

dividuals will be set aside and the UDR will support the government if its policy reunites national independence, social progress and economic effort...My friends in the UDR will vote up a rigorous budget if the rigor is located in an overall policy which can give results. On the other hand, if we must return to the games of the (pre-De Gaulle) Fourth Republic, then we will be against (the government.)”

New Foreign Minister A “Gaullian” Says Les Echos

Sept. 2 (NSIPS) — The French financial daily *Les Echos* characterized France’s new Foreign affairs minister, Louis de Guiringaud, in the following terms in an article entitled “Guiringaud and the North-South conference” on Aug. 30:

“Throughout his career, de Guiringaud has distinguished himself by his Gaullist attitude, if not his Gaullist etiquette. He never lost the opportunity to recall that France should be at the

head of western non-aligned nations. He has the reputation of having a stiff back-bone, and... (he) could seek to orient foreign policy in a less Atlanticist and European direction than his predecessor (Jean Sauvagnargues).”

De Guiringaud Indicates Freedom Of Action In Carrying Out Foreign Policy

Sept. 2 (NSIPS) — French Foreign Minister de Guiringaud was quoted in the French Communist Party daily *L’Humanité* Sept. 1 as stating:

“The Minister of Foreign Affairs is associated with the definition of foreign policy which is the responsibility of the President. But this leaves to the Minister very broad responsibilities. There is a very broad area where the President does not enter, and where the Minister is required to give explanations: that is the area of the execution of this policy.”

Special Report-West Germany

West German Election Focuses On Colombo Plan - Because Of The European Labor Party

Sept. 3 (NSIPS) — Only days into the month-long campaign for West Germany’s Oct. 3 federal elections, the European Labor Party has emerged as the nation’s only public spokesman on foreign policy matters. The other major parties’ deafening silence on the historic Colombo resolution has only been broken when ELP candidates and organizers directly confront national politicians on the campaign trail before constituency audiences. These politicians’ incoherent stutterings have been driving citizens from all social layers to reconsider their ingrained prejudices against “small parties” and vote ELP.

The critical background to this situation is as follows. Since slightly before the Colombo Non-Aligned conference, West Germany — the servile bastion of Atlanticism — has had no effective foreign policy whatsoever. The Social Democratic government and the political parties have been unable to say anything definitive on Colombo. If it formally rejects the proposals of the Third World for a new world economic order, it is effectively moving to destroy what is left of the West German economy. If it comes out in favor of the proposals, then the government has broken with its Atlanticist-controllers and faces all the repercussions of such a move. And so “official” West Germany buries its head and waits, as one source put it, to see what “the President of the United States will or will not do” about Colombo.

While the government sits paralyzed, the ELP is moving into the leadership vacuum, telling the German people what must be done.

Throughout the eight of the ten West German states in which it is running, the ELP has been holding well-attended rallies, devoting major discussion to the significance and practicability of general international debt moratoria and an overhaul of the monetary system. In Hamburg, Stuttgart, Munich, and the Ruhr industrial district, crowds of up to 100 have surrounded ELP organizers. Disgusted workers from the Social Democratic Party (SPD) or even from the German Communist Party (DKP) have begun to put pressure on their own sluggish networks. In one example, 100 participants at a Hamburg rally passed a bullhorn from questioner to questioner, while a Neo-Nazi who tried to disrupt was picked up and angrily tossed 30 feet.

The national contest between incumbent Social Democrat Chancellor Helmut Schmidt and Christian Democrat (CDU) Helmut Kohl has degenerated into a clown show so vacuous as to embarrass even Jimmy Carter. Last week both Schmidt and Kohl received strict orders from Wall Street to confine electioneering to minor or non-controversial issues such as pension funding — orders transmitted by Richard von Weizsaecker, a liberal CDU politician just returned from a long visit to the U.S. Atlanticist think-tank, the Aspen Institute.

Weizsaecker explained to ELP questioners the exact nature of his instructions: “I spoke with Kissinger.... I know what a moratorium is, it is the breaking of a solemn treaty. You do not fulfill what you promised to do.”

An obedient Helmut Schmidt lost no time in getting the word out in *Der Spiegel* magazine this week. Asked “whether this campaign won’t have any real theme, but will pass a lot of hot air,” Schmidt answered: “Yes.”

Every national politician who has dared show his face before a public audience has had to contend with the ELP’s briefings and persistent questioning. Schmidt himself has taken the easy way out by not campaigning at any industrial sites, but most have appeared to their audiences as reincarnations of the Hapsburg king Philip II of Spain and his banker Jakob Fugger combined.

In Hamburg, top SPD foreign policy operative Hans-Jürgen Wischniewski was presented with a packet of documents on Colombo. “I don’t want to see them,” he gasped. “I know I’m crazy already, but I don’t want to see my death warrant written in black and white.”

Free Democratic Party (FDP) faction leader Wolfgang Mischnick looked no less ridiculous in Frankfurt when he told an ELP challenger, “We don’t have debts which are larger than the national product, so we don’t have any problems.” Mischnick was sharply attacked for his no-growth economic policies by a representative of the powerful Chemical Industry Association.

Christian Democratic foreign policy expert Walter Leisler-Kiep was at least factually correct when he “warned” a Hannover audience “A debt moratorium would mean the expropriation of the Third World’s creditors!” The listeners — mostly farmers — gave their own opinion by roundly booing the CDU

Lower Saxony Minister-President when he announced there would be "no relief" to agricultural debt.

Federal Economics Minister Hans Friderichs has been put under immense pressure during his campaign tour. In Düsseldorf, he simply told the ELP that "I will not show you my cards before Sept. 15," the day of the Paris North-South talks. But the next day in Bremen, he exploded into a screeching attack against the "opportunistic Japanese," and then solemnly warned the audience: "Ladies and Gentlemen, imagine what would happen after a debt moratorium. Do you think that any German bank would give credits following this? They would not."

A member of a "future-oriented faction" in the CDU immediately asked Friderichs about prospects for economic growth in the Bremen industrial-shipbuilding region. Friderichs refused to answer.

Privately, however, Friderichs is already preparing for the inevitable. In a letter to Atlanticist industrialist Otto Wolf von Amerongen, parts of which have been published, Friderichs warns of a "disaster" if trade with the Comecon sector were reduced to a "barter level," and, in phrases lifted from the

Labor Party, blames the bloated Eurodollar market for West Germany's problems.

In Stuttgart, SPD state chairman and zero-growth advocate Erhard Eppler decided to throw politics to the winds and merely clown around. As he was wandering out of the hall, he found two district leaders gratefully shaking hands with ELP spokesmen. Eppler joined in the handshaking.

Finance Minister Hans Apel, in the meantime, is rapidly being shocked out of his professed deep belief in Divine Providence (of the Rockefeller family). State leaders spent the duration of Apel's speech reading ELP literature in full view of the audience of 300. After Apel finished, he fled to his car, burying his face in his hands and muttering "CIA" to an ELP challenger. He had to be reminded of the fate of Bremen SPD official Ernst Waltemathe, who is now threatened with a \$250,000 fine or six months in jail if he ever repeats such concocted slanders.

One of the SPD officials present at the meeting later moaned, "Now we'll hear this new world economic order for the next five weeks — that will be the campaign."

Special Report-Japan

Japan's Power Struggle Will Determine Role In New Economic Order

Sept. 1 (NSIPS) — At this moment, a fierce struggle is being waged between Japanese Prime Minister Takeo Miki and his opponents in the conservative Liberal Democratic Party, led by Deputy Prime Minister Takeo Fukuda, who are trying to depose him from office. Every hour new rumors fly across Tokyo of moves and countermoves by Miki and his factional enemies, in a deadly game of Japanese poker. But behind the byzantine plots being cooked up in the Geisha houses of Tokyo, more powerful forces are on the move — forces prepared to establish Japan's independence from the dollar empire and its participation in the emerging new international economic order.

With the Third World now prepared to carry out debt moratoria and force the implementation of the new world monetary system following the Colombo summit of the Non-Aligned nations, these forces are giving clear signals of their intention to back the developing countries. Their problem remains the government itself and the necessity of quickly resolving the chaos in the LDP and establishing a regime capable of implementing economic development policies. In this context, the outcome of the struggle between pro-development Miki and Fukuda, a proponent of zero-growth austerity and an ally of the dollar interests, will determine in great part whether Japan joins Italy and France to be the first advanced capitalist nations to join the new international economic order.

The "Resources Faction"

At the core of these pro-growth forces in Japan is a group of powerful leaders of Japan's big business elite, the zaikai, who are known in certain circles as the "resources faction." This group has been pursuing a policy of "economic diplomacy" aimed at expanding Japan's trade with the developing countries — mainly in Asia, the Middle East and Latin America — and the Soviet Union and the socialist countries which will free Japan from its dependence on the United States and on the raw materials controlled by the New York banks and multinational corporations. Japan's economic growth as a high-technology, capital-intensive industrial power, crucially depends on

securing both the sources of raw materials — of which Japan has none to speak of — and the markets for Japanese capital goods in an expanding world economy.

These needs have forced the "resources faction" to forge a pragmatic strategy of cooperations with the developing countries based on Japanese economic participation in development programs. While the New York banks and the International Monetary Fund have used every opportunity to force austerity policies on the developing countries to guarantee the repayment of foreign debt, the Japanese industrialists have continued to extend credit for capital investment in industrial projects and agricultural production. In countries like Indonesia and Brazil, where there are already large-scale Japanese investments, they have countered the austerity moves of Wall Street by continuing Japanese participation in projects for aluminum production, steel production, and the development of oil and natural gas — projects that would otherwise be scrapped. In Brazil, where the New York banks led by Citibank, have instituted a credit embargo to force austerity measures and the collection of debt, the Japanese government and business have moved to aid forces based in Brazil's public sector to keep projects going. Following up the July trip of Japan's Minister of International Trade and Industry, Komoto (a close Miki ally and "resources faction" member), Brazilian President Geisel will go to Japan on Sept. 15 to discuss economic cooperation.

Komoto's visit to Brazil was aimed especially at strengthening joint cooperation between the Brazilian state-controlled steel industry and major Japanese Steel giants like Nippon Steel and Kawasaki. While in Brazil, Komoto worked out an agreement for Nippon Steel to participate in the development of a huge iron ore project in northern Brazil. Until now, Japanese participation in the project had been blocked by Brazil's other main partner in the deal — U.S. Steel.

In other cases like Vietnam, following the end of the war, the Japanese have moved in with economic aid and investment which, in the coming period, will amount to 20 per cent of