

## ENERGY

### State provokes energy fight between Third World, OPEC at UNCTAD V

The U.S. State Department is reportedly referring callers to the London *Economist* for an accurate statement of their own views on the UNCTAD V session which came to a close in Manila on June 3. The *Economist* pronounced the meeting an "odd success"—in that "mere discord" replaced confrontation—that was marred only by the failure for the time being of the attempt to make a war between OPEC and the non-oil producing countries over energy prices stick.

Significantly, the State Department's reluctance to ascribe failure to the UNCTAD meeting was echoed in official remarks of Mr. Cecil Parkinson, Britain's Minister for Trade and UNCTAD delegation chief. Insisting the UNCTAD meet was "anything but a failure," Parkinson told the London *Financial Times* of June 12 that Britain's objective was to "persuade" developing nations to cooperate in "maintaining and strengthening—not in overturning—the existing international arrangements for cooperation on trade and financial issues."

Sources report that while State Department spokesmen embrace the "new reality" of a potential rupture between OPEC and the Third World that "won't go away," they are defensive about their own role in provoking the energy price flap in Manila to preempt practical discussion of the New World Economic Order program. "I wouldn't want to say

that I was aware of a link between energy and any other issues," one spokesman told a reporter recently.

In fact, the demand by a group of Latin American countries to place a full discussion of high oil prices and their damage to the non-oil producing Third World nations on the agenda hamstrung negotiations on the central topic of evaluating the world economic situation "with a view to attaining the establishment of a new international economic order," and ultimately produced a stalemate on that pivotal issue—despite the fact that as a result of 11th-hour talks with OPEC representatives the Latins agreed to withdraw their demands.

The U.S. was in the middle of this sabotage operation, official protests to the contrary. According to Agence France Press of May 28, the U.S. delegation tried desperately to revive the Latin American push within 24 hours of their decision to abandon attempts to get a full debate on the impact of high energy prices with the "private circulation" of a document showing that OPEC revenues would soar over the next months and years and that Third World payments balances would nosedive. State Department sources report that even at the very outset of the conference, when no one expected energy to become an issue, the Anglo-American-led Group B advanced countries delegation penned an

"innocent" little statement on the world economy, which unintentionally contained the word "energy."...

What the anglophile State Department fears is that the type of leadership represented by the energy initiative of Mexico's President Lopez Portillo may clear the ground for concrete steps toward a peace-and-development-based New World Economic Order to replace the bankrupt International Monetary Fund/World Bank complex. Said one State Department representative: "Well, the Portillo initiative predated the Latin American demands at UNCTAD. Quite some time ago, Portillo first made a strangely worded statement about the patrimony of humanity, and things like that. But he still hasn't been specific at all. Our latest information is that he (Portillo) is now sending representatives around to developing countries to get an idea of what they'd like to see.

"He will present something at the United Nations General Assembly this fall.

"We are prepared to consider the proposal favorably—if it makes sense. Mexico is not from OPEC. Maybe Mexico has the clout. We have long wanted a multilateral forum on this. We are waiting sympathetically to hear what he says. A lot depends on what OPEC wants, how OPEC responds. Since the Mexican oil discoveries, Mexico is under pressure from the rest of Latin America."

That the prodevelopment forces around Mexico chose not to make a high-profile stand at Manila defined the meeting as a stand-off—in itself an unnecessary advantage for the Anglo-Americans—until the next round of North-South "energy" politics centering on the September General Assembly session.

—Susan Cohen