

# International Press Responses to Closing of UNCTAD IV

June 5 (NSIPS) — The developing countries ended the month-long United Nations Conference on Trade and Development (UNCTAD) in Nairobi, Kenya, on May 30 with a sharp rejection of Henry Kissinger's cynical proposal for looting of Third World resources through his so-called "International Resources Bank" (IRB). In the six-hour plenary session which closed the conference a U.S.-sponsored resolution calling for further "study" of the Kissinger scheme was defeated 33 to 31, with over 90 delegations either abstaining or taking no part in the vote.

This clear political victory for the forces of development reflected the fighting spirit and determination in the drive for debt moratorium and the new world economic order that the Third World maintained throughout the conference, U.S. Secretary of State Kissinger and Treasury Secretary William Simon reacted with total hysteria, issuing a joint statement from Washington attacking those that opposed the fascist IRB plan and warning that the decision had better be reconsidered.

At the close of the conference no substantial accords were agreed to, as the Western capitalist countries, led by the United States, refused to respond to Third World demands for general debt moratorium, transfer of technology for industrial and agricultural development, and increased flows of capital aid as the basis of a new world economic order. Similarly, the developing countries refused to significantly reduce their demands.

The controlled Western press has claimed that the passage of a final "compromise" resolution on the debt burden of the developing nations and commodity pricing arrangements was a capitulation to the capitalist countries on the part of the Third World. In fact, the developing countries maintained a strong united stand throughout the conference; it was the capitalist countries that were desperate to break the deadlock, fearing that a determined developing sector would emerge from a deadlocked conference prepared to take some form of unilateral political action to impose the new economic order on the advanced capitalist countries — possibly through unilateral debt moratoria.

The capitalist countries became more conciliatory to the Third World demand for the establishment of a "common fund" to finance commodity buffer stocks in the final hours of the conference. In turn, numerous weaker-willed and agent-ridden delegations from the developing sector pushed for the signing of the final conference resolution, whose main points were the agreement to convene a conference to discuss the commodity pricing arrangements by next March and the establishment by the end of the year of guidelines for the provision of debt relief on a so-called "case-by-case" basis.

The resolutions reflect little more than diplomatic protocol, however, and in no way reflect a change in the policy demands of the developing countries. The leadership of the developing sector is already planning how to carry the momentum gained at Nairobi into other international forums and institutions.

Throughout the conference, including the final sessions, the refusal of the socialist countries to actively ally their political muscle with the Third World played a large part in the failure of the conference to implement debt moratorium and the new world economic order. Not wanting to "provoke" the imperialists, the Comecon countries refused to back the developing countries' debt moratorium demands, and the Wills proposal for creation of a new international

central bank to replace the IMF and so found themselves in a de facto alliance with the capitalist countries of key issues. While the socialist nations were important in defeating the fascist IRB scheme, support for the debt moratorium and the presentation of alternative socialist proposals to the International Monetary Fund's world genocide programs could have significantly aided the dismantling of the Rockefeller Atlanticist machine and lackey Henry Kissinger.

The joint statement issued by Simon and Kissinger this week clearly shows that the Rockefeller machine, having failed to manipulate the developing countries into dropping the debt moratorium demands, will now try to achieve the same goal through terror. "The U.S., whose role is so vital, does not expect when it makes major efforts to cooperate that its proposals will be subject to accidental majorities," the statement said. Then, attacking the socialist nations' role in the defeat of the IRB, the statement said, "The less developed countries must not lend themselves to parliamentary manipulation by those states who contribute nothing to the development of the poor nations of the world."

Following the Nairobi meeting, several key statements by Third World leaders point out the path the developing countries must now follow. Mexican President Luis Echeverria, speaking before the United Nations Habitat Conference in Vancouver, Canada, made it clear that the only alternative to development is the path of Rockefeller and Kissinger — war and fascism — and declared the determination of the developing countries to take unilateral action, if necessary, to force real change. Echeverria told the conference delegates from every nation of the world that there are only "two basic obstacles" to change in international relations: "the conspiracy of powerful interests" and the "persistent tendency of many men to believe that the rules and patterns of their own times are immutable constituents of human nature." He added, "Nothing could be further from the truth." The lessons of Nairobi must lead to a decision by the developing countries to take unilateral action, most important for a debt moratorium on the debt to capitalist banks and the International Monetary Fund. Echeverria's speech referred to this: "We Third World countries must accompany our determined pursuit of joint and harmonious world efforts with immediate progress in our own coordinated and unified relations."

Top-level banking sources have already expressed their fear of such a move for unilateral moratorium before summer's end — one reason for the convening of a "Rambouillet II" conference of the heads of state of the seven leading capitalist nations last month.

For Third World leaders meeting in Algiers for four days last week, in a session of the 17-member steering committee of the Non-Aligned Nations to prepare for their August summit in Sri Lanka, a major subject of discussion has been the maintenance of Third World unity in the face of Kissinger's attacks on the leading non-aligned nations. The Foreign Minister of Guyana, Frederick Wills, stated unequivocally that "there is a concerted attempt to destabilize the governments of non-aligned countries in Latin America." Wills was backed up by the Foreign Ministers of Cuba and Peru. Algerian Foreign Minister Bouteflika also charged that "the imperialists are trying to divide the Third World." In a final communique, the Non-Aligned foreign ministers declared their solidarity with the Palestinian movement in the Middle East against U.S. imperialist poli-

cies there, as well as the "neo-colonialist alliances in Southern Africa and U.S. plans to militarize the Indian Ocean."

*June 6 (NSIPS) — The following is a selected grid of significant press response to the closing of the United Nations Conference on Trade and Development (UNCTAD IV) at Nairobi Kenya.*

#### United States

**New York Times, May 39 — "Third World Accepts Compromise on Trade; U.S. Plan Rejected"** — The United Nations Conference on Trade and Development approved a compromise proposal late last night on the issue of regulating world commodity markets, but rejected a United States proposal for an international bank to promote the development of resources in poorer nations.

In the closing session of the month long conference delegates unanimously adopted a compromise proposal calling for a conference to discuss a common fund that would regulate the prices of key commodity exports, which provide the bulk of the foreign exchange earnings of the developing countries. The commodity proposal was worked out carefully after days of often acrimonious debate.... The American proposal ran into tough opposition from developing nations which saw it as a maneuver against their own proposal for a common fund to stabilize commodity prices.... On the question of debt the conference approved a three point program in which rich nations agreed to work out broad international guidelines to be applied on a case by case basis.

**Washington Post, June 1 — "Industrialized Nations Accept Compromise"** — UNCTAD IV ended yesterday with plans for further negotiations aimed at revamping the world economy.

After a month of debate and negotiations, the conference:

\*Rejected U.S. Secretary of State Henry Kissinger's proposal for an International Resources Bank.

\*Authorized negotiations to establish a common fund to finance price stabilizing stockpiles of 10 essential raw materials.

\*Urged quick review of the debts of 20 very poor countries.

**Wall Street Journal, June 3, —** As odd as it seems the Wall Street Journal stood shoulder to shoulder with the Eastern bloc, the Russians, and Cubans in disparaging the Kissinger scheme, although for different reasons. The bank, another international bureaucracy, would somehow or other channel private capital into less developed nations for raw materials projects and ensure multinational corporations involved in the projects against expropriations. It is clearly nothing more than another State Department foreign-aid gimmick that would entail yet further political interference with capital allocation.... It would indeed be wonderful if the less developed world could develop. But that won't happen with an International Resources Bank nor with a \$6 billion buffer stock boondoggle.... All this does is distract the Third World from doing what has to be done to develop. Much of the distraction occurs because the developed countries — including the communist nations — propagate the idea that the chief natural resources of the Third World are in the ground, when in fact their primary resource is people.

Instead of trying to wring more foreign exchange out of the ground by manipulating the international price of copper, or

bauxite or sugar, the Third World governments would do far better by concentrating on getting as much as they can out of the energies and talent of their people...Until our State Department abandons its gimmickry and embraces this fundamental formula for growth it deserves the spurning it got during the Nairobi shuffle.

**New York Times, June 6 (editorial) —** Slowly, painfully the rich and poor countries are learning to talk with each other — and to move beyond propaganda toward genuine negotiation...

The United States proposal for a new International Resources Bank, to stimulate private investment in the poor countries was rejected...

The United States was partly responsible for the rejection of its proposal, in not preparing the ground for such a major move sufficiently far in advance by consultation with other countries. What matters nonetheless is that the large number of abstentions by the poor countries implies that they are still open-minded on the resource bank. The American proposal may well receive favorable consideration when it is presented again, as the United States officials have made clear they intend to do...

**New York Times, June 6 —** There are elements in the developing world's grand design that arouse deep seated opposition. Industrial countries like the United States don't like the administered, indexed pricing the developing countries want to rule commodity trading. Compulsory transfer of technology, demands for debt moratorium, common funds to finance commodity buffer stocks represent other highly contentious issues. Industrial countries want less automatic administrative machinery, more play given to private capital, and self-correcting market forces. They suspect that some of the changes sought by the developing countries will simply make the rich in the poor countries richer, at the expense of the poor in the rich countries...

Although the volume of debt rescheduling for the countries that cannot pay their bills is bound to continue to rise, it is unlikely, because of the strong opposition of industrial nations that there will be any generalized debt moratorium. But there could well be an early warning system that would direct international efforts to help individual countries avoid a crisis....

#### Western Europe

##### Italy

**La Repubblica, May 31 —** UNCTAD IV closed with a compromise and many postponements, but with the satisfaction of a large part of the delegations present. After two days of extension the conference ended yesterday voting on a series of resolutions on the main topics of discussion — the establishment of a pricing system for raw materials, the financing of raw material buffer stocks, and the refinancing of debt for the poor countries — and also postponing many decisions....

The State Department's proposal for the creation of an International Resources Bank, officially supported by Belgium in the name of the industrialized countries, was rejected 33 votes against, 31 in favor and 41 abstentions — those developing countries closer to the U.S. left the room at the time of the voting. The Bank was seen as a pressure in-

strument for the U.S. and a defense for the interests of international private investment...

#### *France*

**Le Monde, June 1** — (from an interview with Jean Francois-Poncet, French Secretary of State for Foreign Relations with Third World) — It is perhaps too early to draw a real balance sheet from this UNCTAD session. It is indeed only in a few months that it will be truly possible to determine if the commitments made, which some delegations surrounded with restrictive declarations, will be really kept. If they were to be one could state without hesitation that the results are positive, and this on two planes: one economical and the other political...

A failure of the UNCTAD session would have led to a confrontation between industrial and developing countries...

#### *West Germany*

**Frankfurter Rundschau, June 3** — The irritated statement made by two American Cabinet ministers are to be explained by nothing else than by the recognition that they were intoxicated on their own illusions, intoxicated by economic and political power. But this is what the Third World will no longer tolerate...

#### *Britain*

**Financial Times of London, June 1** — After a weekend of hectic negotiations, the fourth United Nations Conference on Trade and Development has finally ended in a barely sufficient measure of agreement to avert the threat of a new crisis in relations between the world's poor and rich nations....

The U.S., Germany and Britain who have been in the forefront of opposition to some of the ideas put forward by the developing countries — chiefly on the issue of a common fund to stabilize commodity prices — relented somewhat... But agreement on the three principal issues at the month long talks here — commodities, debt relief, and transfer of technology — is far from total. The U.S. plan for increasing investment in raw material output by the formation of a new international bank was rejected in the closing hours of the conference.

Right to the end hard bargaining threatened to prevent agreement.

**London Times, June 1 (editorial)** — Three comments are justified on the outcome of the UNCTAD in Nairobi. First, it is a great relief that there should have been an agreement between the world's richer and poorer nations. Secondly, it is welcome that in consequence of the agreement to negotiate a common fund to finance an integrated commodity price support scheme some resources and foreign exchange will be transferred from the richer to poorer countries that would not otherwise have been transferred.

Thirdly, it is deplorable that the particular scheme which is to be the vehicle of this agreement and this transfer should have to be about the most inefficient, half-baked and unfair that could be imagined. This arises from the regrettable politicization of rich-poor relations, which has had the consequence that no scheme for helping the world's poor can any longer be examined on its moral and technical merits. Instead any such scheme has to be measured it seems, ac-

ording to the spite it shows to the United States and the benefit it confers on the richer and more powerful of the less developed countries who have appointed themselves rather improbably as the guardians of the world's poor.... Before the opportunity for a constructive relationship between the rich and the poor is lost the developed countries should regroup around a much broader, more just and practical position....

#### **Comecon Sector**

#### *Soviet Union*

**Pravda, June 1** — The work of the present (UNCTAD) session took place in an atmosphere of intense struggle. The delegations of the developing states in Nairobi persistently sought the liquidation of all remnants of colonialism, all discrimination and injustice in the sphere of international economic relations.

The Western delegates opposed the platform of the developing countries of Asia, Africa and Latin America with their own political course, directed at defending the interests of the monopolies, at strengthening their position in the economies of the developing countries....

At the same time the joint actions of the delegations of the socialist and developing countries made it possible for the UNCTAD session to pass several important resolutions. At the final plenum of the session resolutions were approved on raw materials problems, questions of scientific-technical knowledge and technology and several financial questions.

The representatives of many western countries did not hide their irritation with the results of the fourth session of UNCTAD....

#### *Czechoslovakia*

**Rude Pravo, June 1** — A compromise program was agreed upon at the UNCTAD meeting for restructuring the world market. Resolutions were put forward concerning an effective solution of the debt problem of the developing countries, as well as the other resolutions and documents. This new program is a compromise between the original plan for establishing a fund for stabilizing raw materials prices and the negative stance taken by the developed countries led by the U.S., Britain, and the German Federal Republic....

The attitude of the developing countries and the socialist community of states showed a rapprochement on many important issues.

#### *German Democratic Republic*

**Voice of the German Democratic Republic, June 3** — The U.S. Treasury and State Departments are accusing the USSR of having caused the defeat of the American proposal for a new raw material fund, with the help of parliamentary manipulation. The State Department maintains that the socialist states had no constructive policy to offer on development.

However, at the UNCTAD conference, the raw materials fund proposal (IRB) was voted down by the roll call of participants. Manipulatory practices are alien to the USSR.

This senseless attack (by the State Department) reveals despair on the part of the western countries at having received another defeat on the international stage. The Western countries, especially the U.S., have enriched

themselves at the expense of the developing countries. Now they are playing demagogic number games to show how much development aid they have given; in reality it is a matter of their hanging on to their sources of profit ...

### Third World

#### Mexico

**El Sol, May 31** — The approval of the basis for creation of a new world economic order and a political defeat of the United States were the most salient facts of the fourth UNCTAD session, which ended today.... The resolution also asked the Secretary General of UNCTAD to call for a special intergovernmental group of experts meeting to study the problem of debt and payments negotiations.... The United States whose Secretary of State Henry Kissinger presented a project at the conference for the creation of an International Resources Bank, did not fare well at this international forum. His project was rejected....

The road has not been cleared yet, however, for a new international order, more just and equitable, desired by the Third World countries.

In reality, this fourth UNCTAD set the basis for its creation. On the other hand the Third World will have to eliminate the reservations stated tonight by countries like the U.S. and Great Britain, both of which decided to resist....

#### India

**National Herald, June 1** — (editorial) — The achievements at Nairobi are not spectacular but they represent a substantial

advance for the developing nations....The prophets of doom were loud in their denunciations toward the end of the conference but compromise was reached at the end...One of the surprises of the conference was the seemingly passive role of the Eastern European bloc throughout the proceedings. India was forced to hold back the hawks among the developing nations, particularly Africans bent on a showdown. But why for example did India abstain on the western sponsored resolution commending the IRB. On the face of it the motion which was narrowly defeated was intended to confuse the issues of the conference....

**Patriot, June 1** — The task of the non-aligned group today is serious. It is economic and political. It is the fight for a just new world order. Detente has lifted the threat of insecurity and conflict in some ares of the world but western capitalist nations are more aggressively determined that this historic change in international climate not be utilized to right economic injustice on a world scale. Non-alignment is no longer regarded with derision as it once fashionably used to be in Washington and London, but with fierce hostility. Dr. Kissinger has attacked non-alignment recently ... for seeking international economic cooperation on fair terms. The U.S. Secretary of State's writ does not run throughout the western world but reflects the interminable wrangle at Nairobi, on the question of commodities and debt relief. The non-aligned nations have now to explore ways to develop the necessary sanctions behind these demands with the complete assurance of continued support from the socialist world for a new world economic order.

## Echeverria's Speech at the Habitat Conference

*June 5 (NSIPS) — The following is an excerpted text of Mexican President Luis Echeverria's speech at the May 31 session of the United Nations Conference on Human Settlements in Vancouver, Canada.*

In attending this forum, Mexico reaffirms that the existence and strengthening of the United Nations is absolutely essential for carrying out the priority tasks of our times, and that if true, rather than imposed, peace is to come about, it will be achieved through the United Nations and by no other means.

Achieving this goal presupposes an intense effort to assume a historical responsibility we can no longer put off to the future — the responsibility of confronting the deep-rooted causes of the accumulation of problems that is shaking the foundations of human civilization. It presupposes a thorough knowledge of contemporary reality, the development of self-critical thinking and a systematic search for viable alternatives...

There are two basic obstacles to any transformation of the terms of our coexistence: the conspiracy of powerful interests and the persistent tendency of many men to believe that the rules and patterns of their own times are immutable constituents of human nature.

Nothing is further from the truth. History shows that the essential characteristic of mankind is evolution, the ability to find new answers and to set new courses.

Twenty-eight years ago, the General Assembly approved and proclaimed the Universal Declaration of Human Rights, which established the right of all persons to an adequate standard of living that would assure the health and well-being of both themselves and their families, particularly as regards food, clothing, housing, medical attention and all necessary social services.

The information gathered for the study of the delegates shows how far we still are from making that goal a reality.

This Conference provides a fitting opportunity to undertake a more far-reaching analysis of current conditions that will help to establish the true causes of this delay, and to discuss the strategy to be followed in achieving effective results. . . .

Once again, we must insist on a fundamental fact: the urban problem, like so many others, will never be solved if we think of it as something autonomous, as a specific and isolated element. It is simply another link, and not even the most weighty or most explicit link, in a whole chain of material circumstances that go to make up the reality of our times and are reflected in our "lost cities" and slums. How can it be dealt with as something separate from unemployment, ignorance, unsanitary conditions, the population explosion, and the inadequate diet or outright hunger of the great majority of the world's population?