

agreement whereby it and Mexico supply oil to Central American governments should be extended to the impoverished North Americans. Haig got into contradiction with Cheysson, Mitterrand's foreign secretary, over El Salvador. None of the major Brandt report figures made the conference, and nor did Austrian chancellor Kreisky who with Mexican president Lopez Portillo instigated the whole farce. Kreisky was ill. Cuba, which is chairing the Non-Aligned nations this year, was not invited. Lopez Portillo met Fidel Castro to explain and agree a joint statement whereby Castro did not insist on attending. Cuba's presence 'would mean the cancellation of the meeting, given the well-known position of the United States', they said.

Why are North-South talks necessary anyway? What's wrong with the United Nations as a North-South forum? Well, once West European governments began to 'grant independence' to former colonies in large numbers, the 'democratic' structure of the UN (one nation, one vote) produced increasing pressure for changes in the world economy. The UN Conference on Trade and Development was set up in 1964 and a UN Centre on Transnational Corporations in 1975 following Salvador Allende's 1972 General Assembly attack on transnationals in Chile, particularly the ITT/CIA connection. The UN Security Council, with permanent memberships for the major powers, is less troublesome than the General Assembly, but could hardly deal with the global economic issues between the trilateral nations of North America, West Europe and Japan and their economic dependencies in Africa, Latin America and Asia. Some forum was required which major capitalist powers would take seriously, since they were unwilling to take seriously UN agencies under non-aligned pressure.

CANCUN — THIRD WORLD LAST?

The 22 heads of state/government who met to discuss North-South issues in Mexico in October don't seem to have got as far as agreeing an agenda. Since very little preparatory work was done for the 'summit', no meeting of minds about global North-South issues was expected. The net result of the summit was that there may be further talks about talks at the UN in 1982. Ronald Reagan preached the virtues of the 'magic of markets'. He and Haig monopolised media attention by nearly continuous press conferences, so that very little that Third World leaders said was reported. Which perhaps is just as well. What was reported was pretty dire. Venezuela suggested that the San Jose

North-South discussions began when OPEC used the oil weapon before hopes/fears (depending on whether the viewer was South/North) of general Third-World economic warfare against the advanced capitalist heartlands disintegrated on the rocks of sluggish global capitalism. Part of the discussion was about re-cycling revenue from the quadrupling of oil prices through the poorest nations, which were badly hit by the oil price rises. Part of it was ensuring stabilisation of the Third World after the surge of popularity of liberation movements during the Vietnam war. The idea of global North-South talks in which continuation of capitalist access to Third World countries as suppliers of food and materials, as markets, as investment outlets was offered by the Third World in return for an improved deal for the



Third World within the Western economy (codes of conduct for multinationals, improved commodity agreements, reduced tariffs, etc) may not have done much for the world's poor. But it did clean up the image of the transnationals and Western governments. It worked in much the same way as the Carter administration's supposed commitment to 'human rights', which also helped to re-legitimise the tarnished image of US global policy. North-South talks produced limited reforms, and recognised the growing power of newly-industrialising Third World centres like Brazil, strengthening the existing North-South power structure by removing its worst excesses. Like 'human-rights', Reagan may find 'North-South' talk a cheap way to put a tolerable face upon an intolerable policy. Nonetheless our own foreign secretary lord Carrington, warned before Cancun that 'expectations of a blueprint for the future may rise too much merely by the fact that the summit is to be held'.

The economic summit which preceded Cancun in August in Canada produced some optimism about Cancun. But given the commitment of most of the governments at that summit to some form of monetarism, and the commitment of the Reagan administration to trade not aid for the Third World (and to direct aid not multilateral aid), the *sine qua non* of increased Third World bargaining power, namely expansion of world trade, was simply not on the agenda of either the economic summit or the North-South summit.

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¹ *Zycie Gospodarcze* 1981, no 38 p5