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10/21/1981-10/23/1981 Cancun, Mexico)
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WITHDRAWAL SHEET

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Collection Name WHITE HOUSE OFFICE OF RECORDS MANAGEMENT
(WHORM): SUBJECT FILE

File Folder FO006-02 (018874) (10 OF 19)

Box Number

Withdrawer

DLB 11/18/2019

FOIA

F16-011

BIERGANNNS

70

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
243593	SPEECH	SPEECH TO CANCUN NATIONS, P.7-8 ONLY	2	ND	B1
243594	MEMO	DUPLICATE OF 163086; ALEXANDER HAIG TO THE PRESIDENT, RE: A STRATEGY FOR CANCUN	4	10/8/1981	B1

The above documents were not referred for declassification review at time of processing

Freedom of Information Act - [5 U.S.C. 552(b)]

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

- (1) We have said that we would be willing to "participate in preparations for a mutually acceptable process of global negotiations in circumstances offering the prospect of meaningful progress." (Note emphasis.)
- (2) We would indicate that we are now, and would continue to be, willing to participate in talks with individual countries, with regional groups and with other interested parties, and that we would be willing to return to preparatory talks in the United Nations provided that:
 - (a) the talks must have a practical orientation toward identifying, case-by-case, the specific potential for and obstacles to development--obstacles which a cooperative effort might remove;
 - (b) the talks must proceed on a basis that would respect and preserve the competence, functions, powers, voting arrangements, and charters of the specialized international institutions--and not seek to create new international institutions;
 - (c) the general objective of such talks must be the identification of conditions necessary to increase economic development (rather than a restructuring of the international economic system); and
 - (d) such talks must be entered into in a cooperative spirit rather than one in which views become polarized and chances for agreement are needlessly sacrificed.

If we were asked whether we would be willing to return to preparatory talks if they were to be conducted on the basis of U.N Res. 34/138, we would indicate that--as our previous statement implies--we would not, but that we should begin afresh to work out a procedural basis and agenda that would offer the prospect of meaningful progress and that we would hope other countries at Cancun could instruct their delegations to join us in this effort.

- (3) We believe these conditions provide the only basis on which practical progress can be made. We would, therefore, take the initiative in laying down our conditions at Cancun.

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Authority State Waiver
BY dl DATE 11/15/2019

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U.S. POLICY RE
"GLOBAL NEGOTIATIONS"
AND
DEVELOPMENT

INTERNAL USE
GUIDANCE

This formulation is in two parts:

- (I) a question and answer re the procedural issues raised by the phrase "Global Negotiations"; and
- (II) a summary of substantive themes and initiatives that comprise the Reagan administration's approach to development.

(I) Q. & A. RE "GLOBAL NEGOTIATIONS"

Q. The Ottawa Summit Declaration committed the summit members to "participate in preparations for a mutually acceptable process of global negotiations in circumstances offering the prospect of meaningful progress." The co-chairmen's press statement following the Cancun Ministerial Preparatory Meeting (in which the U.S. participated) stated that a purpose of the Cancun Summit is to "facilitate global negotiations." Is the U.S. now willing to return to the U.N. preparatory discussions on global negotiations?

- A. (1) The United States strongly favors the development of a cooperative strategy for global growth. We believe that experience -- including our own development experience -- confirms the importance of:
- (a) opening up markets, both within individual countries and among countries;
 - (b) improving the climate for private investment, and the transfer of technology that comes with such investment;
 - (c) orienting assistance toward the development of self-sustaining productive capacities;
 - (d) tailoring particular development strategies to the specific needs and potential of individual countries and regions; and
 - (e) creating a political climate in which practical solutions can move forward -- rather than founder on naive or contentious rhetorical debate.
- (2) With this general framework as our guide, we are prepared to examine the specific needs and potential of particular countries and regions -- while at the same time we examine how a common effort might best overcome identified obstacles and promote desired development.

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BY *ll* NARA DATE 11/15/2015

- (3) We have said that we would be willing to "participate in preparations for a mutually acceptable process of global negotiations in circumstances offering the prospect of meaningful progress. (Note emphasis.) We do not believe that Global Negotiations as contemplated and defined in U.N. Res. 34/138 (December 1979) would offer the prospect of meaningful progress. The agenda is at once too general and too far-reaching to provide a practical basis for proceeding. And references to the "New International Economic Order" and the "restructuring of international economic relations" are undesirable reminders of the type of contentious ideological environment in which cooperative solutions are unlikely to be found. We therefore would not return to preparatory talks if they were to be conducted on the basis of U.N. Res. 34/138. We would ask the Cancun countries to agree to instruct their delegations and encourage others to put aside the substance and agenda of U.N. Res. 34/138 and begin afresh to work out a procedural basis and agenda that would offer the prospect of meaningful progress.
- (4) We are now, and would continue to be, willing to participate in talks with individual countries, with regional groups, with other interested parties -- and even with all countries simultaneously -- provided that:
- (a) the talks must have a practical orientation toward identifying, case-by-case, the specific potential for and obstacles to development -- obstacles which a cooperative effort might remove;
 - (b) the talks must proceed on a basis that would respect and preserve the competence, functions, powers, voting arrangements, and charters of the specialized international institutions -- and not seek to create new international institutions;
 - (c) the general objective of such talks must be the identification of conditions necessary to increase economic development (rather than a restructuring of the international economic system); and
 - (d) such talks must be entered into in a cooperative spirit rather than one in which views become polarized and chances for agreement are needlessly sacrificed.
- (5) We believe these conditions provide the only basis on which practical progress can be made. Preparatory talks conducted on the basis of U.N. Res. 34/138 have not and could not meet these conditions. But if talks at the U.N. could, on a new basis, meet these conditions, we would be willing to participate in them.

(II) SUBSTANTIVE ELEMENTS OF U.S. DEVELOPMENT POLICY FOR CANCUN

Long-term, non-inflationary growth depends upon:

- (a) adoption of appropriate domestic policies by developed and developing countries,
- (b) mobilization of internal (private sector) resources,
- (c) recognition that external resources generated by trade and investment are more important than development assistance.

Emphasis must shift from "resource transfer" proposals which have characterized the dialogue with developing countries to "resource generation" measures. Our approach requires an integrated policy approach across economic sectors, specifically, investment, trade, agriculture, and energy.

INVESTMENT

It is essential to create an overall economic and political environment conducive to both domestic and foreign investment.

Proposals

- (1) Increase co-financing and other private financing with the multilateral development banks.
- (2) Enhance the International Finance Corporation activities -- the IFC fosters private sector debt and equity financing of investments in the developing countries. Its program is increasing in both size and diversity. The bulk of the IFC projects (about \$3.3 billion) are privately financed in the LDCs from domestic and external sources.
- (3) Explore the further development of multilateral investment insurance guarantees, arranged through an "International Investment Insurance Agency" (within the framework of the IBRD), and building on the successful bi-lateral experience with OPIC.
- (4) Attempt to promote a general agreement on investment allowing countries to harmonize investment policies and to negotiate mutually beneficial improvements in the climate for investment.
- (5) Tax measures -- an effort will be made to identify developed and developing country tax measures which might increase market-oriented investment from both external and domestic sources in the LDCs.

TRADE

The U.S. is committed to an open world trading system which will provide all countries an opportunity to strengthen and diversify their economies.

Proposals

- (1) The U.S. will join with LDCs in working out an effective safeguards code that reflects mutual concerns and interests.
- (2) Encourage further trade liberalization, especially with the advanced developing countries -- use GATT.
- (3) Launch extensive rounds of consultations with all countries, including developing countries, in preparation for the GATT ministerial.
- (4) Announce that the U.S. will continue to support the generalized system of preferences and will take the lead in urging other developed countries to match us in expanding developing nations' access to markets.

AGRICULTURE

Emphasis will be on the importance of market-oriented policies, fostering greater reliance on markets and entrepreneurship. It is expected that this approach will create rising agricultural productivity, self-sustaining capacity for research and innovation, and stimulation of employment-creating entrepreneurship in rural areas.

Proposals

- (1) Encourage LDC economic policies which: (a) reduce or eliminate subsidies to food consumers; and (b) provide adequate and stable price incentives to their agricultural sector to increase production.
- (2) Emphasize innovative joint research and development activities undertaken through U.S. and LDC institutions.
- (3) Encourage rural credit, improved storage and distribution facilities, and roads to facilitate marketing and education.
- (4) Urge that recipient countries move toward market-oriented agriculture policy, which permits prices to find their own levels without production or consumption subsidies.

ENERGY

The U.S. will increase funding for energy-related activities in the years ahead, with emphasis on a mix of public and private efforts and the mobilization of LDC resources.

Proposals

- (1) U.S. bilateral assistance program in energy must stress technical assistance rather than resources transfers. The U.S. will support energy lending by multilateral institutions provided projects are economically viable. Such lending should accelerate LDC energy development by encouraging private investment in energy development. (Note: U.S. opposed to new Energy Affiliate.)
- (2) Greater private sector support will be sought in the energy area.
- (3) The U.S. will support selected elements of the program of action of the U.N. Conference on New and Renewable Resources of Energy.
- (4) Intensified energy training programs for technicians from developing countries will be considered, along with increased emphasis on helping LDCs assess and more efficiently utilize their resources.

NOTE: The foregoing proposals are elaborated upon in a set of papers developed through the Cabinet Council on Economic Affairs. In addition to detailed papers on the above, there are also papers which elaborate upon contributions already made by the U.S. -- to be interwoven as appropriate.

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34/138. Global negotiations relating to international economic co-operation for development

Date: 14 December 1979
Adopted without a vote

Meeting: 104
Draft: A/34/L.55

The General Assembly,

Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974 containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974 containing the Charter of Economic Rights and Duties of States and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation, which lay down the foundations for the establishment of the new international economic order,

Noting with deep concern that, despite the great efforts made by many countries, especially the developing countries, at a large number of meetings and international conferences aimed at the establishment of the new international economic order, only limited progress has been achieved,

Considering the report of the Committee of the Whole Established under General Assembly resolution 32/174, 81/

Taking note of the important resolution adopted at the Sixth Conference of Heads of State or Government of Non-Aligned Countries, held at Havana from 3 to 9 September 1979, on global negotiations relating to international economic co-operation for development, 82/

Emphasizing the imperative need to establish a new system of international economic relations based on the principles of equality and mutual benefit as also to promote the common interest of all countries,

Stressing that the establishment of such a new system calls for bold initiatives and demands new, concrete, comprehensive and global solutions going beyond limited efforts and measures intended to resolve only the present economic difficulties,

Urging all countries to commit themselves effectively to achieving, through international negotiations and other concerted action, the restructuring of international economic relations on the basis of the principles of justice and equality in order to provide for steady economic development, with due regard to the development potential of developing countries,

Emphasizing that such global negotiations must take place within the United Nations system,

Reaffirming in this context the central role of the General Assembly,

1. Decides to launch at its special session in 1980 a round of global and sustained negotiations on international economic co-operation for development, such negotiations being action-oriented and proceeding in a simultaneous manner in order to ensure a coherent and integrated approach to the issues under negotiation;

2. Agrees that such negotiations should:

(a) Take place within the United Nations system with the participation, in accordance with the procedures of relevant bodies, of all States and within a specified time-frame without prejudice to the central role of the General Assembly;

(b) Include major issues in the field of raw materials, energy, trade, development, money and finance;

81/ Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 34 (A/34/34).

82/ See A/34/542, annex, sect. VI B.

(c) Contribute to the implementation of the international development strategy for the third United Nations Development Decade;

(d) Contribute to the solution of international economic problems, within the framework of the restructuring of international economic relations, and to steady global economic development, in particular the development of developing countries, and, to this end, reflect the mutual benefit, the common interest and the responsibilities of the parties concerned, taking into account the general economic capability of each country;

3. Further agrees that these negotiations should not involve any interruption of, or have any adverse effect upon, the negotiations in other United Nations forums but should reinforce and draw upon them;

4. Agrees that the successful launching and ultimate success of global negotiations require the full commitment of all participants to careful and thorough preparations, including efficient procedures for the negotiations;

5. Decides that the Committee of the Whole Established under General Assembly Resolution 32/174 should act as the preparatory committee for these negotiations and propose all necessary arrangements worked out in accordance with its established procedures ^{83/} to enable the Assembly at its special session in 1980 to decide on an effective and prompt beginning of the global negotiations, and further decides that the Committee should submit to the Assembly at its special session its final report containing its recommendations on the procedures, the time-frame and detailed agenda for the global negotiations, taking into account paragraphs 1 to 4 above.

34/139. Proposals for global negotiations relating to international economic co-operation for development

Date: 14 December 1979

Meeting: 104

Adopted without a vote

Draft: A/34/L.15

The General Assembly,

Bearing in mind the decision to launch a round of global negotiations on international economic co-operation for development,

Recalling the important proposals made in relation to raw materials, energy, trade, development, money and finance,

Taking note with appreciation of the recent major proposals made by heads of State or Government which constitute an interrelated, action-oriented and global approach to the above-mentioned issues,

Convinced of the urgent need for the establishment of the new international economic order and, in this context, recalling the relevant resolutions,

Decides that the Committee of the Whole Established under General Assembly Resolution 32/174, acting as the preparatory committee for global negotiations, should include in its final report to the Assembly at its special session in 1980 suggestions and recommendations, relevant to the preparatory work assigned to it in Assembly resolution 34/138 of 14 December 1979, which may result from the consideration of the above-mentioned proposals and from others which may be presented to it, taking into account the interrelationship of the issues.

^{83/} See the agreed statement by the President of the thirty-third session of the General Assembly at its 39th plenary meeting, on 19 October 1978 (A/33/PV.39, p. 71).

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USEC

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E.O. 12065: N/A
TAGS: EGEN, UNGA
SUBJECT: GLOBAL NEGOTIATIONS

1. FOLLOWING IS STATEMENT BY AMBASSADOR WILLIAM VAN DEN
HEUVEL GIVEN DECEMBER 14 1979 IN UNGA ON GLOBAL NEGOTIATIONS:

QUOTE WE ARE PLEASED TO JOIN THE CONSENSUS ON THIS
RESOLUTION ON GLOBAL NEGOTIATIONS. TOGETHER WE HAVE
TAKEN A SIGNIFICANT STEP IN A PROCESS, THE DURATION AND
SCOPE OF WHICH HAS YET TO BE FINALLY DETERMINED. WE
ARE COMMITTED, AS I AM SURE OTHERS ARE, TO POSITIVE AND
CONSTRUCTIVE PARTICIPATION IN THE COMMITTEE OF THE WHOLE
A CONCERTED EFFORT TO AGREE ON MUTUALLY SATISFACTORY
ARRANGEMENTS THAT WILL PERMIT THE SPECIAL SESSION ON
DEVELOPMENT TO DECIDE ON AN "EFFECTIVE AND PROMPT BE-
GINNING" FOR THE NEGOTIATIONS.

IF PROPERLY PREPARED, THESE NEGOTIATIONS CAN
MAKE AN IMPORTANT CONTRIBUTION TO A SYSTEM OF INTERNATIONAL
ECONOMIC RELATIONS THAT IS JUST, EQUITABLE, AND MUTUALLY
BENEFICIAL.

FOR OUR IMPENDING PREPARATORY WORK TO SUCCEED, WE
MUST CLEARLY UNDERSTAND AND TAKE INTO ACCOUNT THE SUB-
STANTIVE INTERESTS AND CONCERNS OF ALL.

MY DELEGATION HAS MADE OUR SUBSTANTIVE VIEWS KNOWN
DURING THE NEGOTIATIONS ON THE RESOLUTION. BUT TO
FACILITATE PROGRESS IN THE WORK OF THE COW, I WISH TO
REITERATE FORMALLY OUR UNDERSTANDING OF CERTAIN PROVISIONS
IN THE RESOLUTION WE ARE ADOPTING BY CONSENSUS.

IN OUR VIEW, AND I THINK THE VIEW OF MANY OTHERS, OPERA-
TIVE PARAGRAPHS 1 AND 5 COMMIT US ALL TO THE PRINCIPLE
OF GLOBAL NEGOTIATIONS; HOWEVER, THE BEGINNING OF THESE
NEGOTIATIONS IS SUBJECT TO SATISFACTORY AND MUTUALLY
ACCEPTABLE COMPLETION OF THE PREPARATORY PROCESS. AS
AMBASSADOR MCHENRY INDICATED TO THE GENERAL ASSEMBLY,
THE COMMITTEE OF THE WHOLE WILL BEGIN A PROCESS FOR
LAUNCHING A SHIP CALLED GLOBAL NEGOTIATIONS, BUT UNLESS
OUR WORK IN THE COW SUCCESSFULLY CONSTRUCTS THIS SHIP,
CANNOT BEGIN ITS VOYAGE. ALL OF US THEREFORE MUST
RECOGNIZE THE HARD WORK BEFORE US AND THE NEED FOR THE
NECESSARY WILL TO FIND THE ACCOMMODATIONS THAT ADVANCE
OUR COMMON INTERESTS AND PERMIT THE GLOBAL NEGOTIATIONS
TO GET UNDERWAY.

THE NEGOTIATIONS ON THIS RESOLUTION HAVE DEMONSTRATED
NOT ONLY A SENSE OF COMMITMENT BUT ALSO A WILLINGNESS
ON THE PART OF ALL TO SEEK COMMON AGREEMENT. IN THIS
CONNECTION I WOULD LIKE TO EXPRESS THE APPRECIATION
OF MY DELEGATION TO ALL OUR COLLEAGUES BUT ESPECIALLY TO
AMBASSADOR NAIK WHOSE CREATIVE SKILLS AND GENEROUS PER-
SONALITY ARE DIRECTLY RESPONSIBLE FOR THE SUCCESS OF THE
NEGOTIATIONS, AND AMBASSADOR MICHRA, SPOKESMAN FOR THE
GROUP OF 77, A REMARKABLE COMBINATION OF WISDOM, STRENGTH,
AND PATIENCE. IT IS THIS SPIRIT OF COMMITMENT, OF
REALISM, AND OF DILIGENCE WHICH WILL BE REQUIRED DURING
THE PREPARATORY PROCESS IF WE ARE TO ACHIEVE A
REAL AND MEANINGFUL BASIS FOR THE GLOBAL NEGOTIATIONS.

REGARDING OPERATIVE PARAGRAPH 2, WE APPRECIATE THE
STRONG DESIRE OF MANY NATIONS TO ENSURE THAT THE GLOBAL
NEGOTIATIONS TAKE PLACE IN THE UNITED NATIONS SYSTEM AND
THAT THEY COVER MANY CATEGORIES OF SUBJECTS. WE SUPPORT
THIS GENERAL CONCEPT. BUT WE WANT TO MAKE UNAMBIGUOUSLY
CLEAR THAT THERE ARE CERTAIN SUBJECTS THAT CAN BE, AND
IN FACT MUST BE NEGOTIATED IN THEIR APPROPRIATE FORA.
INTERNATIONAL MONETARY ISSUES MUST BE NEGOTIATED IN
THE INTERNATIONAL MONETARY FUND; GATT MATTERS MUST BE
NEGOTIATED IN THE GATT. WE CAN CERTAINLY CONCEIVE OF
A STRUCTURE THAT WOULD PERMIT THE WORK IN THESE FORA
AND OTHER ACTIVE, SPECIALIZED FORA TO BE PART OF THE
ENTIRE PROCESS.

IN THIS CONNECTION, WE EMPHASIZE THAT THE FINAL
PHRASE OF PARA 2A - "WITHOUT PREJUDICE TO THE CENTRAL
ROLE OF THE GENERAL ASSEMBLY" - DOES NOT ALTER THE
RESPECTIVE ROLE AND POWERS OF THE VARIOUS ORGANIZATIONS
OF THE UN SYSTEM THAT ARE SPELLED OUT IN THEIR RELATIONSHIP
AGREEMENTS WITH THE UNITED NATIONS, NOR DOES IT CHANGE

Department of State

INCOMING
TELEGRAM

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THE RECOMMENDATORY NATURE OF UNGA RESOLUTIONS AND DECISIONS
AS ESTABLISHED IN THE CHARTER.

WE ARE PLEASED THAT PARA 2C STATES THAT THE GLOBAL
NEGOTIATIONS SHOULD NEITHER INTERRUPT NOR ADVERSELY
AFFECT ONGOING NEGOTIATIONS. IT IS OUR VIEW, FOR
EXAMPLE, THAT A DUPLICATION OF ACTIVE NEGOTIATIONS BEING
HELD IN OTHER FORA WOULD REPRESENT SUCH AN ADVERSE IMPACT.
IN SAYING THIS, LET ME MAKE IT CLEAR THAT IT IS NOT OUR
INTENTION TO SUGGEST THAT THE GLOBAL NEGOTIATIONS BE
RESTRICTED TO ANY SINGLE TOPIC. IT IS SIMPLY TO RECOG-
NIZE A REALITY: THE INTERNATIONAL COMMUNITY HAS NEITHER
TIME, THE RESOURCES, NOR THE PUBLIC SUPPORT FOR NEGOTI-
ATING THE SAME ISSUE IN TWO OR MORE PLACES AT THE
SAME TIME. ON THE OTHER HAND, WE FULLY SHARE THE VIEW
THAT THE GLOBAL NEGOTIATIONS SHOULD REINFORCE AND DRAW
UPON THE WORK GOING ON IN EXISTING FORA.
FINALLY, MR. PRESIDENT, LET ME COMMENT ON TWO OF THE
PREAMBULAR PARAGRAPHS:

THE CONSTRUCTION OF PREAMBULAR PARA 2 DOES NOT
FULLY MEET OUR DESIRES. WHILE WE SHARE THE VIEW THAT
NOT ENOUGH PROGRESS HAS BEEN MADE TO ACHIEVE THE INTER-
NATIONAL ECONOMIC SYSTEM WHICH WOULD BEST SERVE THE
INTERESTS OF ALL NATIONS, INCLUDING OUR OWN, WE ARE
CONVINCED THAT CONSIDERABLE PROGRESS HAS, IN FACT,
BEEN MADE IN THE LAST SEVERAL YEARS. CONSEQUENTLY, WE DO
NOT BELIEVE THE WORDS "LIMITED PROGRESS" ACCURATELY
CONVEY WHAT HAS BEEN DONE.

MOREOVER, FOR THE SAKE OF CONSENSUS, WE HAVE AGREED
TO SINGLE OUT THE DEVELOPING COUNTRIES IN THIS PARTICULAR
PREAMBULAR PARA. BUT LET ME STRESS THAT MY GOVERNMENT
DOES NOT ACCEPT THAT THIS GROUP OF COUNTRIES, NOR ANY
OTHER, HAS NECESSARILY MADE THE GREATEST EFFORT TO
PRODUCE AN IMPROVED INTERNATIONAL ECONOMIC SYSTEM; RATHER,
THE NEGOTIATED REFORMS OF THE SYSTEM HAVE REQUIRED GREAT
EFFORTS BY MANY NATIONS AND GROUPS OF NATIONS.

PREAMBULAR PARA 7 CALLS FOR ALL COUNTRIES TO COMMIT
THEMSELVES TO ACHIEVING A RESTRUCTURING OF INTERNATIONAL
ECONOMIC RELATIONS THROUGH NEGOTIATION AND OTHER CONCERTED
ACTION. WE ACCEPT THIS COMMITMENT. BUT WE WISH TO
INDICATE THAT WE DO NOT INTERPRET THIS LANGUAGE TO
SUGGEST THAT NEGOTIATIONS AND CONCERTED ACTION ARE THE
EXCLUSIVE WAYS FOR ACHIEVING THIS OBJECTIVE. THERE ARE
INDEED MANY ACTIONS IN THE PRIVATE SECTOR AND IN THE
PUBLIC SECTOR, ON THE NATIONAL AND INTERNATIONAL LEVEL,
THAT BRING ABOUT CHANGES IN THE INTERNATIONAL ECONOMIC

SYSTEM BUT DO NOT NECESSARILY INVOLVE INTERNATIONAL
NEGOTIATIONS AMONG GOVERNMENTS.

MR. PRESIDENT, MY GOVERNMENT IS COMMITTED TO
MAKING STRONG EFFORTS TO FINDING MUTUALLY ACCEPTABLE
MODALITIES AND ARRANGEMENTS FOR GLOBAL NEGOTIATIONS
AND TO ENSURING THAT THESE NEGOTIATIONS WILL MAKE A
POSITIVE AND CONSTRUCTIVE CONTRIBUTION TO THE INTER-
NATIONAL ECONOMIC SYSTEM AND TO THE DEALING COLLECTIVELY
WITH GLOBAL ECONOMIC PROBLEMS. TO ACHIEVE THESE OB-
JECTIVES, HOWEVER, IT IS IMPERATIVE THAT MY NATION AND
ALL NATIONS TOGETHER SEEK TO IDENTIFY THOSE AREAS THAT
ARE RIPE FOR INTERNATIONAL NEGOTIATIONS THAT WILL
PRODUCE ARRANGEMENTS, AGREEMENTS, AND UNDERSTANDING THAT
SERVE THE INTERESTS OF ALL. IT IS ALSO IMPORTANT THAT
THE PROCESS LEAD TO INCREASED UNDERSTANDING OF EACH
OTHER'S CONCERNS AND INTERESTS IN AREAS WHERE WE NOW
HAVE FUNDAMENTAL DIFFERENCES AS THE ESSENTIAL
FIRST STEP LEADING HOPEFULLY TO SUBSEQUENT ACCOMODATION.

WITH REGARD TO DRAFT RESOLUTION L.15 RELATING TO PROPOSALS
FOR GLOBAL NEGOTIATIONS, MY DELEGATION IN THE INFORMAL
NEGOTIATIONS EXPRESSED ITS CONCERNS ABOUT THE WORDING
PROPOSED BY PREAMBULAR PARA 4. WE THEREFORE WISH TO
EXPRESS OUR APPRECIATION TO THE COSPONSORS OF THIS
RESOLUTION FOR ACCOMODATING THESE CONCERNS. THE RECORDS
OF THE GENERAL ASSEMBLY MAKE EXPLICIT OUR RESERVATIONS
ON SPECIFIC ELEMENTS IN RESOLUTIONS RELATING TO THE
NEW INTERNATIONAL ECONOMIC ORDER. THOSE RESERVATIONS
STILL STAND. BUT IN CLOSING, MR. PRESIDENT, I WOULD
LIKE TO QUOTE FROM A SPEECH BY AMBASSADOR YOUNG BEFORE
THE 63RD SESSION OF ECOSOC WHICH EXPRESSES OUR APPROACH
TO THE NEW INTERNATIONAL ECONOMIC ORDER AND, IT SEEMS TO
ME, PROVIDES A SOUND BASIS FROM WHICH WE CAN ALL APPROACH
GLOBAL NEGOTIATIONS:

" . . WE ARE INVOLVED IN A ROLLING, NEVER-ENDING

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ACTION 10-15

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 AID-05 CIAE-00 COM-04 EB-08 FRB-01 INR-10 NSAE-00
 ICA-15 TRSE-00 XMB-04 OPIC-07 SP-02 LAB-04 H-02
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USEC, USOECD

PROCESS TOWARD OBJECTIVES WHICH MUST CONSTANTLY BE RE-
 ADJUSTED - A PROCESS THAT INVOLVES PERSEVERANCE IN
 PURSUING VALID CONCEPTS BUT AT THE SAME TIME PERMITS
 THE INCORPORATION OF NEW IDEAS AND THE ABANDONMENT OR
 REVISION OF THOSE THAT PROVE UNWORKABLE OR UNATTAINABLE.
 THE ONLY UNCHANGEABLE ELEMENT IN THIS PROCESS IS ITS
 FUNDAMENTAL PURPOSE: TO ACHIEVEMENT OF ECONOMIC JUSTICE
 FOR NATIONS AND FOR PEOPLE."

MR. PRESIDENT, WE COMMIT OURSELVES TO A REALISTIC,
 PRAGMATIC PROCESS. WE BRING TO IT GOOD WILL AND GOOD
 FAITH. WE ARE CONVINCED THAT IF OTHERS DO LIKEWISE -
 AND WE THINK THEY WILL - THAT THE SPECIAL SESSION ON
 DEVELOPMENT CAN DECIDE TO BEGIN A NEW ROUND OF GLOBAL
 NEGOTIATIONS THAT WILL ADVANCE THE ECONOMIC AND POLITICAL
 INTERESTS OF ALL OF OUR NATIONS AND THAT WILL CONTRIBUTE
 TO THE STABILITY, SECURITY AND ECONOMIC HEALTH OF THE
 INTERNATIONAL SYSTEM. END QUOTE. MCHENRY

VON WECHMAR TEXTS OF DECEMBER 14, 1980

Procedures

1. FOR THE PURPOSE OF THE GLOBAL NEGOTIATIONS, THE THIRTY-FIFTH SESSION OF THE GENERAL ASSEMBLY DECIDES TO CONVENE A UNITED NATIONS CONFERENCE FOR GLOBAL NEGOTIATIONS ON INTERNATIONAL ECONOMIC CO-OPERATION FOR DEVELOPMENT.

2. THE CONFERENCE SHOULD HAVE UNIVERSAL PARTICIPATION, AT A HIGH POLITICAL LEVEL, AND WILL BE THE FORUM FOR CO-ORDINATING AND CONDUCTING THE GLOBAL NEGOTIATIONS WITH A VIEW TO ENSURING A SIMULTANEOUS, COHERENT AND INTEGRATED APPROACH TO ALL THE ISSUES UNDER NEGOTIATION. THE CONFERENCE SHOULD RESULT IN A PACKAGE AGREEMENT.

3. FOR THE PURPOSE OF FACILITATING THE GLOBAL NEGOTIATIONS, THE CONFERENCE WILL, IN THE INITIAL PERIOD WHICH SHOULD NOT EXCEED EIGHT WEEKS, ESTABLISH OBJECTIVES FOR AND PROVIDE GUIDANCE ON THE AGENDA ITEMS OR PARTS THEREOF.

4. THE CONFERENCE WILL ENTRUST SPECIFIC AGENDA ITEMS OR PARTS THEREOF TO SPECIALIZED FORA WITHIN THE UNITED NATIONS SYSTEM IN ACCORDANCE WITH THEIR COMPETENCE OR TO SUCH AD HOC GROUPS AS IT WILL CREATE. THE CONFERENCE WILL INDICATE THE TIME-FRAME FOR THESE NEGOTIATIONS.

5. THE CONFERENCE WILL RECEIVE THE RESULTS FROM THE SPECIALIZED FORA AND AD HOC GROUPS WITHIN THE INDICATED TIME-FRAME, WITH A VIEW TO CONCLUDING THE GLOBAL NEGOTIATIONS WITH A PACKAGE AGREEMENT.

6. IN FULLY DISCHARGING ITS MANDATE AND FULFILLING ITS ROLE, THE CONFERENCE WILL NOT:

- PREJUDICE THE COMPETENCE, FUNCTIONS AND POWERS OF THE SPECIALIZED FORA WITHIN THE UNITED NATIONS SYSTEM;
- BE PRECLUDED FROM TAKING UP ANY ISSUES RELATING TO THE RESTRUCTURING OF INTERNATIONAL ECONOMIC RELATIONS;
- BE PRECLUDED FROM ENTRUSTING AGENDA ITEMS IN ACCORDANCE WITH PARAGRAPH 4 ABOVE.

7. ALL PARTIES TO THE PACKAGE AGREEMENT WILL BE COMMITTED TO ITS IMPLEMENTATION. WHERE SUCH IMPLEMENTATION INVOLVES ACTION BY SPECIALIZED FORA WITHIN THE UNITED NATIONS SYSTEM, PARTIES TO THE AGREEMENT WILL ACT THROUGH THE INTER-GOVERNMENTAL BODIES OF THESE FORA, IN ACCORDANCE WITH THEIR COMPETENCE AND RULES OF PROCEDURES.

8. THE CONFERENCE WILL FUNCTION IN ACCORDANCE WITH THE PROCEDURES OF THE GENERAL ASSEMBLY. HOWEVER, IT WILL REACH AGREEMENT BY CONSENSUS ON ALL IMPORTANT MATTERS,

SUCH AS THOSE REFERRED TO IN PARAGRAPHS 2,3,4,5, AND 6.

9. THE CONFERENCE SHOULD MEET THROUGHOUT AT UNITED NATIONS HEADQUARTERS IN NEW YORK.

10. THE CONFERENCE SHOULD START FUNCTIONING ON _____ 1981 AND SHOULD MAKE EVERY EFFORT TO CONCLUDE BY _____

11. THE CONFERENCE SHOULD HAVE THE HIGHEST PRIORITY IN RESPECT OF FACILITIES AND SERVICES, INCLUDING INTERPRETATION AND TRANSLATION IN ALL THE OFFICIAL AND WORKING LANGUAGES OF THE GENERAL ASSEMBLY AND ITS MAIN COMMITTEES TO BE PROVIDED BY THE UNITED NATIONS SECRETARIAT. THE NECESSARY FACILITIES AND RESOURCES SHOULD ALSO BE PROVIDED FOR ALL PREPARATORY ARRANGEMENTS, AT UNITED NATIONS HEADQUARTERS INCLUDING REGIONAL AND OTHER GROUP MEETINGS, FOR THE PURPOSE THE NEGOTIATIONS.

12. APPROPRIATE ARRANGEMENTS WOULD HAVE TO BE MADE TO ENSURE THE PROVISION AND CO-ORDINATION OF THE INPUTS OF THE SECRETARIATS OF THE UNITED NATIONS SYSTEM TO THE CONFERENCE.

13. UPON REQUEST, THE CONFERENCE MAY INVITE SPECIALIZED INTERREGIONAL, REGIONAL AND SUBREGIONAL INTERGOVERNMENTAL ORGANIZATIONS RELEVANT TO THE TASK OF THE CONFERENCE, TO ATTEND THE CONFERENCE.

Agenda

CNAPEAU

1. GLOBAL NEGOTIATIONS PROVIDE AN OPPORTUNITY FOR THE WORLD COMMUNITY TO ENGAGE IN COHERENT, INTEGRATED, SIMULTANEOUS AND SUSTAINED NEGOTIATIONS ON MAJOR WORLD ECONOMIC ISSUES OF CONCERN TO ALL COUNTRIES IN THE FIELD OF RAW MATERIALS, ENERGY, TRADE, DEVELOPMENT, MONEY AND FINANCE. THE NEGOTIATIONS SHOULD REFLECT THE MUTUAL BENEFIT, THE COMMON INTEREST, AND THE RESPONSIBILITIES OF THE PARTIES CONCERNED, TAKING INTO ACCOUNT THE GENERAL ECONOMIC CAPABILITY OF EACH COUNTRY AND SHOULD CONTRIBUTE TO:

- (A) THE SOLUTION OF INTERNATIONAL ECONOMIC PROBLEMS WITHIN THE FRAMEWORK OF THE RESTRUCTURING OF INTERNATIONAL ECONOMIC RELATIONS;
- (B) STEADY GLOBAL ECONOMIC DEVELOPMENT AND, IN PARTICULAR, THE DEVELOPMENT OF DEVELOPING COUNTRIES;
- (C) THE IMPLEMENTATION OF THE INTERNATIONAL DEVELOPMENT STRATEGY FOR THE THIRD UNITED NATIONS DEVELOPMENT DECADE.

2. EMPHASIZING THE IMPERATIVE NEED TO ESTABLISH A NEW SYSTEM OF INTERNATIONAL ECONOMIC RELATIONS, ALL COUNTRIES SHOULD COMMIT THEMSELVES TO ACHIEVING, THROUGH INTERNATIONAL NEGOTIATIONS AND OTHER CONCERTED ACTION, THE RESTRUCTURING OF INTERNATIONAL NEGOTIATIONS AND OTHER CONCERTED ACTION, THE RESTRUCTURING OF INTERNATIONAL NEGOTIATIONS AND OTHER CONCERTED ACTION, THE RESTRUCTURING OF INTERNATIONAL ECONOMIC RELATIONS ON THE BASIS OF THE PRINCIPLES OF JUSTICE, EQUALITY AND MUTUAL BENEFIT, WITH DUE REGARD TO THE DEVELOPMENT POTENTIAL OF DEVELOPING COUNTRIES.

3. ECONOMIC INTERDEPENDENCE IS A GROWING REALITY AMONG COUNTRIES AT DIFFERENT LEVELS OF DEVELOPMENT. THIS REALITY COMPELS INTERNATIONAL CO-OPERATION WHICH SHOULD BE SUPPORTED BY COHERENT NATIONAL ECONOMIC POLICIES ON THE PART OF ALL MEMBERS OF THE INTERNATIONAL COMMUNITY, SO THAT MAXIMUM DEVELOPMENT AND STEADY ECONOMIC GROWTH CAN BE ACHIEVED BY ALL WITHIN THE FRAMEWORK OF RESPECTIVE NATIONAL DEVELOPMENT STRATEGIES AND PRIORITIES.

4. THE GLOBAL NEGOTIATIONS SHOULD BE ACTION-ORIENTED AND AIM AT REACHING AGREEMENT BY THE INTERNATIONAL COMMUNITY ON CONCRETE AND MUTUALLY REINFORCING MEASURES DESIGNED TO ACHIEVE NEW, COMPREHENSIVE AND GLOBAL SOLUTIONS TO PROBLEMS IN EACH AND ALL OF THE FIELDS OUTLINED IN THE AGENDA. THESE SOLUTIONS SHOULD GO BEYOND LIMITED EFFORTS AND MEASURES INTENDED TO RESOLVE ONLY THE PRESENT ECONOMIC DIFFICULTIES.

5. IN RELATION TO ALL ITEMS ON THE AGENDA OF THE GLOBAL NEGOTIATIONS, SPECIAL EMPHASIS MUST BE PLACED ON THE NEEDS AND REQUIREMENTS OF DEVELOPING COUNTRIES AND ON THEIR DEVELOPMENT POTENTIAL. THE GLOBAL NEGOTIATIONS SHOULD SUBSTANTIALLY CONTRIBUTE TO THE RAPID DEVELOPMENT OF DEVELOPING COUNTRIES, THUS ENABLING THEM TO ACHIEVE GREATER SELF-RELIANCE AND ENHANCE THEIR CAPACITY TO PLAY

AN EFFECTIVE ROLE IN INTERNATIONAL ECONOMIC RELATIONS, INCLUDING THE PROCESS OF DECISION-MAKING.

6. IN THE FACE OF DIFFICULT ECONOMIC CONDITIONS, CONCERTED MEASURES ARE REQUIRED FROM THE INTERNATIONAL COMMUNITY TO SUSTAIN ADEQUATE LEVELS OF ECONOMIC GROWTH AND DEVELOPMENT IN THE DEVELOPING WORLD, PARTICULARLY IN THE LEAST DEVELOPED COUNTRIES AND OTHER DEVELOPING COUNTRIES, INCLUDING THOSE IN OTHER SPECIAL CATEGORIES, WHERE THE DEVELOPMENT NEEDS AND PROBLEMS ARE GREATEST.

7. THE WORDING OF THE AGENDA ITEMS DOES NOT PREJUDGE THE OUTCOME OF THE NEGOTIATIONS AND DOES NOT PRECLUDE THE DISCUSSION OF ANY SUBJECT RELATED TO THE AGENDA.

8. ACCORDINGLY THE FOLLOWING AGENDA OF WHICH THE ABOVE PARAGRAPHS ARE AN INTEGRAL PART IS AGREED FOR THE GLOBAL NEGOTIATIONS ON INTERNATIONAL ECONOMIC CO-OPERATION FOR DEVELOPMENT.

AGENDA ITEMS

1. QUESTIONS RELATED TO ACHIEVING A REAL INCREASE IN AND STABILIZATION OF THE EXPORT EARNINGS DERIVED FROM PRIMARY COMMODITIES AND RAW MATERIALS.

2. PARTICIPATION OF DEVELOPING COUNTRIES IN THE TRADE, TRANSPORTATION, MARKETING AND DISTRIBUTION OF THEIR COMMODITIES AND RAW MATERIALS; LOCAL PROCESSING AND STORAGE OF COMMODITIES AND RAW MATERIALS PRODUCED BY DEVELOPING COUNTRIES.

3. DEVELOPMENT OF NATURAL RESOURCES.

4. QUESTIONS RELATED TO TRADE, INCLUDING ACCESS TO MARKETS, PROTECTIONISM AND STRUCTURAL ADJUSTMENT, WHICH SHOULD LEAD, INTER ALIA, TO IMPROVEMENT IN TERMS OF TRADE.

5. (SHIPPING).

6. IN THE LIGHT OF THE SCARCITY OF PETROLEUM RESOURCES, AND THE NEED TO RAPIDLY DEVELOP CONVENTIONAL AS WELL AS ALTERNATIVE SOURCES OF ENERGY TO MEET THE GROWING REQUIREMENTS FOR FUTURE ECONOMIC GROWTH AND DEVELOPMENT, AND RELATED PROBLEMS OF COMMON INTEREST:

(A) URGENT MEASURES BY THE INTERNATIONAL COMMUNITY TO MEET ITS ENERGY REQUIREMENTS, INCLUDING PARTICULARLY) OF ENERGY-DEFICIENT DEVELOPING COUNTRIES, ON A CONTINUING BASIS;

(B) EFFECTIVE MEASURES FOR CONSERVATION AND RATIONAL USE OF ENERGY;

(C) DEMAND AND SUPPLY OF ALL FORMS OF ENERGY AND RELATED PROBLEMS (, INCLUDING CRITERIA FOR PRICING);

(D) MEASURES, BY THE INTERNATIONAL COMMUNITY, INCLUDING THE PROVISION OF FINANCIAL AND/OR TECHNICAL ASSISTANCE

(I) EXPLORATION FOR AND DEVELOPMENT OF NEW AND RENEWABLE AS WELL AS CONVENTIONAL SOURCES OF ENERGY IN ORDER TO INCREASE ITS AVAILABILITY;

(II) TECHNICAL AND TECHNOLOGICAL ASPECTS OF CONVENTIONAL ENERGY PRODUCTION AND CONSERVATION;

(III) RELEVANT AREAS OF RESEARCH AND DEVELOPMENT;

(IV) PLANNING OF ENERGY PROGRAMMES AND PROJECTS IN INTERESTED COUNTRIES.

7. PARTICIPATION OF DEVELOPING COUNTRIES IN THE DOWNSTREAM ACTIVITIES IN THE FIELD OF ENERGY.

8. INTERNATIONAL CO-OPERATION FOR THE DEVELOPMENT AND DIVERSIFICATION OF FOOD AND AGRICULTURAL PRODUCTION AND IMPROVEMENT OF NUTRITION IN DEVELOPING COUNTRIES, THROUGH SUCH MEASURES AS:

(A) TRANSFER OF RESOURCES TO SUPPLEMENT MOBILIZATION OF DOMESTIC RESOURCES;

(B) RESEARCH AND DEVELOPMENT AND TRANSFER OF TECHNOLOGY AND ITS ADAPTATION TO THE NEEDS OF INDIVIDUAL COUNTRIES AND REGIONS;

(C) SUPPORT FOR THE IMPLEMENTATION OF NATIONAL AGRICULTURAL DEVELOPMENT STRATEGIES, INCLUDING THE IMPROVEMENT OF FOOD STORAGE AND DISTRIBUTION FACILITIES IN DEVELOPING COUNTRIES.

9. THE ESTABLISHMENT OF AN EFFECTIVE BASIS FOR WORLD FOOD SECURITY, INCLUDING FOOD AID, EMERGENCY FOOD RESERVE AND OTHER RELATED QUESTIONS.

10. URGENT, CONCERTED AND SUSTAINED INTERNATIONAL ACTION, TAKING INTO ACCOUNT UNCTAD RESOLUTION 122 (V), TO ASSIST THE LEAST DEVELOPED COUNTRIES TO OVERCOME THEIR SERIOUS STRUCTURAL PROBLEMS (THROUGH, INTER ALIA, THE ALLOCATION OF ADEQUATE RESOURCES TO THIS END).

11. POSITIVE ADJUSTMENT POLICIES AND INCENTIVES WITH A VIEW TO ACCELERATING THE INDUSTRIALIZATION OF DEVELOPING COUNTRIES THROUGH THE RESTRUCTURING OF (WORLD INDUSTRY/WORLD INDUSTRIAL CAPACITIES), TAKING INTO ACCOUNT REGIONAL STRATEGIES FOR INDUSTRIAL DEVELOPMENT AND INTEGRATION.

ALTERNATIVE FORMULATION:

MEASURES TO ACCELERATE THE INDUSTRIALIZATION OF DEVELOPING COUNTRIES, TAKING INTO ACCOUNT REGIONAL STRATEGIES FOR INDUSTRIAL DEVELOPMENT AND INTEGRATION, WHICH SHOULD LEAD TO CONTINUING RESTRUCTURING OF WORLD INDUSTRY.

12. MEASURES TO SUPPORT THE TRANSFER OF TECHNOLOGY TO DEVELOPING COUNTRIES, INCLUDING THE ADAPTATION AND APPLICATION OF SUCH TECHNOLOGY.

13. MEASURES TO SUPPORT THE DEVELOPMENT OF INFRASTRUCTURE IN DEVELOPING COUNTRIES, SUCH AS THE IMPLEMENTATION OF THE TRANSPORT AND COMMUNICATIONS DECADE IN AFRICA.

14. MEASURES TO ENHANCE AND IMPROVE THE TRANSFER OF RESOURCES FOR ECONOMIC DEVELOPMENT, IN KEEPING WITH DEVELOPMENT REQUIREMENTS, THROUGH:

(A) CONCESSIONAL FLOWS, INCLUDING OFFICIAL DEVELOPMENT ASSISTANCE TO DEVELOPING COUNTRIES, IN PARTICULAR TO THOSE DEVELOPING COUNTRIES WHERE THE DEVELOPMENT NEEDS AND PROBLEMS ARE GREATEST;

(B) NON-CONCESSIONAL FLOWS, INCLUDING ACCESS TO CAPITAL MARKETS, DIRECT INVESTMENT AND CO-FINANCING;

(C) RELATED ARRANGEMENTS AS MAY BE REQUIRED.)

15. FINANCING OF BALANCE-OF-PAYMENT DEFICITS.

16. DEBT PROBLEMS OF DEVELOPING COUNTRIES.

17. APPROACHES TO ENSURE THE GROWTH AND STABILITY OF NEW TYPES OF FLOWS, INCLUDING AVAILABLE FUNDS IN FINANCIAL AND CAPITAL MARKETS, TO FACILITATE SUSTAINABLE ECONOMIC GROWTH AND DEVELOPMENT (AND TO ENSURE THE SECURITY AND VALUE OF THESE FLOWS).

ALTERNATIVE FORMULATION:

NEW TYPES OF FINANCIAL FLOWS AND RELATED PROBLEMS.

18. EFFORTS TO ENHANCE THE RESPONSIVENESS OF THE INTERNATIONAL MONETARY SYSTEM TO THE ECONOMIC GROWTH AND DEVELOPMENT NEEDS OF THE INTERNATIONAL COMMUNITY THROUGH CONTINUING IMPROVEMENT AND CHANGES IN THE SYSTEM:

(A) INTERNATIONAL LIQUIDITY IN ALL ITS ASPECTS (INCLUDING SDR ALLOCATIONS AND THEIR RELATION TO DEVELOPMENT FINANCE);

(B) SURVEILLANCE OF EXCHANGE RATES AND OF BALANCE-OF-PAYMENT POLICIES;

(C) PARTICIPATION OF THE DEVELOPING COUNTRIES IN THE DECISION-MAKING PROCESS;

(D) ADJUSTMENT PROCESS IN ALL ITS ASPECTS:

(I) MODALITIES OF THE EXISTING ADJUSTMENT PROCESS AND THEIR ADEQUACY;

(II) CONTRIBUTIONS BY INTERNATIONAL FINANCIAL AND MONETARY INSTITUTIONS TO THE ADJUSTMENT PROCESS;

(III) FACILITIES IN THE CONTEXT OF THE ADJUSTMENT PROCESS;

(E) TERMS AND CONDITIONS FOR THE USE OF INTERNATIONAL MONETARY FUND RESOURCES;)

(F) PROBLEMS OF PROTECTION OF REAL FINANCIAL ASSETS OF CAPITAL SURPLUS DEVELOPING COUNTRIES.)

19. IMPACT OF INFLATION ON ECONOMIC GROWTH AND DEVELOPMENT.

20. (INTERNATIONAL ASSISTANCE FOR NATIONAL DEMOGRAPHIC POLICIES AND PROGRAMMES IN COUNTRIES INTERESTED IN SUCH ASSISTANCE.)

Declaration of Economic Summit Ottawa July 21, 1981

1. We have met at a time of rapid change and great challenge to world economic progress and peace. Our meeting has served to reinforce the strength of our common bonds. We are conscious that economic issues reflect and affect the broader political purposes we share. In a world of interdependence, we reaffirm our common objectives and our recognition of the need to take into account the effects on others of policies we pursue. We are confident in our joint determination to tackle our problems in a spirit of shared responsibility, both among ourselves and with our partners throughout the world.

The Economy

2. The primary challenge we addressed at this meeting was the need to revitalize the economies of the industrial democracies, to meet the needs of our own people and strengthen world prosperity.

3. Since the Venice Summit the average rate of inflation in our countries has fallen, although in four of them inflation remains in double figures. In many countries unemployment has risen sharply and is still rising. There is a prospect of moderate economic growth in the coming year but at present it promises little early relief from unemployment. The large payments deficits originating in the 1979-80 oil price increase have so far been financed without imposing intolerable adjustment burdens but are likely to persist

for some time. Interest rates have reached record levels in many countries and, if long sustained at these levels, would threaten productive investment.

4. The fight to bring down inflation and reduce unemployment must be our highest priority and these linked problems must be tackled at the same time. We must continue to reduce inflation if we are to secure the higher investment and sustainable growth on which the durable recovery of employment depends. The balanced use of a range of policy instruments is required. We must involve our peoples in a greater appreciation of the need for change: change in expectations about growth and earnings, change in management and labor relations and practices, change in the pattern of industry, change in the direction and scale of investments and change in energy use and supply.

5. We need in most countries urgently to reduce public borrowing; where our circumstances permit or we are able to make changes within the limits of our budgets, we will increase support for productive investment and innovation. We must also accept the role of the market in our economies. We must not let transitional measures that may be needed to ease change become permanent forms of protection or subsidy.

6. We see low and stable monetary growth as essential to reducing inflation. Interest rates have to play their part in achieving this and are likely to remain high where fears of inflation remain strong. But we are fully aware that levels and movements of interest rates in one country can make stabilization policies more difficult in other countries by influencing their exchange rates and their economies. For these reasons, most of us need also to rely on containment of budgetary deficits, by means of restraint in government expenditures as necessary. It is also highly desirable to minimize volatility of interest rates and exchange rates; greater

stability in foreign exchange and financial markets is important for the sound development of the world economy.

7. In a world of strong capital flows and large deficits it is in the interests of all that the financial soundness of the international banking system and the international financial institutions be fully maintained. We welcome the recently expanded role of the IMF [International Monetary Fund] in financing payments deficits on terms which encourage needed adjustment.

8. In shaping our long term economic policies, care should be taken to preserve the environment and the resource base of our planet.

Relations With Developing Countries

9. We support the stability, independence and genuine non-alignment of developing countries and reaffirm our commitment to cooperate with them in a spirit of mutual interest, respect and benefit, recognizing the reality of our interdependence.

10. It is in our interest as well as in theirs that the developing countries should grow and flourish and play a full part in the international economic system commensurate with their capabilities and responsibilities and become more closely integrated in it.

11. We look forward to constructive and substantive discussions with them, and believe the Cancun Summit offers an early opportunity to address our common problems anew.

12. We reaffirm our willingness to explore all avenues of consultation and cooperation with developing countries in whatever forums may be appropriate. We are ready to participate in preparations for a mutually acceptable process of global negotiations in circumstances offering the prospect of meaningful progress.

13. While growth has been strong in most middle income developing countries, we are

deeply conscious of the serious economic problems in many developing countries, and in particular the poverty faced especially by the poorer among them. We remain ready to support the developing countries in the efforts they make to promote their economic and social development within the framework of their own social values and traditions. These efforts are vital to their success.

14. We are committed to maintaining substantial and, in many cases, growing levels of Official Development Assistance and will seek to increase public understanding of its importance. We will direct the major portion of our aid to poorer countries, and we will participate actively in the United Nations Conference on the Least Developed Countries.

15. We point out that the strengthening of our own economies, increasing access to our markets and removing impediments to capital flows contribute larger amounts of needed resources and technology and thereby complement official aid. The flow of private capital will be further encouraged insofar as the developing countries themselves provide assurances for the protection and security of investments.

16. The Soviet Union and its partners, whose contributions are meagre, should make more development assistance available, and take a greater share of exports of developing countries, while respecting their independence and non-alignment.

17. We will maintain a strong commitment to the international financial institutions and work to ensure that they have, and use effectively, the financial resources for their important responsibilities.

18. We attach high priority to the resolution of the problems created for the non-oil developing countries by the damaging effects on them of high cost of energy imports following the two oil price shocks. We call on the surplus oil-exporting countries to broaden their valuable efforts to finance development in non-oil developing countries, especially in the field of energy. We stand ready to cooperate with them for this purpose and to explore with them, in a spirit of partnership, possible mechanisms, such as those being examined in the World Bank, which would take due account of the importance of their financial contributions.

19. We recognize the importance of accelerated food production in the developing world and of greater world food security, and the need for developing countries to pursue sound agricultural and food policies; we will examine ways to make increased resources available for these purposes. We note that the Italian Government has in mind to discuss within the European Community proposals to be put forward in close cooperation with the specialized U.N. institutions located in Rome for special action in this field primarily directed to the poorest countries.

20. We are deeply concerned about the

implications of world population growth. Many developing countries are taking action to deal with that problem, in ways sensitive to human values and dignity; and to develop human resources, including technical and managerial capabilities. We recognize the importance of these issues and will place greater emphasis on international efforts in these areas.

Trade

21. We reaffirm our strong commitment to maintaining liberal trade policies and to the effective operation of an open multilateral trading system as embodied in the GATT [General Agreement on Tariffs and Trade].

22. We will work together to strengthen this system in the interest of all trading countries, recognizing that this will involve structural adaptation to changes in the world economy.

23. We will implement the agreements reached in the Multilateral Trade Negotiations and invite other countries, particularly developing countries, to join in these mutually beneficial trading arrangements.

24. We will continue to resist protectionist pressures, since we recognize that any protectionist measure, whether in the form of overt or hidden trade restrictions or in the form of subsidies to prop up declining industries, not only undermines the dynamism of our economies but also, over time, aggravates inflation and unemployment.

25. We welcome the new initiative represented by the proposal of the Consultative Group of Eighteen that the GATT Contracting Parties convene a meeting at Ministerial level during 1982, as well as that of the OECD countries in their programme of study to examine trade issues.

26. We will keep under close review the role played by our countries in the smooth functioning of the multilateral trading system with a view to ensuring maximum openness of our markets in a spirit of reciprocity, while allowing for the safeguard measures provided for in the GATT.

27. We endorse efforts to reach agreement by the end of this year on reducing subsidy elements in official export credit schemes.

Energy

28. We are confident that, with perseverance, the energy goals we set at Venice for the decade can be achieved, enabling us to break the link between economic growth and oil consumption through structural change in our energy economies.

29. Recognizing that our countries are still vulnerable and energy supply remains a potential constraint to a revival of economic growth, we will accelerate the development and use of all our energy sources, both con-

ventional and new, and continue to promote energy savings and the replacement of oil by other fuels.

30. To these ends we will continue to rely heavily on market mechanisms, supplemented as necessary by government action.

31. Our capacity to deal with short-term oil market problems should be improved, particularly through the holding of adequate levels of stocks.

32. In most of our countries progress in constructing new nuclear facilities is slow. We intend in each of our countries to encourage greater public acceptance of nuclear energy, and respond to public concern about safety, health, nuclear waste management and non-proliferation. We will further our efforts in the development of advanced technologies, particularly in spent fuel management.

33. We will take steps to realize the potential for the economic production, trade and use of coal and will do everything in our power to ensure that its increased use does not damage the environment.

34. We also intend to see to it that we develop to the fullest possible extent sources of renewable energy such as solar, geothermal and biomass energy. We will work for practical achievements at the forthcoming United Nations Conference on New and Renewable Sources of Energy.

35. We look forward to improved understanding and cooperation with the oil exporting countries in the interests of the world economy.

East-West Economic Relations

36. We also reviewed the significance of East-West economic relations for our political and security interests. We recognized that there is a complex balance of political and economic interests and risks in these relations. We concluded that consultations and, where appropriate, coordination are necessary to ensure that, in the field of East-West relations, our economic policies continue to be compatible with our political and security objectives.

37. We will undertake to consult to improve the present system of controls on trade in strategic goods and related technology with the USSR.

Conclusion

38. We are convinced that our democratic, free societies are equal to the challenges we face. We will move forward together and with all countries ready to work with us in a spirit of cooperation and harmony. We have agreed to meet again next year and have accepted the invitation of the President of the French Republic to hold this meeting in France. We intend to maintain close and continuing consultation and cooperation with each other.

REUNION INTERNACIONAL SOBRE COOPERACION Y DESARROLLO
REUNION INTERNATIONALE SUR LA COOPERATION ET LE DEVELOPPEMENT
INTERNATIONAL MEETING ON COOPERATION AND DEVELOPMENTPREPARATORY MEETING OF MINISTERS OF FOREIGN AFFAIRS
Cancún, 1-2 August, 1981

PRESS RELEASE

PREPARATORY MEETING OF FOREIGN MINISTERS FOR THE CONVENING
OF THE INTERNATIONAL MEETING ON COOPERATION AND DEVELOPMENT

1. The Preparatory Meeting of Foreign Ministers for the convening of the International Meeting on Cooperation and Development (IMCD) met at Cancún, Mexico, on the 1st and 2nd of August, 1981. The Preparatory Meeting, co-chaired by Mr. Jorge Castañeda, Secretary of Foreign Affairs of Mexico and Mr. Willibald Pahr, Federal Minister for Foreign Affairs of Austria, was attended by Ministers of Algeria, Austria, Bangladesh, Brazil, Canada, China, France, Federal Republic of Germany, Guyana, India, Ivory Coast, Japan, Mexico, Nigeria, Philippines, Saudi Arabia, Sweden, United Republic of Tanzania, United Kingdom, United States of America, Venezuela and Yugoslavia. (The list of the Heads of Delegation is annexed).
2. The IMCD will be held in Cancún, Mexico, on October 22nd and 23rd, 1981, under the Co-Chairmanship of the President of Mexico, José López Portillo, and the Federal Chancellor of Austria, Bruno Kreisky.
3. In accordance with the letter of invitation addressed to the Heads of State or Government participating in the IMCD, the Preparatory Meeting dealt with the following three questions: evaluation of recent developments in the field of international cooperation for development; definition of the main topics to be considered at the October Meeting, and finalization of preparations for this Meeting.
4. During the discussions, the character of the Meeting as established in the two Vienna consultations and expressed in the letter of invitation, was confirmed. Accordingly, the Meeting will be political in character, conducted in an open and informal atmosphere, not engaging in negotiations but providing an opportunity for an exchange of views on major issues of international cooperation for development.

5. In evaluating recent developments, the current situation regarding the Global Round of Negotiations was assessed; the importance of the conclusions of the Caracas Conference on Economic Cooperation among Developing Countries was highlighted, and a positive appraisal was made of the Ottawa Summit Declaration in regard to relations between developed and developing countries.

6. The Ministers agreed, after extensive discussions, that the Meeting will not work on the basis of a formal agenda, but rather within a discussion framework which would:

- reflect the complexity of the current problems of the world economy as well as the interrelationship among them;
- offer the opportunity for an exchange of views of a general nature on the future of North-South relations, in particular on interdependence and mutuality of interest among developing and developed countries;
- encompass major areas of concern on which to focus discussions; and
- allow for the possibility that participants could address additional questions if they so desire.

The Ministers further agreed that, in conformity with the letter of invitation, while having no formal link with the Global Round of Negotiations, a main objective of the Meeting should be to facilitate agreement with regard to the said Global Round of Negotiations by means of achieving a real meeting of minds and positive political impetus by Heads of State or Government for these and other efforts of international economic cooperation in other fora, without in any way preempting or substituting for them.

Accordingly, they agreed on the following item as the framework for discussions at the Meeting: the future of international cooperation for development and the reactivation of the world economy, including areas such as food security and agricultural development; commodities, trade and industrialization; energy; monetary and financial issues.

7. The Ministers confirmed that the conclusions of the Meeting will be expressed in a summary by the Co-Chairmen.

8. It was agreed that the Secretary General of the United Nations will be invited to the Meeting as a special guest.

9. Agreement was also reached on a number of procedural and organizational questions.
10. The Ministers expressed their gratitude to the Government of Mexico for the warm reception and hospitality provided for the Preparatory Meeting.

Cancún, Mexico, August 2nd, 1981

8118258

April 30, 1981

—
Excellency,

We have the honour of addressing Your Excellency, on behalf of the Heads of State or of Government of Algeria, Canada, France, the Federal Republic of Germany, India, Nigeria, Sweden, United Republic of Tanzania and Yugoslavia, and on our own behalf, in order to invite you to participate personally in the International Meeting on Cooperation and Development, which will be held at the level of Heads of State or Government, in Cancún, México, on 22nd and 23rd of October, 1981.

This joint initiative on the part of eleven developing and developed countries emerges from the common concern over the present state and prospective difficulties of the world economy, in particular the stagnation of multilateral economic negotiations and the limited progress achieved in international cooperation for development.

They share the view that problems of cooperation and development need to be given urgent attention at the highest political level.

The Meeting will be political in character and provide the participating leaders an opportunity to have an exchange of views on major issues of international cooperation for development in an open and informal atmosphere; there is no intention of engaging in negotiations. The exchange of views

His Excellency
Ronald Reagan
President of the United States of America

The White House
Washington, D.C. 20500

at the Meeting should inter alia lead to a greater understanding and a deeper appreciation of interdependence amongst nations, its relevance, importance, and implications. While having no formal link with the Global Round of Negotiations, a main objective of the Meeting should be to facilitate agreement with regard to the said Global Round of Negotiations by means of achieving a real meeting of minds and positive political impetus by Heads of State or of Government for these and other efforts of international economic cooperation in other fora, without in any way preempting or substituting for them.

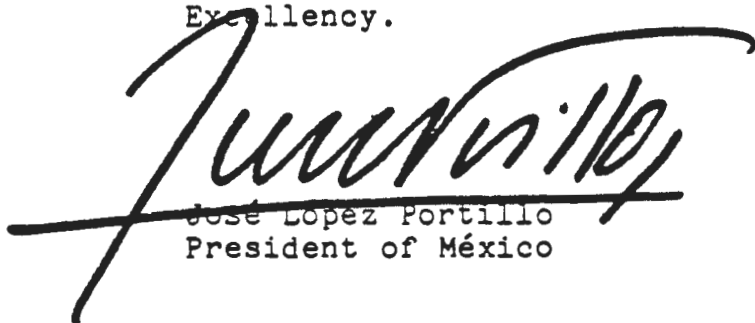
Instead of a formal agenda, the Meeting will work within a discussion framework which would reflect the complexity of the current problems of the world economy as well as the inter-relationship among them. It is expected that useful suggestions for facilitating the work of international cooperation for development will emerge from the deliberations of the Meeting; these may be summarized by the Chairman if necessary.

A list of those countries whose Heads of State or of Government are being invited to the Meeting is attached to this letter as well as preliminary information on the organizational aspects of the meeting.

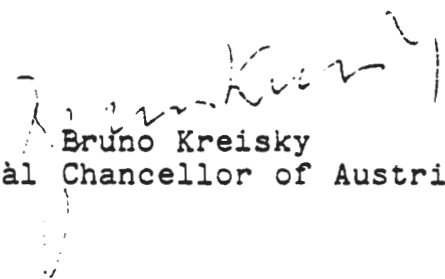
We hope that Your Excellency will find it possible to accept this personal invitation.

A preparatory meeting at the level of Foreign Ministers will be held in Cancún, México, early in August to evaluate further developments, define the main topics, and finalize the preparations of the Meeting. All those countries on the list whose Heads of State or of Government agree to attend the International Meeting on Cooperation and Development will be invited to this preparatory meeting.

On behalf of the Heads of State or of Government of the aforementioned countries, and on our own behalf, we beg Your Excellency to accept the expression of our highest esteem, and our best wishes for the continued prosperity of your country and the personal good fortune of Your Excellency.



José López Portillo
President of México



Bruno Kreisky
Federal Chancellor of Austria

the text used in letter
Chancellor Kreisky
Reference 151934, 7/11/81)

THE WHITE HOUSE
WASHINGTON

July 8, 1981

Dear Mr. President:

I am pleased to accept the invitation extended on behalf of nine other heads of state or governments and yourself and Chancellor Kreisky to the International Meeting on Cooperation and Development which will be held in Cancun, Mexico, on October 22-23, 1981.

The co-sponsoring governments wisely decided that the meeting should be open and informal, with no agenda and no communique. Only in this way can we have a frank and open exchange of views on what I see as the major purpose of the meeting -- to share perceptions of the principal problems and opportunities for international cooperation for mutual development. As you have indicated, the meeting should not engage in negotiations; nor should it take up procedural questions pending in other fora. Doing so would cause us to miss the opportunity to have a candid discussion of substantive issues and to develop a new and fresh perspective on our common problems.

We all agree that economic interdependence is a reality. The challenge is how to enhance the benefits to all countries that derive from international cooperation. Such cooperation has already resulted in a great deal of progress benefitting both industrial and developing countries. We should build upon this foundation our own efforts to construct a more productive and peaceful world.

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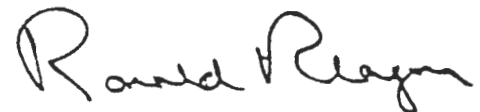
AUTHORITY Mate Waver

BY dy NARA DATE 11/15/2015

The United States will participate in the preparatory meeting on August 1-2. We agree that this meeting should focus on arrangements for Cancun and not preempt or constrain the exchange of views among the heads of state or government.

I am honored to have received your invitation to this important meeting.

Sincerely,

A handwritten signature in cursive script, reading "Ronald Reagan".

His Excellency
Jose Lopez Portillo
President of the
United Mexican States
Mexico, D.F.

Economic Relations With Developing Country Participants

	Total U.S. Economic Assistance ^{1/} 1980 Actual (Mill. \$)	Total U.S. Economic Assistance 1981 Estimated (Mill. \$)	Total Developing Country Exports to World 1980 (Bill. \$)	% of Total Exports Sent to U.S. 1980	U.S. Exports to Participants 1980 (Bill. \$)	% of Total U.S. Exports 1980	U.S. Direct Investment Position in Participating Countries ^{4/} (Mill. \$)	MIB Assistance Imputed to be from U.S. (1979-80 average) (Mill. \$)
Algeria	-	-	13.0	48	.5	neg	48 ^{2/}	31.7
Bangladesh	175	155	.9	10	.3	neg	n/a	100.1
Brazil	2	1	18.4	20	4.3	2	7546	284.4
China	1	-	17.3	6	3.8	1.7	n/a	0
Guyana	5	7	.4	31	.1	neg	24 ^{2/}	7.4
India	232	244	9.0	12	1.7	0.8	396	414.9
Ivory Coast	2	2	2.9	10	.2	neg	37 ^{2/}	9.4
Mexico	7	9	15.3	63	15.1	6.9	5940	189.4
Nigeria	-	-	25.1	46	1.2	0.5	27	51.5
Philippines	85	92	5.7	28	2.0	0.9	1244	123.8
Saudi Arabia	-	-	100.6	14	5.8	2.6	n/a	0
Tanzania	29	27	.6	5	**	neg	18 ^{2/}	34.4
Venezuela	-	-	16.8	30	4.6	2.1	1897	0
Yugoslavia	-	-	9.0	4	.8	0.4	18	80.5

Sources:

^{1/} Includes: Development Assistance, ESF, PL 480, Peace Corps and International Narcotics Control from AID Congressional Presentation FY 1982.

^{2/} 1978 Preliminary

^{3/} Derived from U.S. share in respective multilateral institutions and the assistance commitments of these institutions to these countries. U.S. share based on most recent replenishments and includes as part of imputed contribution portion of lending attributable to U.S. callable capital.

^{4/} The net book value of U.S. direct investors' equity in and outstanding loans to their foreign affiliates. From the Survey of Current Business and the Department of Commerce.

** Less than .1 billion.

neg - negligible

Implication of the U.S. Economic Recovery
Program for Developing Countries

Argument: The budgetary implications of the President's economic program imply further reductions in U.S. foreign assistance and the resulting high U.S. interest rates disrupt exchange markets making private borrowing too costly for many developing countries.

Response:

1. We have stated that we will stand behind U.S. multilateral commitments and we will preserve our bilateral programs, especially for the poor countries.
2. The economic program is designed to reestablish the sort of vigorous, non-inflationary growth in the U.S. economy that is a critical element in the environment for healthy, world economic development.
3. Economic progress is principally determined by each country's own economic policies and the health and dynamism of its private sector -- not by official assistance. Country policies cannot avoid needed adjustments or put short-term political objectives ahead of economic efficiency.
4. High U.S. interest rates do pose a particular, if temporary, problem for some developing country borrowers. This problem will diminish as U.S. inflation itself moderates, reducing the inflation premium now embedded in our interest rates.

Facts: The Economic Recovery Program is made up of four mutually reinforcing, interdependent elements -- consistently restrained monetary growth, curbed government spending, tax reduction and regulatory relief. Together these will restore strong, non-inflationary growth to the U.S. economy.

The general importance of improved U.S. economic performance for the rest of the world's economy is well known. It has specific relevance to the developing countries. As that program succeeds, demand for developing countries' exports will substantially increase. Moreover, our own protectionist pressures, which could otherwise harm developing country export receipts, will be defused as employment and investment opportunities in the U.S. expand.

A strong, non-inflationary U.S. economy, however, does not, nor can it, in itself assure sustained economic progress in the developing world. Nor do ever-increasing official income transfers for development. What is critical in determining development progress is the set of national policies each country adopts so as to make its own best use of a strengthened world economy and such official resources as may be available. In order to achieve their developing potential and increase the economic well-being of their people, we believe that developing countries need to adopt and pursue rational, market-oriented, economic policies.

Role of the Private Sector

Argument; The private sector should be the primary force in economic development. We are relying domestically on our own private sector to bring about more vigorous economic growth. We believe that many developing country economies can benefit from policies that give the private sector a greater role.

Response:

- 1) The private sector most efficiently responds to economic incentives to work and invest. Economic decisions are made on the basis of costs and benefits rather than by government fiat. In the United States we are moving to revitalize our economy by eliminating excessive regulations and government intervention.

- 2) A prime U.S. goal is to encourage the growth of the private sector and to improve the related investment climate in developing countries. We are seeking ways to reduce U.S. business perception of risk in these countries through a broadening of the scope of USG insurance programs. We are also working to eliminate USG disincentives to US private sector involvement in developing countries; exploring new ways to create a more open climate for trade, investment and capital flows; increasing AID's private sector orientation; improving other US programs that support the private sector in developing countries; supporting efforts of individual developing countries to create a more favorable climate for foreign and domestic private sector activity; strengthening the role of the multilateral institutions in their support of developing country private enterprise; increasing the involvement of individual US firms and private business associations in providing management and technical training for developing country personnel; and seeking more effective ways to bring together developing country enterprises and US suppliers of appropriate technology. Further, by maintaining a free and open U.S. economy, we provide a market for nearly half of all LDC exports of manufactured goods.

Facts:

The role of private enterprise in developing countries is almost totally dependent on their own national policies. Many developing nations are seeking actively to attract foreign visitors. Their success will depend largely on their investment climates. Clear and consistent investment-related laws and regulations, treatment of investment according to most-favored-nation and non-discriminatory principles, along with other steps in the direction of a more open investment environment, will be determining factors in the decisions of many domestic and foreign investors.

US direct investment in developing countries amounted to about \$52 billion in 1980, an increase of \$8 billion from the previous year. Such investment provides increased employment, transfers of new and improved technology and management skill, and increased production.

Brandt Commission Report

Criticism: The United States is not taking the Brandt Commission's Report seriously.

Responses:

1. The United States does take seriously the issues raised by the Brandt Commission Report. I am here in Cancun because I agree that the state of the world economy in general, and that of the less developed countries in particular, merits new and high level attention.
2. I reject the hypothesis of the report that the world is or should be divided in two camps of north versus south.
3. While the report calls for several remedies with which we agree, such as emphasis on the importance of agricultural production, increased energy supplies and open trade, the report also calls for some politically impossible ideas (massive transfers to the South) or poorly conceived changes in the structure of the world economic system (SDR-AID Link).
4. Nevertheless, the report is useful in focusing global attention on these important development issues.

Facts: The Report of the Independent Commission on International Development Issues, chaired by Willy Brandt, was issued in February 1980. The alarming description of the economic state of most developing countries is essentially correct, though somewhat overstated. However, many of the report's proposals for remedies to the LDCs' problems are neither new nor realistic.

We recognize the important role which the international community can play in assisting the developing countries' own development efforts. However, economic performance of the developing countries is primarily a function of their own actions and policies. Uneconomic pricing policies for energy, food, other agricultural products, and other domestically produced or imported products or services have often been the source of poor economic performance. Furthermore, protectionist trade policies often allocate scarce resources inefficiently, and hinder world trade and development.

Population

Argument: Consistent with traditional concern for human dignity and the quality of life and in keeping with US interests, the US will continue to provide assistance for voluntary family planning and encourage all countries to give careful consideration to population issues.

Response:

1. Over the past decade, about half of all population assistance to developing countries has come from the US. The US will continue to play an active role in international population assistance progress.
2. We urge growing involvement of other donors and an increasing commitment of the developing countries themselves to voluntary family planning.

Facts: World population is likely to increase from the current 4.5 billion to over 6 billion by the year 2000, with 90 percent of this increase occurring in low income countries. This growth will seriously affect economic development aspirations, exacerbating the problems of malnutrition, overcrowded cities, unemployment, deforestation and water supply. These changes will also bring an increased potential for social unrest, urban crime and mass migration.

Increasing numbers of developing country leaders, including Lopez Portillo, Gandhi, Moi and Suharto, have spoken out in support of voluntary family planning programs. They and others, including representatives from Austria, Japan and China, may use the occasion of the Cancun meeting to urge higher levels of international assistance for population programs.

Population and family planning program assistance has been highly successful. In recent years, some thirty developing countries, including China, Indonesia, Tunisia, Thailand, Columbia and Mexico have brought down birth rates significantly through concerted national efforts. However, at present no more than one-third of all couples in developing countries have access to basic family planning information and services, and shortage of funds is now the most serious constraint to further progress in population and family planning. Further fertility reduction in most countries will require considerably greater efforts in motivation and expansion of family planning services.

Development-Oriented Science and Technology

Argument: International cooperative research combined with strengthened science and technology institutional capacities in developing countries can yield a high return from the resources available.

Response:

1. Science and technology can play a major role in the continuing development of all nations, particularly of developing countries. Pay off from the new high-yielding varieties of wheat and rice now range from \$4-6 billion annually.
2. Strengthening the capacities of developing countries in science and technology, given funds available, can best be accomplished through better utilization of existing resources to reinforce domestic programs in both public and private sectors.
3. We are examining ways in which US development assistance programs can be made more responsive to science and technology objectives of developing countries.
4. We are hopeful that our continued cooperation and that of other nations, particularly oil-exporting nations, will help accelerate the scientific and technological growth of these countries.

Facts: At the 1979 UN Conference on Science and Technology for Development (UNCSTD), the international community was called upon to assist developing countries in strengthening their capacities in science and technology. Since then, science and technology issues have arisen as a discrete subject in a number of international meetings. One result of UNCSTD was a UN resolution calling for long-term financing of science and technology activities. A controversial proposal for a global fund is now under discussion within the UN.

The US and most other developed countries are opposed to the creation of new special funds. The US supported creation of an initial two-year interim fund (1980-1982), but remains under political criticism for failure to meet our \$10M FY 81 pledge to that fund and our lack of support for a long-term fund.

An independent mission by a group of developing country Ministers visited several OPEC countries in June and reportedly succeeded in obtaining Arab support for science and technology activities, including the potential for major funding. The Ministers plan to visit leading developed countries and visited the United States on September 15, 1981.

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Law of The Sea

Criticism: The Law of the Sea Conference, with the cooperation of the US, had nearly completed its work after a decade of complex negotiations. But the Reagan Administration brought the conference to a virtual standstill while it reviewed the draft treaty text. The US should now return to the bargaining table to complete the negotiation.

Response:

1. The US is aware of the concerns raised by its policy review. That review is now complete. I will be making a final decision on the recommendations shortly.
2. The US has serious difficulties with the seabed mining provisions of the draft treaty and, if we return to the Conference, would require substantial changes in those texts.

Facts: Because vital US security, economic, and foreign policy interests would be affected by the treaty, the Administration needed time to review its stance on the text. The analysis indicates that on balance the navigation and economic zone provisions protect US interests. However, the seabed mining provisions do not. Among the problems, the US would not have assured access to vital strategic minerals located on the seabed.

The one-nation-one-vote international regime controlling access to seabed minerals and distributing a share of the revenues generated therefrom would be dominated by the developing countries. The US and other potential seabed miners are seriously disadvantaged compared to the regime's own seabed mining arm--the Enterprise. The US stands little chance of exercising influence commensurate with its economic and political weight and national security interests in mining issues. In addition the text provides for mandatory transfer of technology and the potential flow of benefits to "liberation organizations" (e.g. the PLO).

The Secretary of State, in recent Senate testimony, spoke of the Administration's intention to maintain full US participation at the LOS Conference. He noted the results of the August session of the conference in which he said the US got a very good fix on the trade-offs and risks associated with the position the US will present. However, the interagency review process has not yet been completed. Therefore, it is the recommendation of the group that nothing be said beyond the response outlined above.

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State Waiver
by dh NARA DATE 11/15/2017



DEPARTMENT OF STATE

Washington, D.C. 20520

PRESIDENT REAGAN'S PARTICIPATION
IN
THE INTERNATIONAL MEETING ON COOPERATION AND DEVELOPMENT
CANCUN, MEXICO
OCTOBER 21-23, 1981
THE PRESIDENT'S BILATERAL MEETINGS

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OVERVIEW/OBJECTIVES

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DUPLICATE OF 163086; ALEXANDER HAIG TO
THE PRESIDENT, RE: A STRATEGY FOR CANCUN

The above documents were not referred for declassification review at time of processing
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