

# China, Latin America, Caribbean Forum Founded

July 18—In the last of the multiple historic summits which took place in Brasilia this week, heads of state and special representatives of the Community of Latin American and Caribbean States (CELAC), and Chinese President Xi Jinping, met July 17 to discuss deepening their relations on the basis of “equality and mutual benefit, reciprocal cooperation, and common development.”

Represented were the Presidents of Brazil and China, current members of CELAC’s leadership Quartet (Costa Rica, Cuba, Ecuador, and Antigua and Barbuda), and the rest of South America.

The Joint Declaration issued from their private meeting reaffirmed the principles upon which the United States was founded, but which it has betrayed, under the successive Bush/Cheney and Obama governments.

Announcing their agreement to found a Chinese-Latin American-Caribbean Forum, with a mandate to draw up a 2015-19 Chinese-Latin American-Caribbean Cooperation Plan, these nations opened with a forceful statement of their commitment to play an active role together in establishing a world order based on the premises which underlie the Treaty of Westphalia. They declared:

“Reaffirming our unrestricted respect for the objectives and principles of the United Nations Charter, international law, the peaceful solution of controversies, international cooperation for development, the prohibition of the use and threat of use of force, self-determination, sovereignty, territorial integrity, non-interference in the internal affairs of countries, the State of Law, and the protection and promotion of all human rights....

“Reiterating steadfast mutual support in exploring

development paths appropriate to national conditions....

“1. We agree that our relationship is an important opportunity for mutual development, since Latin America and the Caribbean and China, as developing countries, confront common development tasks and global challenges. We announce the establishment of a broad partnership of equality, mutual benefit, and common development between China and Latin America and the Caribbean, looking to increasing the level of cooperation on diverse matters.”

Brazilian President Dilma Rousseff reported in a press conference following the meeting that Xi had proposed three different funding mechanisms:

- A specific fund to finance infrastructure projects, to start at \$10 billion and rise to \$20 billion; this is intended to be functional by next year;

- A preferential credit line for CELAC, from within a Chinese bank,

which could be as large as \$10 billion; and

- A Sino-Latin American-Caribbean Cooperation Fund of \$5 billion for investment in areas as yet to be defined.

The declaration’s formulation on these funds and projects marks a radical departure from IMF/World Bank conditionalities. For example, they wrote:

“3. ... We take note that China invited the countries of Latin America and the Caribbean to play an active role in establishing the China-Latin America and Caribbean Development Fund, and to make good use of the concessionary loans granted by China, in accord with the necessities and priorities of the recipient countries.

“4. ... We stress the importance of building and modernizing infrastructure, such as railroads, highways, ports, airports, and telecommunications, and the efforts to make good use of the Sino-Latin American-Caribbean Special Loans for Infrastructure.”

The declaration also contains a statement of support for Argentina, in its fight with the vulture funds:

“14. We emphasize that guaranteeing agreements reached between debtors and creditors, in the context of sovereign debt restructurings, is essential for the stability and predictability of the international financial architecture.”

