

cow, Bonn et al. fail to take this into account, then the recent SALT II at Vienna was nothing better than a charade for the diversion of the credulous, wishful-thinking children.

### Blackmail

The character of press dispatches and corroborating reports through other channels leave no doubt that France's President Giscard d'Estaing was resisting Carter's lunacy up into Thursday night of this week. It is also clear that something occurred between Thursday night and Friday's sessions, something to prompt Giscard and Schmidt to back down to Carter's key demands. U.S. information circuits locate the changes in the overnight working sessions of the underlings. That latter explanation has a certain credibility, but should not be regarded as actually true.

This reporter has had some opportunity to experience the very, very dirty things the State Department did under Gerald Ford, and has been doing, even more shamelessly, under President Carter. Carter is merely a discredited and imminently discarded tool of the New York Council on Foreign Relations. Therefore, to all intent, Carter is a puppet of London. Given the combination of London, Canada, and Carter, plus internal levers controlled by the Anglo-Americans inside France, Germany, Italy, and Japan, one's regret at Giscard's and Schmidt's capitulations does not mean one doubts their personal courage. One must know the nature of the powerful gang of bandits against which they had to contend.

Unless this summit is quickly reversed, the world—or at least most of it—is now plunging into a depression worse than that of the 1930s. Unless the outright disruption of the U.S. economy spreads collapse at a more rapid rate than the Tokyo agreements would otherwise cause, the immediate effect of the Tokyo summit will be a significant drop in the economies of Japan and Germany, followed by a period of downward-sliding stagnation into 1980, with the deep plunge into the depths of the depression erupting during late 1980 or the beginning of 1981.

The most hideous and immediate effects will be witnessed in the Third World.

Turkey is scheduled to be destroyed soon, like Iran. Egypt is obliged to conquer Libya, very soon, according to the Camp David agreements' secret portions. One by one, the nations of North and Central Africa will be destroyed, frequently over a period of weeks. That genocide of the Third World population will accelerate and spread—until wars intervene, or unless nations such as France, West Germany, Italy, and Japan quickly repudiate the Tokyo agreements in one way or the other.

Ladies and gentlemen, from the summit at Tokyo, you have an unimpeded view into the depths of hell.

—Lyndon H. LaRouche, Jr.

## The final communiqué

*The following is the text of the communiqué issued June 29 at the conclusion of the seven-nation economic summit conference in Tokyo.*

The heads of state and government of Canada, the Federal Republic of Germany, France, Italy, Japan, the United Kingdom and Northern Ireland, and the United States met in Tokyo on the 28th and 29th of June 1979. The European Community was represented by the president of the European Council and by the president of the European Commission for discussion of matters within the community's competence.

1.

The agreements reached at the Bonn summit helped to improve the world economy. There was higher growth in some countries, a reduction of payments imbalances, and greater currency stability.

2.

But new challenges have arisen. Inflation, which was subsiding in most countries, is now regaining its momentum. Higher oil prices and oil shortages have reduced the room for maneuver in economic policy in all our countries. They will make inflation worse and curtail growth, in both the industrial and developing countries. The non-oil developing countries are among the biggest sufferers.

We are agreed on a common strategy to attack these problems. The most urgent tasks are to reduce oil consumption and to hasten the development of other energy sources.

Our countries have already taken significant actions to reduce oil consumption. We will intensify these efforts.

The European Community has decided to restrict 1979 oil consumption to 500 million tons (10 million barrels a day) and to maintain community oil imports between 1980 and 1985 at an annual level not higher than in 1978. The community is monitoring this commitment and France, Germany, Italy and the United Kingdom have agreed to recommend to their community partners that each member country's contribution to these annual levels will be specified. Canada, Japan and the U.S. will each achieve the adjusted import levels to which they are pledged in I.E.A. (International Energy Agency) for 1979, will maintain their imports in 1980 at a level not higher than these 1979 levels, and will be monitoring this.

The seven countries express their will to take as goals for a ceiling on oil imports in 1985, the following figures:

# from the Tokyo economic summit

- For France, Germany, Italy, and the United Kingdom: the 1978 figure.

Footnote: Italy's commitment with reference to the 1978 level is accepted in the context of the overall commitment of the European Community.

- Canada, whose oil production will be declining dramatically over the period between now and 1985, will reduce its annual average rate of growth of oil consumption to one percent, with the consequent reduction of oil imports by 50,000 barrels per day by 1985. Canada's targets for imports will therefore be 0.6 million barrels per day.

- Japan adopts as a 1985 target a level not to exceed the range between 6.3 and 6.9 million barrels a day. Japan will review this target periodically and make it more precise in the light of current development and growth projections, and do their utmost to reduce oil imports through conservation, rationalization of use and intensive development of alternative energy sources in order to move toward lower figures.

- The United States adopts as a goal for 1985 import levels not to exceed the levels either of 1977 or the adjusted target for 1979, i.e., 8.5 million barrels per day.

These 1985 goals will serve as a reference to monitor both energy conservation and the development of alternative energy sources.

A high-level group of representatives of our countries and of the E.E.C. commission, within the O.E.C.D. (Organization for Economic Cooperation and Development), will review periodically the results achieved. Slight adjustments will be allowed to take account of special needs generated by growth.

In fulfilling these commitments our guiding principle will be to obtain fair supplies of oil products for all countries, taking into account the differing patterns of supply, the efforts made to limit oil imports, the economic situation of each country, the quantities of oil available, and the potential of each country for energy conservation.

We urge other industrialized countries to set similar objectives for themselves.

We agree to take steps to bring into the open the working of oil markets by setting up a register of international oil transactions. We will urge oil companies and oil-exporting countries to moderate spot market transactions. We will consider the feasibility of requiring that at the time of unloading crude oil cargoes, documents be presented indicating the purchase price as certified by the producer country. We will

likewise seek to achieve better information on the profit situation of oil companies and on the use of the funds available to these companies.

We agree on the importance of keeping domestic oil prices at world market prices or raising them to this level as soon as possible. We will seek to minimize and finally eliminate administrative action that might put upward pressure on oil prices that result from domestic underpricing of oil and to avoid new subsidies which would have the same effect.

Our countries will not buy oil for government stockpiles when this would place undue pressure on prices; we will consult about the decisions that we make to this end.

### 3.

We pledge our countries to increase as far as possible coal use, production, and trade, without damage to the environment. We will endeavor to substitute coal for oil in the industrial and electrical sectors, encourage the improvement of coal transport, maintain positive attitudes toward investment for coal projects, pledge not to interrupt coal trade under long-term contracts unless required to do so by a national emergency, and maintain, by measures which do not obstruct coal imports, those levels of domestic coal production which are desirable for reasons of energy, regional and social policy. We need to expand alternative sources of energy, especially those which will help to prevent further pollution, particularly increases of carbon dioxide and sulfur oxides in the atmosphere.

Without the expansion of nuclear power generating capacity in the coming decades, economic growth and higher employment will be hard to achieve. This must be done under conditions guaranteeing our people's safety. We will cooperate to this end. The International Atomic Energy Agency can play a key role in this regard. We reaffirm the understanding reached at the Bonn summit with respect to the reliable supply of nuclear fuel and minimizing the risk of nuclear proliferation.

New technologies in the field of energy are the key to the world's longer-term freedom from fuel crisis. Large public and private resources will be required for the development and commercial application of those technologies. We will insure that these resources are made available. An international energy technology group linked to the O.E.C.D., I.E.A. and other appropriate international organizations will be created to review the actions being taken or planned domestically by each of our countries, and to report on the need and

potential for international collaboration, including financing.

We deplore the decisions taken by the recent OPEC conference. We recognize that relative moderation was displayed by certain of the participants. But the unwarranted rises in oil prices nevertheless agreed are bound to have very serious economic and social consequences. They mean more worldwide inflation and less growth. That will lead to more unemployment, more balance of payments difficulty and will endanger stability in developing and developed countries of the world alike. We remain ready to examine with oil exporting countries how to define supply and demand prospects on the world oil market.

4.

We agree that we should continue with the policies for our economies agreed at Bonn, adjusted to reflect current circumstances. Energy shortages and high oil prices have caused a real transfer of incomes. We will try, by our domestic economic policies, to minimize the damage to our economies. But our options are limited. Attempts to compensate for the damage by matching income increases would simply add to inflation.

5.

We agree that we must do more to improve the long-term productive efficiency and flexibility of our economies. The measures needed may include more stimulus

for investment and for research and development; steps to make it easier for capital and labor to move from declining to new industries; regulatory policies which avoid unnecessary impediments to investment and productivity; reduced growth in some public sector current expenditures; and removal of impediments to the international flow of trade and capital.

6.

The agreements reached in the Tokyo round are an important achievement. We are committed to their early and faithful implementation. We renew our determination to fight protectionism. We want to strengthen the GATT (General Agreement on Tariffs and Trade) both to monitor the agreements reached in the MTNS (Tokyo round of multilateral trade negotiations) and as an instrument for future policy in maintaining the open world trading system. We will welcome the full participation of as many countries as possible in these agreements and in the system as a whole.

7.

We will intensify our efforts to pursue the economic policies appropriate in each of our countries to achieve durable external equilibrium. Stability in the foreign exchange market is essential for the sound development of world trade and the global economy. This has been furthered since the Bonn summit by two important developments—the Nov. 1, 1978 program of the United

## Le Figaro: 'We are on the brink of World War III'

*The following are excerpts of the editorial published in Le Figaro in its June 30-July 1 edition, responding to the Tokyo summit and the OPEC price increases. The editorial, authored by Christian Guery, Le Figaro's pronuclear energy specialist, is entitled "The Brink."*

The verdict has come down: the world is condemned to recession and shortages.

To a recession, because the price increase decided on by OPEC can only be paid by the consumer countries through draconian measures against economic growth....

To shortages, since the limitation of oil imports decided on by the Tokyo summit of industrial nations will impose important sacrifices on each of us.

And this is only the beginning. We are on the brink. Because there is nothing to prevent some member of OPEC from implementing, in one month, in three months, new "wild" increases....

In our street cafes, where the sound of boots are already echoing, the solution is very simple: let's go back to the good old colonial days. Let's land in Algeria and our former possessions in black Africa. Let the Americans do the same in Saudi Arabia, and the game is played. No more embargo or excessive oil price increase problems.

We must break the neck of such folly.

We must be convinced that we will be living ... in a world in which oil resources will be running out. We must rapidly develop other energy sources. And we can only do this if our economies are solid enough.

This is only possible if the consumer countries find agreement with an OPEC-become-reasonable, to program the price of oil over a long period so that there be no surprises....

A third world war would thus not resolve anything. Especially since a military invasion could not

States in conjunction with other monetary authorities and the successful emergence of the European Monetary System.

We will continue close cooperation in exchange market policies and in support of the effective discharge by the I.M.F. (International Monetary Fund) of its responsibilities, particularly its surveillance role and its role in strengthening further the international monetary system.

8.

Constructive North-South relations are essential to the health of the world economy. We for our part have consistently worked to bring developing countries more fully into the open world trading system and to adjust our economies to changing international circumstances. The problems we face are global. They can only be resolved through shared responsibility and partnership. But this partnership cannot depend solely on the efforts of the industrialized countries. The OPEC countries have just as important a role to play. The latest decision to substantially increase oil prices will also severely increase the problems facing developing countries without oil resources as well as the difficulties for developed countries in helping them. The decision could even have a crippling effect on some of the developing countries.

In this situation, we recognize in particular, the need for the flow of financial resources to the developing

countries to increase, including private and public, bilateral and multilateral resources. A good investment climate in developing countries will help the flow of foreign investment.

We are deeply concerned about the millions of people still living in conditions of absolute poverty. We will take particular account of the poorest countries in our aid programs.

Once more we urge Comecon (Council for Mutual Economic Assistance) countries to play their part.

We will place more emphasis on cooperation with developing countries in overcoming hunger and malnutrition. We will urge multilateral organizations to help these countries to develop effective food sector strategies and to build up the storage capacity needed for strong national food reserves. Increased bilateral and multilateral aid for agricultural research will be particularly important. In these and other ways we will step up our efforts to help these countries develop their human resources, through technical cooperation adapted to local conditions.

We will also place special emphasis on helping developing countries to exploit their energy potential. We strongly support the World Bank's program for hydrocarbon exploitation and urge its expansion. We will do more to help developing countries increase the use of renewable energy; we welcome the World Bank's coordination of these efforts.

be carried out without disrupting for months, if not years, the oil wells being exploited....

But the constitution of a common front of consumer countries, resolved not to give in to embargo or price increase blackmail, while being receptive to all forms of cooperation (with OPEC) would be a realistic response.

Let's be clear: this week was of great importance for the future of the entire world. It ended on a failure. OPEC refused to act like an adult organization. And so many diplomatic calculations went into the last minute compromises of the Tokyo summit, that there is no reason for enthusiasm on that score. ... The mixture will only become explosive if oil consuming and producing countries insist on continuing their blindness.

There is still time to wake up.

### **Andreotti: the alternatives are coal and nuclear**

*The Italian daily Corriere della Sera reported on July 2 the following statement made by Italy's Prime Minister Giulio Andreotti on the Tokyo summit.*

... Our problems are serious, and will not be solved by abstract, insufficiently documented polemics like the generic polemic against nuclear energy. The problem of the security of nuclear plants is certainly being dealt with, and with a great sense of responsibility.

... The totality of the efforts we have succeeded in making up to now, for example, to reduce inflation, will fail unless we formulate coherent policies to meet new needs of an international character—such as the need to reduce our dependence on oil and develop substitute sources: coal and nuclear.