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TO PRIORITY CERTAIN MISSIONS AND DEPENDENT TERRITORIES
GUIDANCE TELEGRAM NUMBER 3 OF 8 JANUARY 1982

GLOBAL NEGOTIATIONS

1. THIS GUIDANCE COVERS FURTHER DEVELOPMENTS ON GLOBAL NEGOTIATIONS (GNS) UP TO THE END OF 1981. IT UP-DATES GUIDANCE TEL NO 130 OF 19 DECEMBER 1980 AND THE RELEVANT SECTIONS OF GUIDANCE TELS NOS 34 OF 26 MARCH, 132 OF 21 SEPTEMBER AND 148 OF 23 OCTOBER 1981. IT MAY BE DRAWN ON FREELY.
2. INTENSIVE INFORMAL CONSULTATIONS TOOK PLACE AT THE UN IN THE CLOSING WEEKS OF THE REGULAR SESSION OF THE GENERAL ASSEMBLY WITH THE AIM OF LAUNCHING THE GLOBAL NEGOTIATIONS ON THE LINES ENVISAGED AT THE CANCUN SUMMIT. AS IN 1980, HOWEVER, THESE CONSULTATIONS DID NOT, IN THE END, LEAD TO AGREEMENT: THEY SHOULD BE RESUMED FROM MID-JANUARY ONWARDS.

LINE TO TAKE

3. THE UK ENDORSE THE AGREEMENT REACHED AT THE CANCUN SUMMIT ON 'THE DESIRABILITY OF SUPPORTING AT THE UNITED NATIONS, WITH A SENSE OF URGENCY, A CONSENSUS TO LAUNCH GLOBAL NEGOTIATIONS ON A BASIS TO BE MUTUALLY AGREED AND IN CIRCUMSTANCES OFFERING THE PROSPECT OF MEANINGFUL PROGRESS'.
4. AS PRESIDENCY OF THE EC, THE UK TOOK AN ACTIVE PART IN THE INFORMAL CONSULTATIONS IN NEW YORK. WE MADE CLEAR THE COMMUNITY'S AGREED VIEW THAT PREPARATIONS FOR GLOBAL NEGOTIATIONS SHOULD BE

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COMPLETED AS SOON AS POSSIBLE. WE ENCOURAGED ALL CONCERNED (INCLUDING BOTH THE AMERICANS AND THE G77) TO WORK FOR COMPATIBLE POSITIONS, SO THAT GNS COULD GO AHEAD IN FAVOURABLE CONDITIONS.

5. WE BELIEVE THAT USEFUL PROGRESS WAS MADE IN THESE CONSULTATIONS. FULL AGREEMENT WAS NOT ACHIEVED, BUT NO DOORS HAVE BEEN CLOSED. AS WE EXPLAINED IN NEW YORK, WE STAND READY, WITH OUR COMMUNITY PARTNERS, TO HELP BRING MATTERS TO AN EARLY AND ACCEPTABLE CONCLUSION.

6. WE AND THE REST OF THE COMMUNITY STATED OUR BELIEF THAT THE COMPETENCE OF SPECIALISED BODIES (SUCH AS THE IMF, WORLD BANK, AND GATT) SHOULD BE RESPECTED. WE MADE OUR CONCERN FOR THIS VERY CLEAR AT CANCUN: WE BELIEVE THAT A CONSENSUS CAN BE REACHED WHICH REFLECTS THIS POINT SATISFACTORILY. IT WOULD NOT BE IN THE INTERESTS OF DEVELOPING COUNTRIES IF THESE INSTITUTIONS WERE WEAKENED

7. IF DEVELOPING COUNTRIES CRITICISE THE RIGIDITY OF THE US, YOU SHOULD POINT OUT THAT THE FULL PARTICIPATION OF THE US IN THE GNS WILL BE ESSENTIAL TO THEIR SUCCESS. THE AMERICAN DELEGATION PUT FORWARD POSITIONS WHICH HAD BEEN APPROVED AT VERY HIGH LEVELS IN WASHINGTON, AND THESE MUST BE TAKEN SERIOUSLY.

BACKGROUND

8. DISCUSSIONS IN THE UN ON GLOBAL NEGOTIATIONS HAD BEEN IN SUSPENSE SINCE DECEMBER 1980, WHILE THE NEW US ADMINISTRATION CONSIDERED THEIR ATTITUDE. IN THE LIGHT OF THE OUTCOME OF THE CANCUN SUMMIT (SEE GUIDANCE TEL NO 148 OF 23 OCTOBER 1981), THE IRAQI PRESIDENT OF THE GENERAL ASSEMBLY, KITTANI, CONVENED A SMALL CONTACT GROUP OF DELEGATIONS TO PROMOTE AGREEMENT ON HOW TO LAUNCH THE GNS.

9. KITTANI ABANDONED THE LABORIOUS ATTEMPTS OF HIS PREDECESSOR WECHMAR TO PRODUCE DETAILED TEXTS (SEE GUIDANCE TEL NO 130 OF 19 DECEMBER 1980). HE FAVOURED INSTEAD A SHORT RESOLUTION WHICH WOULD START THE GNS EARLY IN 1982, LEAVING MOST OF THE REAL PROBLEMS TO BE TACKLED WHEN THEY BEGAN. WE AND OTHER COMMUNITY MEMBERS WOULD HAVE PREFERRED TO USE THIS OCCASION TO SETTLE

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MORE OF THE OUTSTANDING POINTS ON PROCEDURES AND AGENDA FOR THE GNS. BUT WE FOUND NO BACKING FOR THIS.

10. A SHORT DRAFT TEXT EMERGED FROM KITTANI'S GROUP ON 30 NOVEMBER. AFTER REAFFIRMING RESOLUTION 34/138 (THE GENERAL ASSEMBLY RESOLUTION, ADOPTED BY CONSENSUS IN 1979, WHICH BEGAN THE GN'S PROCESS) THE TEXT PROVIDED:

- (A) A UN CONFERENCE ON GNS WOULD BE CONVENED AT AN EARLY (BUT SO FAR UNSPECIFIED) DATE IN 1982,
- (B) THE CONFERENCE WOULD FIRST ESTABLISH PROCEDURES, AGENDA AND TIME-FRAME FOR THE GNS,
- (C) IT WOULD FUNCTION THROUGHOUT BY CONSENSUS,
- (D) IT WOULD ENTRUST AGENDA ITEMS TO SPECIALISED BODIES 'IN ACCORDANCE WITH THEIR COMPETENCE, FUNCTIONS AND POWERS' OR TO AD HOC GROUPS.

11. THE INITIAL REACTION TO THIS IN WASHINGTON WAS VERY ADVERSE. THEIR POSITION WAS THAT PRESIDENT REAGAN HAD ONLY AGREED AT CANCUN TO A NEW PREPARATORY PROCESS: AND RESOLUTION 34/138 WAS NOT CONSISTENT WITH THE US APPROACH TO INTERNATIONAL ECONOMIC RELATIONS SET OUT AT CANCUN AND IN EARLIER STATEMENTS. AFTER DIFFICULT INTERNAL DISCUSSIONS THEY DECIDED TO SEEK ONLY LIMITED CHANGES TO THE 30 NOVEMBER TEXT, AND TABLED THESE IN NEW YORK. THEIR TEXT BEGAN BY SIMPLY 'NOTING' RESOLUTION 34/138: ONLY CONVENED A 'PRELIMINARY' CONFERENCE: AND PROVIDED FOR THE CONFERENCE 'RESPECTING THE JURISDICTION, COMPETENCE, FUNCTIONS AND POWERS' OF THE SPECIALISED BODIES.

12. THE UK PRESIDENCY AND THE COMMISSION, WITH THE FULL BACKING OF THE REST OF THE COMMUNITY, TRIED BEHIND THE SCENES TO BRING THE US AND G77 CLOSER TOGETHER. THE COMMUNITY COULD WELCOME THE FIRM LANGUAGE ON CONSENSUS IN THE TEXTS UNDER DISCUSSION: WAS PREPARED TO REAFFIRM RESOLUTION 34/138: AND SAW NO REASON TO INSIST ON A PRELIMINARY CONFERENCE. WE FOUND THE MORE PRECISE US LANGUAGE ON RESPECTING THE COMPETENCE OF SPECIALISED BODIES A GREAT IMPROVEMENT, AND THE G77 SEEMED READY TO SWALLOW IT.

13. HOWEVER, THE FIRST TWO OF THE AMERICAN CHANGES - ON RESOLUTION 34/138 AND A 'PRELIMINARY' CONFERENCE - CAUSED

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PARTICULAR DIFFICULTIES FOR THE G77, THOUGH THEY WERE AWARE THAT THEY HAD BEEN AUTHORIZED AT THE HIGHEST LEVEL IN WASHINGTON. WHEN IT WAS CLEAR THAT THE G77 COULD NOT ACCEPT THE US TEXT AS IT STOOD, WE ENCOURAGED THEIR ALGERIAN CHAIRMAN TO WORK OUT WITH HIS GROUP MINIMUM AMENDMENTS TO RENDER IT ACCEPTABLE, WHICH MIGHT HAVE HAD SOME HOPE OF FINDING SUPPORT IN WASHINGTON. HE MADE SOME PROGRESS IN PRODUCING VERY LIMITED CHANGES ON THESE LINES AND WE ENCOURAGED THE AMERICANS TO LOOK AT THEM POSITIVELY (WHILE DISCLAIMING SUGGESTIONS THAT THEY WERE THE COMMUNITY'S OWN AMENDMENTS).

14. SHORTAGE OF TIME, AND THE ONSET OF THE POLISH CRISIS, DID NOT ALLOW THESE LATEST IDEAS TO BE CONSIDERED FURTHER BY THE AMERICANS OR TO BECOME AGREED POSITIONS OF THE G77, BEFORE THE ASSEMBLY WAS SUSPENDED. BUT WE HOPE THE INFORMAL DISCUSSIONS, WHEN THEY RESUME LATER THIS MONTH, WILL PICK UP FROM WHERE MATTERS WERE LEFT IN LATE DECEMBER.

15. ERD CAN PROVIDE MORE DETAILED BACKGROUND FOR ANY INTERESTED POSTS.

CARRINGTON

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