

## United States Has Stopped Negotiating on Economic Issues

UNITED NATIONS, New York, Dec. 9 (NSIPS) — The United States announced last week that it will no longer participate in the usual informal consultations in the General Assembly's Economic Committee because so many of the resolutions proposed by the developing countries concerning the New World Economic Order are "unacceptable."

Robert Kitchen, the U.S. representative on the Economic Committee said, "We disagree with about 90 per cent of the language" of the Group of 77's proposed resolutions "and there's nothing to negotiate about."

At UN-sponsored economic negotiations in Geneva, the United States announced this week that it "saw no basis at the present for a positive judgement on the need for common financing" of support prices for Third World commodity exports — the only substantive topic which that conference was called to discuss.

The proposals in these United Nations bodies are broadly similar to those proposed for discussion over the last year at the North-South talks in Paris. In Paris, the United States has maneuvered an all-inclusive anonymous "consensus" for postponement of the talks, so as to avoid the diplomatic hatred and blame which it would incur if formally asked for the postponement of the Paris negotiations. A look at the U.S. delegation's insulting obstruction at the United Nations, however, makes the U.S.'s true attitude clear.

**AT UN HEADQUARTERS:** As the General Assembly draws toward the Dec. 21 adjournment of its 31st Session, Pakistan has introduced for the Group of 77 half a dozen resolutions approximating the proposals made by the Third World at the Paris talks. The proposals call for implementation of 1975 General Assembly resolutions on the new international economic order and "not for regret that the developed countries have yet to display the necessary political will to implement these fundamental decisions and fulfill their commitments and obligations and to adjust their policies for this purpose." Complementary resolutions have been introduced by a group of developing countries including Bangladesh, the Dominican Republic, Indonesia and the Phillipines. The sponsors are "disturbed by the stagnating flows of official development assistance which during the current Development Decade has averaged only 0.33 per cent of the gross national product (of the developed countries — ed.), or half the target stipulated in the International Development Strategy..."

The Group of 77 says further, "...despite the

expectations rested on the Conference on International Economic Cooperation (Paris talks — ed.), there has been no concrete progress so far, even in the face of the most urgent and pressing problems of the developing countries." This resolution makes the link to issues of war and destabilization of Third World governments: "We consider with deep and increasing concern that parts of the developing world are still subject to foreign aggression and occupation, apartheid, racial discrimination and neo-colonial domination, which constitute the major obstacles to the economic emancipation of the developing countries as a whole, as well as some of the greatest threats to international peace and security." This is the language that the United States felt was beyond negotiation.

"Of course we will go ahead and submit these proposals with or without U.S. participation," said one of the sponsors. He noted that in a recent session of the consultations, after the U.S. had "stonewalled" out, "Norway said openly that it felt that the developed countries were not participating honestly. I was so moved by this that I proposed a round of applause. I also suggested that his statement be put on the record — humorously, because the meeting was private and off the record." It was also reported that the Netherlands, which is the spokesman for the Common Market on many U.S. matters, would henceforth not feel itself bound by the United States' dictates to the West European group. These European countries have made no public break with the U.S., however.

**AT THE GENEVA COMMODITY-PRICE NEGOTIATIONS:** The United Nations Conference on Trade and Development met at its headquarters here from Nov. 29 to Dec. 3 to see whether the developed countries are willing to agree to contribute to a common fund to support the prices of major commodities which the Third World exports. This was the first negotiating session since the May 1976 Nairobi UNCTAD conference. An unofficial U.N. press release summarized: "The representative of the United States said his government did not agree to the principle of common fund, and saw no basis at present for a positive judgment on the need for common financing. He considered that the report by the Secretary-General of UNCTAD (in favor of a common fund — ed.) prejudged the issue."

It is important to note that two United States opinion-making institutions which are very close to the State Department — the Brookings Institution of Washington,

D.C., and Chase Manhattan Bank's London branch — are on the record as urging negotiations on common-fund commodity-financing. Is the State Department in a disagreement with the Brookings Institution and Chase Manhattan Bank? Hardly. The purpose of the Geneva negotiations is to waste time with talk, talk, talk. The press release proves it: "However, the United States delegation intended to participate fully and constructively in the preparatory meetings, and in the light of the outcome would decide on its participation in the negotiating conference."

Of course, if a commodity-indexing fund ever were set up, the general increase in commodity prices would hurt Western Europe far more than it would hurt the United States; Europe is relatively much more dependent on imports for its raw materials.

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Mr. Leonid Romanov, the Soviet press spokesman here, said this week that, "The main reason we do not participate in the Paris North-South talks is that we were not invited when they began." The Soviet attitude, he said, continues to be that "Perhaps if a firm invitation were made, our government could seriously consider such participation."

Recently President Carlos Andres Perez of Venezuela and Chancellor Helmut Schmidt of West Germany have made general public statements in favor of Soviet participation in the Paris talks.

The Soviet Union usually abstains on U.N. resolutions concerning the Paris talks, as do other Eastern European countries with the exception of Rumania and Yugoslavia.

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**SEEN IN THE DELEGATES' LOUNGE:** That fresh-faced young man or woman who introduces himself as "a student from Columbia University journalism school" may be one of the journalistic intelligence-agents-in-training being sent out by the *New York Post's* U.N. correspondent Michael J. Berlin.

This is the chain of command:

The *New York Times* and the *New York Post* represent the political interests of the major New York investment and commercial banks. The *Post's* publisher, for instance, is Dorothy Schiff, descendant of the Jacob Schiff who founded Kuhn, Loeb bank. The *Times* and the *Post* helped Jimmy Carter steal the U.S. election. Cyrus Vance, not coincidentally, is on the Board of Directors of the *New York Times*.

Columbia University journalism school is a training school for empty-headed, amoral young careerists who wish to become stars in the world's second-oldest profession. The *New York Post* correspondent, Berlin, teaches a class at the journalism school, and brings a platoon of his young charges to the United Nations delegates' lounge to ask questions such as, "Why are all you Third World countries so full of terrorists?" and "Don't you think it's wonderful that the State Department is trying to solve the problems of southern Africa as they solved the problems of the Middle East?"

The best way to shake these jokers is to look them in the eye and ask: "Can't the CIA dream up a better cover story for you? You people are so obvious."

*UNITED NATIONS, New York, Dec. 10 (NSIPS) — Following are excerpts from a resolution entitled "Debt Problems of Developing Countries" now being discussed in the Economic Committee of the General Assembly.*

*The negotiating positions taken here approximate the stand of the Third World at the Paris Conference on International Economic Cooperation (North-South talks). This is the type of proposal which the United States felt unworthy of honest negotiation.*

*This resolution was sponsored by Bangladesh, Ethiopia, Pakistan, Phillipines, Sudan, Uganda and the United Republic of Cameroon.*

The General Assembly...noting with grave concern that heavy debt-service payments, current account deficits stemming from maladjustments in the world economy, inadequate balance-of-payments support and long-term development assistance, coupled with tight conditions and the high cost of loans in international capital markets and difficulties of access to markets in developed countries for exports of developing countries, as well as declining real prices of primary commodities exported by developing countries, have among other things, combined to impose a serious and critical strain on the import capacity and reserves of developing countries, thus jeopardizing their development process,

Aware that the deterioration in the terms of trade of developing countries and the high cost short-term borrowing they have had to resort to recently have seriously aggravated their debt burden.

Convinced that the situation facing the developing countries can be mitigated by decisive and urgent relief measures in respect of both their official and commercial debts and that these are essential to restore the momentum of growth lost during the economic crisis and to achieve the targets of the International Development Strategy,

Acknowledging that, in the present circumstances, there are sufficient common elements in the debt-servicing difficulties faced by various developing countries to warrant the adoption of general measures relating to their existing debt,

Recognizing that, in the present circumstances, there are sufficient common elements in the debt-servicing difficulties faced by various developing countries to warrant the adoption of general measures relating to their existing debt,

Recognizing the especially difficult circumstances and debt burden of the most seriously affected, least developed, land-locked and island developing countries,

1. Stresses that all these measures should be considered and implemented in a manner not prejudicial to the creditworthiness of any developing country;

2. Considers that it is integral to the establishment of the New International Economic Order to give a new orientation to procedures of reorganization of debt owed to developed countries away from the past experience of a primarily commercial framework towards a

developmental approach;

3. Affirms the urgency of reaching a general and effective solution to the debt problems of developing countries;

4. Agrees that international action for debt relief should include the following:

**Official Debts:**

**Bilateral Debt owed to developed countries:**

The least developed, developing land-locked and developing island countries should have their official debts converted into grant;....

Debt relief should also be provided by developed bilateral creditors and donors to other developing countries seeking relief;

**Commercial debts:**

International agreement should be reached to consolidate debts of interested developing countries and to reschedule payments over a period of at least 25 years;

The consolidation of commercial debts and the rescheduling of payments should be achieved by the funding of the commercial debts of the interested developing countries;

A financial facility to refinance the burdensome short-term loans such as those contracted in recent years should be established for the use of interested developing countries;

With respect to commercial debts contracted through financial markets or credit institutions by developing countries seeking debt relief, two possible relief solutions may be applied:

The Governments of the countries of origin of credit

institutions should adopt measures to persuade these institutions to reschedule or refinance the total capital and interest due. This refinancing should be made at the lowest markets rates, or at the original rate, whichever is more favourable to the debtor. The amortization period should be at least the same as for the original operation being refinanced at the time of such refinancing;

The grant of a loan and interest subsidy by the Governments of the developed creditor countries participating in the rescheduling of the official debt of the debtor country for refinancing of the private financial debts of the country. The amount of this loan should be equivalent to the capital and interest due and should be on the same conditions established for the rescheduling of the public debt;

*Urges* the International Conference on Economic Cooperation to reach an early agreement on the question of immediate and generalized debt relief of the official debts of the most seriously affected, least developed, land-locked and island developing countries, and on the reorganization of the entire system of debt renegotiations to give it a developmental rather than a commercial orientation;

*Requests* the Ministerial Meeting of the Trade and Development Board of the United Nations Conference on Trade and Development, to be held in 1977, to review results of negotiations on this question in other forms and to reach agreement on concrete measures to provide an immediate solution to the debt problems of developing countries, and requests the Secretary-General of the United Nations Conference on Trade and Development to report thereon to the General Assembly at its thirty-second session.