

## UNITED NATIONS

## UN investigators sour on Nestle milk

By Bruce Vandervort

G E N E V A

IT HAS BEEN A ROUGH YEAR FOR Nestle, the world's biggest food company. First there was the consumers' boycott, led by the INFAC coalition in Minneapolis. INFAC and its supporters say that Nestle endangers the lives of children in developing countries through misleading advertising of its infant formula. In May this controversy fell into the laps of Sen. Edward Kennedy and his Senate Health and Anti-Trust Committee.

Now, the Swiss Bern Declaration Group, which since 1968 has defended the interests of developing countries, claims to have proof that Nestle and other Swiss multinationals "infiltrated" the UN. This charge might seem a bit strange, except for the fact that Switzerland is not yet a member of the UN. This gives a certain flavor to the "infiltration" charge.

The Bern Declaration Group has released excerpts from leaked company documents to show that Nestle and five other Swiss multi-national corporations conspired with a former president of the Swiss Federal Council to "subvert" a UN inquiry into the impact of multinationals on development and international affairs. The investigation, carried out by a so-called "Group of Eminent Persons" in 1973-74, had been launched at the request of the Allende government of Chile. The firms involved, in addition to Nestle, were Ciba-Geigy, Hoffmann-La Roche, Sandoz, Brown-Boveri, and Sulzer.

## Defending Swiss interests.

Nestle will be familiar to U.S. readers as the owner of the Libby canning company and the purveyor of Nescafe, Nestea and Nestle's chocolate. Ciba-Geigy, Hoffmann-La Roche and Sandoz together account for around 15 percent of the world's pharmaceutical sales, with Hoffmann-La Roche occupying the top rung among drug multinationals (1977 sales: some \$2.8 billion).

The six Swiss companies appear to have been afraid that the UN inquiry might result in a binding "code of conduct" on multinationals in developing countries. Given the size of the Swiss market, all of them have extensive holdings or outlets abroad. Nestle, for example, does 97 percent of its business outside Switzerland. Their fears began to border on hysteria when they realized that, Switzerland not being a UN member, no Swiss had been asked to join the panel. They therefore intervened with Bern to get a Nestle official named to the "Group of Eminent Persons."

When this scheme failed to impress the UN, the Swiss government put up the name of Hans Schaffner, an ex-president of the Swiss Federal Council and a vice-president of the Sandoz drug company. The UN accepted. To this day, however, it is unclear which of his two hats Schaffner was wearing during his tenure on the UN panel. The Bern Declaration Group says he was a Swiss government envoy. The Swiss government denies this. Schaffner will only say that he was defending "Swiss interests."

## Disciplining "extreme leftists."

In any case, it would appear that Schaffner worked closely with a "coordinating" body set up by the six Swiss firms. Letters in the possession of the Bern Declaration Group show that he slipped confidential UN documents to the combine through Sandoz's head office in Basel. And, it likewise appears that when the "Group of Eminent Persons" came to Geneva in November 1973 to interview multinational executives, Schaffner leaked the list of questions to his corporate contacts in advance.

In return, the Swiss multinationals are alleged to have fed Schaffner with information to refute critics of transnational



Tom Greensfelder

## The Swiss companies were not about to let the UN investigate the role of multinationals.

practice. Ciba-Geigy also seems to have supplied him with a translator and, on one occasion, Nestle is said to have paid a consultant \$345 a day to prepare reports for his use. The leaked company correspondence also indicates that the firms set out to "discipline" members of the "Group of Eminent Persons" that Schaffner considered to be hostile to multinationals.

One of the targets was Dr. Sicco Mansholt, ex-president of the European Economic Community, described in one letter as "perfidious-acting and extreme leftist." A second seems to have been Hans Matthoefer, the current West German Minister of Finance, also termed an "extreme leftist." (Matthoefer is an ex-official of the West German Metal Workers' Union, IG Metall.) The Swiss multinationals apparently contacted the Dutch electrical and electronics transnational, Philips, to ask how Mansholt's "extremism" could be "made to follow a more reasonable course." (Mansholt is a Dutch socialist.)

One "Eminent Person" that Schaffner apparently did get on with was the American representative, Sen. Jacob Javits (R-NY). The leaked company correspondence shows that the U.S. and Swiss governments saw eye-to-eye on the UN inves-

tigation. At the time, Javits called the panel's final report biased against the multinationals. Schaffner put together a dissenting opinion to its findings—with a little help from his friends.

## Imperial reasoning.

In retrospect, the whole episode could be written off as paranoid corporate fantasies. The UN inquiry did not pillory the multinationals, as Nestle had feared, much less devise a binding "code of conduct" to govern their operations. All of that, however, is irrelevant in the end. The information assembled by the Bern Declaration Group is useful for the insight it gives into the lengths to which multinational corporations will go when they perceive their interests to be in jeopardy.

The Bern Declaration Group papers underscore the point that multinationals, like big power governments, reason "imperial" when faced by threats, real or imagined, to their "global reach." It wasn't the 1973-74 UN inquiry itself that bothered Nestle, but the principle of oversight of MNC operations by a supranational body uncontrolled by business.

Nestle is still having its troubles with the UN. In the early '70s, Nestle and some 100 other agribusiness multinationals formed something called the Industry

Cooperative Program (ICP) within the UN Food and Agriculture Organization (FAO) in Rome. Being on the inside helped the agribusiness transnationals to ensure that the FAO's multi-million dollar programs for food aid and agricultural development didn't interfere with their own activities in these areas. The Bern Group also claims that Nestle tried to get the FAO to suppress an article in one of its publications that questioned multinational methods of peddling baby foods in developing countries.

Last year, following charges of obstructionism and influence-peddling by developing nations, the ICP was kicked out of the FAO. Since then, it has been lobbying the UN for a permanent slot in its system, with headquarters in Geneva. On April 6, the Geneva press reported that "former Federal Councillor Hans Schaffner" had been asked to "intervene with [UN General Secretary] Kurt Waldheim" on behalf of the Swiss members of the ICP. Which hat will he be wearing this time?

For the full story on Nestle and its friends and the UN, write to: *Erklärung von Bern, Gartenhofstrasse 27, 8004 Zurich, Switzerland. English version of documents available. No charge, but Bern Group would welcome contributions.*

## Rhodesia's real plan

By Brigitte Kirch &amp; Bill Hansen

The so-called internal settlement signed in Salisbury on March 3 has been hailed by much of the press as an agreement ending white domination and bringing about majority rule in Zimbabwe. In the House of Commons, British Foreign Secretary David Owen referred to the agreement as "a step in the right direction." The U.S. government has characterized it as being indicative of progress. But in which direction and progress for whom?

Perhaps the best answer to that question was provided by the Rhodesian Foreign Minister, P.K. van der Byl, at a closed all white meeting in the town of Chisipite on April 19. The meeting was part of a series held by the regime to explain the

terms of the settlement to Rhodesia's white population. Secret notes now in our possession and taken by one of those attending the meeting indicate that van der Byl told his audience that the ruling Rhodesian Front Party still adhered to the principles it stood for in 1962 when it was formed—that is continued domination by Rhodesia's whites. He told his audience, however, that times had changed and some cosmetic changes while maintaining the reality of continued white domination.

"According to all our friends," remarked the foreign minister, "we have to accept majority rule in one form or another. What we achieved," he went on to say, "is a masterpiece as a politico-diplomatic exercise. No one ever believed that we could get the internal leaders to agree to so much." Van der Byl explained that the settlement was so constructed as to prevent changes of any significance from taking place but had the "advantage of authentic black nationalists de-

fending our position." At another point in the speech, he said, "Also our forces will remain intact and will always defend us against illegal action."

Van der Byl also told his audience that the three black signatories—Abel Muzorewa, Ndabaningi Sithole, and Jeremiah Chirau—had joined the Rhodesian Front in rejecting any new conference that would include the Patriotic Front, while at the same time they (the black signatories) were trying to get the PF guerrillas to lay down their arms and surrender because "We cannot kill them all off, unfortunately." Besides, he added, "We are not going to have a conference with a pack of blacks."

In another reference to the government's black allies van der Byl said, "Our black collaborators want us for the disciplining of the black elements. They realize too that if the PF was to win they would be the sufferers because they have put their heads on the block of the Salisbury Agreement."



# THE CUBAN FILM CUBAN



by JANET STEVENSON

During the week of June 12-28, 30 U.S. film critics, editors and professors of film studies visited Cuba at the invitation of ICAIC. The Cuban Film Institute, which oversees all aspects of the industry: the training of personnel, the production of newsreels, documentaries and feature films, the supervision of Cuban theaters and the mobile film units that cover the hinterland, as well as the import and export of films.

The U.S. group was organized by Tricontinental Films, which distributes Cuban (and other Third World) films in this country, and included representatives of the commercial press (MIAMI HERALD, TAMPA TRIBUNE, WASHINGTON POST, SAN FRANCISCO CHRONICLE, SAN FRANCISCO EXAMINER, LOS ANGELES TIMES and CHICAGO TRIBUNE) as well as alternative weeklies and magazines as diverse as HARPER'S, ESSENCE, HERESIES and CINEASTE.

The program included a minimum of sightseeing, a full schedule of screenings—films of all genres, newsreels and documentaries, cartoons, short and full-length features; some from the first years of the industry, others so new that they are not yet released in Cuba, and one which is still in the process of editing; films in black and white and in color.

Filmmakers—including all of Cuba's top directors—were available for discussions of their own films or to answer any other relevant questions. Some of the visitors were fluent in Spanish, but a staff of very competent simultaneous translators made discussion—sometimes quite heated—possible for those who did not handle the language easily.

All the films shown were either dubbed, subtitled or projected with a live "voice-over" by the same translators.

Seeing so many films (especially the documentaries and newsreels) in the context of the society about which and for which they are being made had the effect of concentrating into a relatively brief time a remarkably broad and deep experience of Cuban life today.

For all of us it was a "culture shock." For some an exhilarating one; for others deeply disturbing, and even threatening.

With the success of the Revolution, we had placed in our hands a thing whose power we knew very well because it had been up to that point the power of the enemy.

Alfredo Guevara

Alfredo Guevara (no relation to Che) is the founder and director of ICAIC, and in that capacity he met with the U.S. visitors early in their stay to sketch the historical background as well as the present objectives of Cuban filmmaking.

By way of introduction, Guevara explained that before the Revolution he was one of a now-famous group of film buffs at the University of Havana that serves as a "cover" for insurrectional activity. "We liked to discuss films, but only one or two of us ever tried to make one, even as an amateur."

One of the first things Fidel did after the triumphant entry of the rebels into Havana was to ask Guevara (who was an old schoolmate of his) to prepare a law that would establish a film industry. That law, proclaimed on March 24, 1959, was the first official act of the revolutionary government in the field of culture.

"Our first task," Guevara recalled, "was the 'decolonization' of our culture—the effort to find and affirm our own history and that of our whole, diverse but essentially single Latin-American homeland."

One of the problems involved in that process was weaning urban audiences from the diet of Grade B Hollywood fare and Mexican-made copies of it. Another was reaching a potential audience that had not been "corrupted" because they had never seen a motion picture.

"We searched for all possible means of bringing cinema to parts of the population that were not cultured in the usual sense. (We have learned that our peasants are not uncultured even when they did not know how to read and write. They have a culture of their own.)"

"We took projectors—usually 16mm—on trucks, or by mules if trucks couldn't make it, or even by launch, to remote villages in the mountains, in the swamps, to the Keys and the fishing zones.

"We are still operating these mobile units, and now have more than 13 million movie-goers a year in areas where cinema was unknown before." (Note: He is counting admissions—paid or unpaid; the total population of Cuba is only 13 millions.)

(One of the most universally admired short films ever made in Cuba is *For the First Time*, a documentary about the arrival of a mobile film unit in a mountain village in Oriente Province. After footage that establishes the ruggedness of the terrain, the filmmakers interview local people—old and young—asking whether they have ever seen a movie ["No, but I know some-

one who did once..."] and what they expect it to be like ["I think it might be sort of like a party..."].)

Then the screen is set up and the audience assembles. The camera is turned on the faces of men and women, children and octogenarians, incredulous—then enthralled by a performance of Charles Chaplin's *Modern Times*.)

When Guevara opened the floor for questions someone asked about the difficulties encountered in starting a film industry from scratch.

"It was chaos!" he said. "We had nothing and knew nothing. Let me tell you a story that may give you some idea: Che and I and another comrade who worked closely with Fidel were sent to the National Bank to talk to the director. We knew he was the kind of person who was going to desert, sooner or later, and Fidel said we had to find out what a bank was! We had really not the least idea.

"The problem of equipment was simple. There was none—neither cameras, lights, movielas nor film." Guevara explained with some diffidence that he took advantage of his position at the center of the new government to push for a large appropriation for film in the first budget.

"Six hundred thousand pesos! Immense for those times! I am not ashamed because if the money had not been appropriated then, it would have been too late.

"We foresaw the breakdown in relations with the U.S. So we took that money and bought everything we could before the blockade could be imposed. And that's what we lived on for the next two or three years."

Finances have not been the film institute's most pressing problem since that time. "Cinema has always paid its own way. In fact, in the almost 20 years we have been functioning, we have given to the Cuban state 300 million pesos to be used for other needs."

Motion picture houses in Havana are obviously well attended. For an admission of \$1 (about a third of the price of dinner at a restaurant) one can see a newsreel, a cartoon, a documentary and a feature. Cuban-made films are the most popular, but there aren't enough of them. Foreign films have to fill the gaps: features from other socialist countries (notably the USSR and Czechoslovakia), some Spanish and French features and once in a while a bootleg print of a Hollywood hit.

There are still problems about raw stock and laboratory work (exacerbated by ICAIC policy of offering its facilities to revolutionary filmmakers from all the other

Photo above top: *FOR THE FIRST TIME*

Photographs, except where noted, are courtesy of Tricontinental Film Center. Special thanks to Gary Crowder.