Giscard d’Estaing of France, especially after his late-April Moscow

summit with President Brezhnev. Giscard has been organizing for a “dialogue” to bring OPEC investment and European technology together in developing Africa. The implementation of that concept and its extension to other equally critical Third World “hot spots” requires the shutdown of the speculative swindle known as the Rotterdam oil spot market, and a crash nuclear energy plant-construction program—two planks in the platform the European Community brought to Tokyo which won formal ratification by the summit.

The Europeans’ platform for Tokyo—and, it appears, a thick series of European leaders’ pilgrimages to Moscow that has resulted in a public proposal for an East-West European energy grid—was drafted as a war-avoidance policy. The Europeans are horrified at the spectre of the Carter Administration plunging the United States under the fascist jackboot to preserve the Rotterdam swindle and the 100,000-man international strike force readied for intervention in the Third World. A parallel concern was expressed in French President Giscard’s Newsweek interview just before the sum-

mit, where he accused the Carter Administration of sabotaging relations with the Soviets.

Given that impetus, the inclusion of two stipulations in the Tokyo communiqué has to be counted as a piece of suicidal stupidity. The seven heads of government formally endorsed International Monetary Fund-World Bank “surveillance” (i.e., genocidal austerity conditions) over all Third World loans. Second, the communiqué authorized the creation of a huge fund for “synthetic fuels” production on the model of Hitler’s Nazi economy. These two clauses are a recipe for nuclear war.

The first step Giscard and his European partners should take when they get home is to junk these concessions to the London-Washington war axis and open a real dialogue with OPEC, on the basis of the LaRouche proposal. Giscard’s blunt attacks on Carter indicated Europeans are prepared to take a new attitude toward Washington. If they fail to impose a positive alternative on the United States, that gesture will go down in history’s tragic chronicles of impotence.

—Nora Hamerman

The Week in Brief

Soviet Foreign Minister Andrei Gromyko, in a rare press conference in Moscow last week, blamed Washington for a serious deterioration in U.S.-Soviet relations. He predicted that if the U.S. Senate fails to ratify SALT II or tries to kill it with amendments, “the situation will be bad ... and no disarmament or arms limitation talks will help anymore.”

Gromyko pointed out that while

President Carter and Brezhnev discussed economic and trade relations during their summit meeting in Vienna, the U.S. side has nothing concrete to propose. “We were struck by the fact that it still has nothing like a clear and definite plan. Of course such a plan may exist; but if it does, nothing was said about it.” The Soviet Foreign Minister stated that he is certain that improved economic