

## Eye on Washington by Kathleen Klenetsky

### Clinton advisers head for Europe

EIR has learned that a number of key economic policy advisers to President-elect Bill Clinton will almost certainly travel to Europe in mid-January for discussions with European and Japanese financial leaders. The venue will be the annual meeting of the Group of Seven Council which, with funding from private banks and other financial institutions, serves as the unofficial secretariat to the G-7.

*Washington Post* financial affairs scribbler Hobart Rowen reported on Oct. 29 (a week before the U.S. presidential election) that the G-7 council meeting would provide Clinton advisers with "the opportunity to dispel any global worries about Clintonomics and to convey Clinton's personal assurances that continued cooperation among the Group of Seven powers has a high spot on the Clinton agenda."

The G-7 council's president, Jay Collins, confirmed that assessment in a recent discussion. "A lot of people in Clinton's camp are telling him that he has to do something regarding the G-7 very soon, especially on currency and trade issues," he said. "This will be the first chance the Clinton people will get after the election to meet with the top European and Japanese finance people." According to Collins, "five or six of the top economics people around Clinton" are expected to attend the meeting, which will take place in Frankfurt, Germany over Jan. 12-13.

Although Collins was reluctant to say which Clinton advisers will participate, he implied that Lawrence Summers, Robert Reich, and Jeffrey Gartner will be among them. Summers, in fact, was one of the council's original founders.

Sponsored by Germany's three largest private banks, the conference

is expected to draw "hundreds of top current and former central bank and government finance officials from Europe, Japan, and the United States," Collins said.

Keynote speakers will include the French finance minister and the president of the German Bundesbank. The agenda will deal with the dollar specifically, and the turmoil in the international currency markets generally, along with the General Agreement on Tariffs and Trade (GATT) and other controversial trade issues.

Collins also indicated that the European infrastructure plan put forward recently by European Commission president Jacques Delors will be discussed.

The meeting will be moderated by Robert Hormats of Goldman Sachs, the Wall Street investment bank which has been the primary financial and political power behind Clinton's candidacy, and which may provide the new administration's treasury secretary—firm co-chairman Robert Rubin.

Hormats told Rowen that the conference will be "timely," since "there has been such a power vacuum on international issues."

### Willie's socialist connection

Clinton's extensive contacts within the Socialist International, especially its European affiliates, are ecstatic over his electoral victory, and are taking it as a sign that their own political stars are rising.

According to Dieter Dettke, who runs the German Social Democratic Party's (SPD) Friedrich Ebert Foundation in Washington, the SPD is "extremely happy" about Clinton's elec-

tion, and foresees working with him closely on such schemes as "worker coparticipation."

Clinton's victory "is a very positive development for the SPD," he said. "This kind of generational change is the same kind of process we saw happening in the Federal Republic in the 1960s, which led to a change of government and a whole new kind of leadership" for the country, he said. He predicted that Clinton's victory "means that we will experience the same thing in Germany by 1994"—i.e., an SPD government.

Dettke said that the "key issue" both in the United States and Europe is "the question of economic policy." He expressed confidence that Clinton "will put an emphasis on investment and infrastructure," and in this context, pointed to Jacques Delors' recent infrastructure proposal as "a very positive development for Europe that creates a parallel to Clinton's program, and will bring the global economy out of recession."

The Delors and Clinton programs are particularly significant in that they represent a revival of "Keynesianism, and if Europe and the U.S. carry out this program in concert, it will be great."

Dettke revealed that the Friedrich Ebert Foundation has had a close working relationship with key Clinton adviser Robert Reich, and that they see in both Reich's writings and in Clinton's program many reflections of the SPD's own economic policy.

"We're basically in sync [with the Clinton camp] on a lot of things," Dettke said, "and we think we can give some good advice to the Clinton administration." The SPD will send a top-level delegation to Washington shortly after the inauguration to meet with Clinton and his advisers, he said.