

Venezuela's Pérez, absentee leaders try to wreck Group of 15 summit

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Despite a deliberate disorganizing effort by Venezuelan President Carlos Andrés Pérez, Henry Kissinger's protégé, the second summit of the Group of 15 (G-15), a forum set up by leading developing nations in 1989 to establish South-South cooperation and renew the North-South dialogue, took place in Venezuela Nov. 28-30. Indian Prime Minister R.V. Narasimha Rao, expressing satisfaction at the outcome of the summit, told newsmen upon his return from Caracas that the summit met the objective of "placing development at center stage at a time when there is danger of its getting blurred or relegated to the back seat."

The joint communiqué, which specified seven key areas where a new international consensus may be evolved, emphasized a common stand by the developing countries against the blitzkrieg on environmental issues organized by the North through the upcoming "Earth Summit" at Rio de Janeiro in 1992. The communiqué noted that the technological gap has been widening between developed and undeveloped countries, and emphasized that advances in science and technology are the patrimony of all of mankind.

However, the statement also complained that the developed nations have not taken the same liberal medicine on trade that the Third World has, and said they must do so. It also strongly endorsed the role of the United Nations. According to observers on the scene, the summit represented a major fight between heads of state attending from Asia, led by Malaysian Prime Minister Dr. Mahathir Mohamad, on the one side, and the heads of state from Ibero-America, who were not ashamed to state their unequivocal support for the new world order of U.S. President George Bush.

The summit did approve six projects which would highlight South-South cooperation. As immediate measures, the meeting agreed that a G-15 Business Permanent Secretariat should be set up as soon as possible to coordinate and implement activities chalked out at the summit. The group has also decided to set up an Economic Business Council in each member country, with membership drawn from both the private and public sector, to serve as a platform for promoting interaction among business enterprises of these countries.

Entrepreneurial interaction got a boost at the summit with the presence of private business delegations alongside the

members' official delegations.

The membership consists of Malaysia, India, Indonesia, Nigeria, Senegal, Zimbabwe, Egypt, Algeria, Venezuela, Brazil, Mexico, Argentina, Peru, Jamaica, and Yugoslavia. Its first summit was held at Kuala Lumpur, Malaysia in June 1989. This is the second summit of the group; the third is scheduled for Dakar, Senegal, in November 1992, and India will host the fourth summit in 1993.

The concept of the G-15 was floated at the Belgrade meeting of the Non-Aligned Movement in 1989. Except for Mexico and Brazil, all the other members of the group belong to NAM. The initiative in setting up the G-15 rested with Malaysia, Venezuela, and Senegal, which formed the three-nation steering committee that shaped the first summit at Kuala Lumpur. The G-15's objective is to have a permanent mechanism to interact among themselves and to take initiatives to formulate a constructive North-South dialogue.

The G-15 also emphasized at the outset the importance of South-South cooperation. The group has expert task forces that work out various South-South projects, such as the task force of central banks, to work on the details of inter-regional payment arrangements. A new expert group has been set up for implementing South investment, trade, and technology data exchange, an idea of Malaysia's.

Pérez and company's sabotage efforts

The Venezuelan government's efforts to undermine the G-15 summit were hardly disguised. The second summit was originally planned for June 26-28, 1991, but was canceled at the last moment because the Venezuelan government said it was not ready to organize it. Most likely, President Pérez, busy pauperizing his countrymen to meet the diktats of the International Monetary Fund, had not yet received a strong enough signal from Washington on how to deal with the group.

The summit was conspicuous by the absence of six of the 15 heads of state. Argentinian President Carlos Menem made his appearance on the penultimate day, but not before the heads of state of Mexico and Peru had left peremptorily. Neither Brazil's Ferdinand Collor nor Egypt's Hosni Mubarak, nor their counterparts in Jamaica and Nigeria, showed

up. President Mubarak, who obviously feels more at home with the North following his active participation on behalf of the United States in the Gulf war earlier this year, did, however, send his veteran deputy prime minister and now the U.N. secretary general, Butrus Ghali to attend the summit. But Pérez sent Ghali packing back to Cairo, on the grounds that only heads of state could attend, and, at the same time, escorted a representative of Colombia (which is not even a member of the G-15) to take part in the meeting.

Such irregularities were also highly visible in the way the meeting was conducted. The venue was a mediocre hall, security was lax, microphones were being tested even while the heads of state were waiting for the inaugural session to begin (causing a two-hour delay), ushers were young Venezuelans "slouching in faded jeans," as one Indian scribe described the scene.

Despite Venezuelan efforts to humiliate the group as well as the attending nations, and the disassociated attitude of the other Ibero-American leaders, the planned chaos was punctuated with two powerful speeches delivered by Malaysian Prime Minister Dr. Mahathir Mohamad and Zimbabwean President Robert Mugabe. The speeches were directed as much to President Pérez and company as to the North.

Call for 'supportive world order'

While Venezuelan President Pérez described the present situation as "the most favorable since World War II for building a new world order," the Malaysian prime minister differed: "The inequities of the international economic system have never been so stark." Dr. Mahathir Mohamad, who did not take kindly to the cancellation of the June summit, continued where he had left off at the G-15 summit at Kuala Lumpur in 1989. Chosen to speak on behalf of the Asian nations at the inaugural session, "because India could not have afforded to be quite as outspoken," as an Indian official explained, the Malaysian prime minister attacked the new-speak of President Bush's new world order. He talked of the "forceful spread of the religion of democracy and the free market, as interpreted by self-proclaimed prophets whose dictates must be accepted as holy script." Dr. Mahathir further argued that "there is no magic in democracy or free market. They do not make poverty, debt, and backwardness disappear and they certainly do not guarantee stability."

Lacing his speech with sarcasm and ridicule, the Malaysian prime minister launched a frontal attack on the environmental propaganda campaign in the North: "We are told that the South must curb its aspirations . . . so that the North's enjoyment of the good life is not threatened. Against all accepted codes of ethics, the poor are being told, and indeed coerced, to pay for the well-being of the rich," he said, referring to the increasing transfer of capital in the form of usury from South to North.

The subject of transfer of capital from poorer to richer nations was the focus of Robert Mugabe's presentation. He

pointed out that protectionism in the North was costing the developing countries \$50-100 billion annually in lost sales and depressed commodity prices, and that these losses are at least 50% larger than the aid flows. He added that the burden of debt servicing had reached the point where there was a net outflow from the South of \$36 billion in 1989. Calling for a comprehensive approach to the debt crisis, President Mugabe said the multilateral institutions must either cancel or re-schedule the debt owed to them.

Development must be at center stage

The theme laid out by Dr. Mahathir and President Mugabe was reflected in the working session meeting, where Indian Prime Minister P.V. Narasimha Rao made the point in his keynote address. He said that "while we advance and support democracy, human rights, and the rule of the law, we need to ensure that development remains the center of international attention."

The communiqué noted that the end of the Cold War and of superpower confrontation present "opportunities for the emergence of a new era in international relations," but pointed out that this will be viable only if the concerns of peoples of the South are given due recognition. Calling for a North-South dialogue, and not a confrontation, the communiqué said that economic and social policies are the responsibility of the developing nations, but that these policies "can succeed only in a favorable global environment," for which the developed countries should assume a major responsibility.

The communiqué put maximum emphasis on South-South cooperation, identifying six projects as a strategy for collective self-reliance, and including the establishment of an investment, trade, and technology data exchange center for the South, the designing of bilateral payments arrangements among the developing countries, and the draft of a multilateral payments arrangement.

It was announced that a meeting of financial experts is to be convened next year to discuss the debt problems, and also cited efforts being made to assist countries of the South with an advisory group to deal with the multilateral financial institutions such as the International Monetary Fund and the World Bank on issues of debt and loans.

The communiqué was categorical in rejecting the Northern environmentalists' views of the environmental issue: "There is urgent need to ensure that the developmental concerns of developing countries are integrated into the solutions for environmental problems." Attacking the global environmental problems as "for the most part rooted in environmentally irrational consumption and production patterns in industrialized countries which have adverse affect on the developing countries in particular," the communiqué declared that there "should be no unilateral imposition of environmental or trade conditionalities that will aggravate development problems."