

containers. These humidity-controlled vacuum refrigerated 40-foot containers, designed by the engineers who built the lunar landing module, allow shipment by water transportation rather than air freight. Refrigerated life of products can be extended four-to-six times by the use of the dormavac container.

At the end of 10 years, the total project would be owned and operated by the Sudanese, fully paid for by their own efforts and production. Forty-nine more identical projects could be started as soon as loan funds were available and the total 5 million acres could make Sudan the garden spot of the world, with 5,000 independent Sudanese producing for profit.

Food and housing are the greatest tools available to help keep peace and democratic societies in developing countries. Funds from the United States should be directed toward the development of land and water to produce food on a continuing basis rather than a one-shot expenditure for relief funds.

A planeload of supplies into Africa today is kind of like putting a bandaid on open heart surgery. It does a little good, but we need a lot more.

Here's a proposal that I wrote in 1981, after visiting Sudan, and presented to the Saudi Arabian government. And in it we have the Encouragement of Investment act of 1980; Sudan wrote this law to encourage agricultural development, similar to our old Homestead Act in the United States.

We detailed a project out in 1981, including every part, piece of equipment, the timing, and all that it would take to do the project. We even gave the Saudi government a bar chart showing what field would be farmed at what time in the 48-month development. We would be on the last six months of this project at the present time. That 100,000 acres is capable of feeding 1 million Ethiopians today, if we had started with \$100,000 in 1981.

The reason the Saudi government gave for turning down the project—and they had \$1 billion for development—was this: The government of Sudan is not stable, and it's dangerous to make an investment there.

But at the same time, in going over the land maps of Sudan, Prince Khaled, son of King Faisal, had a grant of 5 million acres. And Kashoggi, the arms dealer, had another million acres laid out. I don't know how much development was going on, but I understood that they had contracted with the Campbell Soup Company to come and advise them on how to do something. And I would suppose that they would employ some Sudanese, but the ownership and the profit would go to the Saudis, who would end up owning the land.

A loan from the United States to a joint venture of Americans and Sudanese, even if it came from the military budget, in 20 years could have that 5 million acres producing \$5 billion of food products annually, which would be enough to feed 50 million people. Do you think that these 5,000 capitalist Sudanese, who would be running these 5 million acres with employment of 50,000 other people because of their efforts, would add enough stability to the government of Sudan?

The Cartagena Consensus

Debtors evade action against the IMF

The Cartagena Consensus of Ibero-American nations was first convened in July 1984 in order to formulate a common strategy for debtor nations to deal with the problem of international debt. Although the resolution which emerged from the meeting strongly attacked the contradictions between usurious and destructive IMF policies and the development needs of the developing nations, the consensus unfortunately limited its action to "requesting" further IMF aid as a solution to their nations' problems.

The statement which emerged from their recent meeting in Santo Domingo, Dominican Republic which ended on Feb. 9, is far stronger than that of July, but represents a compromise, the result of a failure of the delegates to arrive at agreement on common strategy on the debt. The debate was between those who wish to force a confrontation with the creditor nations on a unified basis and those who favor a nation-by-nation negotiation process, the same method used successfully so far by the IMF to prevent unified Ibero-American action. The resulting document, although emphasizing the social and political upheavals caused by IMF austerity policies in the past and warning of more serious social explosions in the future, fails to set a date for the proposed "dialogue" with the IMF, which means the group will wait until after the April 18 meeting of the IMF. Further, no mention was made in the final communiqué of two important issues, the setting of a limit to "foreign profit repatriation" and for the percentage of the total of exports that can be used to pay foreign debt.

The following is an English translation of the text of the Santo Domingo Declaration signed on Feb. 9 by the countries of the Cartagena Consensus, as published in El Universal:

The Foreign and Finance Ministers of Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Mexico, Peru, Dominican Republic, Uruguay, and Venezuela, meeting in Santo Domingo on Feb. 7 and 8 at the Third Ministerial Meeting of the consultation and follow-through mechanism established by the countries signing the Cartagena Consensus, reviewed developments registered since their meeting in September 1984, in Mar del Plata, with a view to carry forward and update the joint action strategies contained in the Cartagena Consensus and the Mar del Plata Communiqué.

They received with deep interest the expressions of His Excellency the President, Dr. Salvador Jorge Blanco, rec-

ognizing the concerns of his government and the importance to the economy and people of the Dominican Republic of the issues pointed out on the occasion of this Third Ministerial Meeting.

I. New Considerations

1) Over the last few months some Latin American countries have concluded foreign debt restructuring programs with the international financial community. It is necessary that the terms and conditions incorporated into those restructurings be extended to countries which are in the process of renegotiating their debt and that they constitute minimal conditions for new negotiations to take place, in keeping with the directives assembled in the Cartagena Consensus.

2) Nonetheless, these debt restructurings are not enough, and only postpone the problem, since negotiation with the commercial banks, of its very nature, does not provide the opportunity to take up matters of greater scope, such as the co-responsibility of debtors and creditors, the symmetry of adjustment, the implications for the development of the debtor countries and the evolution of the economy, international commerce and finances, which could make possible a permanent solution to the problem of indebtedness.

3) The persistent application of severe adjustment programs generally continued to signify a drastic reduction of material standards of living and welfare within the great centers of the Latin American population. In many of the countries unemployment could not be reduced, and the level of domestic activity declined. Social tensions reached critical heights, due to the magnitude and speed of the adjustment processes applied. In many cases the efforts of coming years will only make it possible to again reach levels of per capita production and income and quality of life which had already been achieved a decade ago.

4) The economic recovery of the industrialized countries has not spread to the countries of Latin America, and instead, the application of protectionist measures and the restriction of trade and financing in the former have intensified. The transfer of financial resources again became negative for this region, in the estimated amount of 55 billion dollars over recent years. Interest rates have come down recently, but this tendency has not consolidated, since in many countries credit demand increase and inflationary pressure factors persist which may produce a new rate hike.

II. Political Dialogue

The Ministers consider it indispensable to firmly reiterate their conviction that there shall be no stable and permanent solution to the foreign indebtedness problem unless the governments of debtor and creditor countries agree on an adequate political framework for the entirety of these questions. Therefore, it is indispensable to overcome certain reservations expressed by some governments about making the political dialogue concrete. If dialogue is ignored, the entire region will incur the serious risk of instability not only finan-

cial and economic, but social and political as well. In keeping with these statements, they decide on the following course of action:

1) To present at the upcoming meetings of the interim and development committees of the International Monetary Fund and the International Bank for Reconstruction and Development, the 17th and 18th of April, on the basis of what was agreed in Santo Domingo, a joint position which shall be divulged and presented at the aforementioned forums after communicating it to the Group of 24.

2) To address the governments of the main creditor countries after those meetings, for the purpose of formalizing the invitation to a political dialogue.

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3) To jointly address the industrialized countries participating in the upcoming Bonn meeting, and present them with their [the Ministers] proposals to deal with the foreign debt problem in its various aspects.

4) To begin as of now to call the attention of international public opinion to the magnitude of the problem and to the grave consequences which could derive from failing to deal with it in an adequate political framework.

5) The content of the proposed political dialogue goes beyond aspects exclusively related to the refinancing of the debt, and must cover as well the proposals contained in the Cartagena Consensus. To this end, the studies and subjects to be submitted to their consideration shall be undertaken and stated.

III. Follow-Through

1) The assessment of these actions and the launching of others shall be undertaken at a new meeting of the Cartagena Consensus, whose date shall be determined by consultation immediately after the meetings of the interim and development committees of the IMF and the IBRD next April.

2) As of this meeting, the secretariat pro tem will be the responsibility of the Republic of Uruguay.