

The Saudis' decision to grant the aid to Africa, which came as a surprise, was viewed by African diplomats in Washington as a key indicator of a Saudi shift away from purely monetary dealings in support of the bankrupt Eurodollar market. In fact, the development demands of the African countries on the Saudis and other Arab states

with huge surplus revenues were an important factor in bolstering Saudi resistance to supplying the IMF and Chase Manhattan Bank with an estimated \$15 billion liquidity, as demanded by the New York Times and the Carter Administration.

## North-South Talks Back On The Burner

The Phoenix of international diplomacy — the Conference on International Economic Cooperation (CIEC), otherwise known as the North-South talks — is due to rise once again. The final ministerial session of the talks was due to take place last December, concluding a year of fruitless "dialogue" between the representatives of 19 developing and oil producing countries and eight developed countries. But the U.S. and its allies seized upon the election of the Carter Administration as an excuse to postpone the talks, thereby avoiding a long delayed final confrontation on the key issue of general debt moratorium for the developing countries, the sticking point of the talks. Many in the Group of 19 developing countries were equally relieved to have the opportunity to avoid that crunch themselves and no doubt have spent the intervening months daydreaming about how much nicer Jimmy Carter and the Trilateral Commission will be to the poor countries of the world.

The Group of 19 will meet March 19 to issue an already agreed upon statement on the schedule for holding the final session. This follows discussion between the two co-chairman of the talks, Perez Guerrero from Venezuela and David MacEachen from Canada on the talks' resumption. As it now stands, the four commissions of CIEC — Finance, Energy, Raw Materials, and Development — will convene April 13 and hold negotiations until the end of the month. This will be followed by a weeklong session at a higher level of officialdom which will precede the ministerial session which is going to be held in the second week in May.

The timing of the ministerial session is of course crucial — it will follow just after the London summit of the big advanced capitalist nations (on May 7-8) which will undoubtedly be where Europe will have to decide whether to follow Jimmy Carter into the breach of confrontation with the developing and oil producing countries. The EEC Foreign Ministers themselves will meet on March 25 in Brussels to discuss their policy previous to the reopening of the talks, and no doubt to get a report on the talks between Callaghan and Carter on these issues.

The fact that Carter is committed to a confrontation

policy with the developing countries is now clear to everyone except the professionally blind diplomats of certain developing countries. The core of the Carter commitment, as David Rockefeller insists, is the inviolability of the Third World debt obligations and it is here that one inch will or can be yielded. The Carter Administration is willing of course to "talk" about such "complicated" issues but on debt their standing position will be : a general statement on the debt problem can be agreed to, within which debt problems must be handled "case by case." That is of course the old Kissinger policy which should not surprise anyone.

Carter will be making a speech before the United Nations next week where inside sources have it he will make his bid to be seen as the friend of the developing countries, the defender of their human rights. One reliable story on Carter's appearance is that this was actually the subject of his recent meeting with UN Secretary General Waldheim, not the Middle East as the press reported at the time. Carter insisted to Waldheim that he be able to speak, despite the fact that the UN General Assembly is not in session and there is no official forum convenient for him to appear at. Nonetheless, despite a Waldheim offer to arrange everything for the fall when the General Assembly does reopen, Carter insisted on a command performance, which is what will occur.

While there are plenty of credulous diplomats around at the UN, many know well what the Carter game is. One African diplomat, very close to the progress of the CIEC talks, told us: "For us, the crucial issue, in fact almost the only issue, is the question of debt. It is possible that the U.S. will try to avoid dealing with this issue, by making small concessions on such issues as commodity prices. But this will not be acceptable." Another Southeast Asian diplomat, who has participated in his country's CIEC delegation, told us that he was "pessimistic" about the possibility of a successful conclusion of the talks. He and others from the developing sector feel that the only hope lies in European willingness to break from the U.S. — that is where the real issue lies.