

'Bonn Summit: A Franco-German Grand Design?'

These excerpts are from an article which appeared in the June 29 issue of the French newsletter Perspectives, written by A. Gascuel, its foreign policy editor.

Preparations for the July 16 Bonn Summit of the main industrial countries has entered an active phase. . . . There is a project which could closely associate France and Germany, on the initiative of Paris: it consists of launching the development of the Third World on a large scale, by coordinating Western technology with the financing means of the oil producing countries. This idea is not new. What is new is that the German Chancellor is interested. For a long time persuaded that Germany should remain neutral in front of the evolutions and the political events in the rest of the world, being content with ensuring progress in trade, he now sees the advantage of a more active and concerted policy, of which there would be several simultaneously:

— Acceleration of the development of the Third World, and an upswing in activity provoked by its increase in buying power. Experience shows that the Western countries should not fear this "rise of the Third World," which creates more jobs than it eliminates. It is a question of integrating the populations of the Third World in the Western economic system, to

whose functioning they will contribute, for the greater benefit of all.

— Political stability of the Third World countries, since the governments in place would, thanks to increased (economic) aid, be able to more efficiently resist attempts at destabilization. . . .

— Maintenance of control over raw materials sources. This is a stronger argument. As much as it is absurd to imagine the USSR establishing its empire over the whole of the Third World, the struggle for raw materials is increasing and becoming more precise. To help the Third World is to ensure economic stability, the permanency of trade, the long term activity of the Western economies which Moscow could, by controlling the sources of raw materials, threaten. . . .

This economic argument is reinforced by experience. We see certain countries of the Third World that have "gone to the East," coming back to the West. . . .

There are several signs of Helmut Schmidt's interest for this grand "design," of multiple aspects: he is presently visiting Nigeria and Zambia, he has met with Prince Fahd of Saudi Arabia who also talked with Giscard d'Estaing. It remains to convince the other Westerners. It is said that President Carter hesitates to commit himself on the side of Europe. . . .

French aerospace sales into Latin America and putting its extensive banking connections to use for encouraging other exports. For months now French emissaries have been traveling to that doorway to Latin America, the great Republic of Mexico. After the atomic energy chief and the Agricultural Minister came Industry Minister Giraud, who openly spoke of French expectations of nuclear plant construction projects in Mexico, Venezuela, and Argentina.

In the wake of the Giscard-Carlos meeting, there is talk of employing French expertise in the construction of the subways in Mexico City, Caracas, and Buenos Aires. And, Giscard has been officially invited to Mexico.

After the Spaniards' decision to buy four Airbus planes and take options to the next-generation B-10 Airbus plane, the Venezuelan airlines decided to put in orders for the B-10 as well, making for a real boost to the French aerospace industry.

The Giscard-Carlos entente has military implications as well since Spain is making faces at the British push to have it enter Nato, and, adding insult to injury, just decided to tighten military cooperation with the French in all areas and to buy 49 Mirage F-1 jets from the industrial firm of Dassault.

3. Japan's Mitsubishi Institute Proposes \$500 Billion Peace Fund

Masaki Nakajima, chairman of Japan's Mitsubishi Research Institute, and leading spokesman of the industry-based "Zaibatsu" economic grouping, has proposed a \$500 billion "World Peace Development Fund." The fund would mobilize the technological resources of the advanced nations to transform the Third World. This international cooperation for development, Nakajima stressed, is the only guarantee of world peace.

An exclusive translation of an interview with Nakajima, who is now advising Japan's Prime Minister Fukuda on the role Japan must play at the Bonn economic summit, is excerpted below. The interview originally appeared in the June 21 Japan Economic Journal (Nihon Keizai Shimoun), titled: "Light at the End of the Tunnel: A New Deal for the 1980s; Global Infrastructure Fund: Construct a \$500 Billion Peace."

Q: It is said you have a proposal to establish a "global infrastructure fund" or world-wide public works realization fund. . . .