

ACP GROUP FOR
NEGOTIATIONS
WITH THE EEC

Kingston, 23rd July, 1974

FOURTH SESSION OF THE ACP
COUNCIL OF MINISTERS
FOR NEGOTIATIONS WITH THE
EEC

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ADDRESS BY THE PRIME MINISTER OF TRINIDAD AND TOBAGO

Mr Chairman, Prime Ministers, Premiers, Ministers, Excellencies, Distinguished Guests,

The Governments and peoples of the Caribbean are greatly honoured by the presence of so many distinguished Ministers of African and Pacific countries here in Kingston, the capital of Jamaica, to continue the collaboration between Africa, the Caribbean and the Pacific which has been proceeding for the past year in respect of their relations with the European Economic Community. For my own part, I must express my appreciation to my friend and colleague, the Prime Minister of Jamaica, the Honourable Michael Manley, for according me the signal honour of opening this historic Conference; and in the name of all the Governments and peoples of the Caribbean I welcome the Ministers from Africa and the Pacific to Kingston on what, for most of them, is their first visit to the Caribbean.

Our Conference convenes in a climate of confusion, dislocation, tension and economic realignment in the entire world which probably has no parallel in modern history. Every country and every Government, big or small, rich or poor, developed or developing, First World or Third World, whatever its language, black and white and brown and yellow and all the other colours, finds itself confronted with serious and ever increasing problems of shortages and high prices of food, the increased cost of energy, the effect on developing countries in particular of the imported inflation from the developed countries, and resulting from all of these, and overshadowing them, the balance of payments problem.

The countries of the Third World, all victims in greater or lesser degree of the old colonial system and the economic relations, structures and patterns developed under colonialism, have to cope with the backwash of the problems being experienced in the developed countries, they also have to do this while seeking to correct the basic structural weaknesses of their economies. Slowly - sometimes much too slowly - and painfully they have, as a group, reached a point in their evolution which can be conveniently summarised in the following three general propositions:

1. The Third World countries have been and are moving steadily and effectively towards a greater control of their own resources and developing a new kind of relationship in this area with both the multinational corporations and the Governments of developed countries with which these multinational corporations are associated. We can identify this development among the countries today represented in this room : for example, in petroleum, Nigeria, Gabon, Republic of the Congo, Trinidad and Tobago; in bauxite, Guyana, Jamaica, with Guinea and Sierra Leone as important members of the new organisation of bauxite producers with headquarters here in Jamaica; and the presence of Zambia and Zaire amongst us reminds us of the initiative taken by both Zambia and Chile in earlier years to deal with this problem from the point-of-view of copper.

In this regard developing countries are repeatedly attacked for what is called hostility to the multinational corporations and antagonism to foreign investment. If hostility and antagonism it be, we have to thank the developed countries for the lessons they teach us. It is today the developed countries which are demonstrating hostility and antagonism to the take-over of or participation in their basic resources by foreign corporations or governments. The hostility becomes almost hysteria where the participation involves a country which only yesterday was regarded as undeveloped or under-developed or developing. As was once said dramatically on another occasion, and in another context, the Third World countries should "stand astonished at their moderation."

2. In today's industrial revolution, based essentially on oil and nuclear power, at least some Third World countries have escaped the disabilities which they suffered during the first industrial revolution through the absence of coal and iron, and therefore steel; they can therefore concentrate not only on their own local downstream operations but also on other petroleum-based industries.

3. The developing countries have in the past few years moved towards greater and increasing cooperation among themselves: at the United Nations with special reference to economic issues such as raw materials and development and the law of the sea, and political issues such as decolonization, apartheid, and the liberation of the oppressed majorities in South Africa, Rhodesia, and the areas still to be liberated from Portuguese colonialism; the Organisation of African Unity; the Non-Aligned Movement; the Organisation of Petroleum Exporting Countries; the International Bauxite Association; the emerging organisation of copper producers; the East African Community; UDEAC; efforts at economic cooperation in West Africa; regional cooperation in the Pacific; our own Caribbean Community.

This meeting of Africa, the Caribbean, and the Pacific here in Kingston, to advance the arrangements they seek to make with one of the great trading blocs of the developed world, the European Economic Community, reflects Third World cooperation.

It demonstrates the cultural links between these three areas of the world, Africa, the Caribbean and the Pacific; in respect principally of the ethnic composition of our diverse populations and the common economic bond, principally sugar production for the developed countries, which has brought these populations together. Our Caribbean countries in this room have an economic history based for centuries on the production of sugar for European societies by workers brought together principally from Africa and from such countries in Asia as India, Pakistan, China, and Indonesia. As such, we in the Caribbean can readily identify, especially where sugar is concerned, with such countries as Mauritius and Fiji with their long history of a labour force in sugar production recruited from India - I take this opportunity to extend a special greeting to my colleague, the Rt. Hon. Ratu Sir K.K.T. Mara, the Prime Minister of Fiji. Contacts between the Caribbean and Africa have substantially increased over the years at diplomatic, technical, cultural and personal levels, and on both sides the groundwork is being laid for economic cooperation.

It is in the increasingly difficult environment of confusion and inflation in the developed countries that we in the developing countries have to make progress in eradicating poverty, in raising living standards due to intolerably high levels of unemployment. It will, therefore, be unjustifiable if, in their preoccupation with their own problems, the developed countries, and the international institutions which get by far the greater part of their funds from the developed countries, were to reduce their support and thus make more difficult the economic transformation and development of the Third World countries. For if they were to do this, and if the international institutions were to impose more onerous terms on us - and there are already portents that are not encouraging -, then a solution to the problems of the developed countries will be at the cost of plunging Third World countries into even greater difficulties.

It is against this background that this Conference will be approaching the negotiations with the European Economic Community, which have not so far manifested significant progress in crucial areas. One such area is our proposals on commodity prices and our terms of trade, based on our legitimate and inevitable concern with the stabilisation of prices, the guaranteeing of export earnings, and the increased prices we have been paying for products of the developed countries. Another such area is the freeing of trade outlets for primary and manufactured goods. A third area is access to the Community of agricultural products on which the majority of our countries are heavily dependent. This is not only a problem in itself. Of our ACP exports to the Community only some 10% are non-agricultural. This becomes a very serious matter in the context of the apparent reluctance of the Community to contemplate fiscal and other measures that would stimulate the transfer of industries and technology on favourable terms to the developing countries, precisely at the time when the development, both industrial and agricultural, of the countries of the European Community, as well as other developed countries, is so utterly dependent on the migration of millions of workers from Third World countries, as well as lesser developed countries in Europe. This question of taking workers to an industry instead of taking the industry to workers is a matter on which many of the countries in this

What this involves is a new model of economic cooperation between the developed and the developing world; to be precise, new measures in respect of commodity prices and terms of trade, equitable and remunerative commodity arrangements, freeing of trade outlets, transfer of industries and technology on favourable terms to the developing world, non-reciprocity (or to use the jargon of the developing countries with their long experience with metropolitan direction of their trade, no reverse preferences), and institutional arrangements consistent with political independence and national dignity.

With regard to aid, an essential part of the new model, our countries understand and recognise that, whatever might be our general disenchantment with so much of the economic aid from the developed countries that has been talked about for so long, some of us are particularly concerned about the availability, quantum and quality of such aid. This, in terms of the Caribbean, will apply especially to the smaller territories usually referred to as less developed countries, whose one-crop economies would face virtual collapse in the absence of adequate marketing arrangements.

The new model of economic cooperation that our ACP countries are seeking and negotiating for would also include some measures of participation by the ACP countries in the operation and administration of the European Development Fund. No thunderbolts are likely to fall as a result. Today we read of a developing country which has purchased a substantial shareholding, with entitlement to representation on the Board of Directors, in one of the major and best established heavy industries in Western Europe. And we in Trinidad and Tobago have been able to develop on our own initiative and without any difficulty whatsoever joint venture operations with two of the countries of the European Economic Community with which we are now negotiating, the significance of this being considerably enhanced by the fact that what is involved is the petroleum industry.

But whilst we in the developing world legitimately give priority to correcting the historical imbalance between ourselves and the developed world which has for so long arrogated to itself the right to dictate the pace, scope and condition of our economic development, we would, in my view, be making a fundamental error if we fail to recognise that, whatever the support we can get from developed countries and institutions in those countries, it is our own efforts, individually and collectively, that will provide the principal pillar on which we can build the future development of the Third World, and therefore of our ACP countries. In respect of particular regions, such cooperation is becoming more common; the achievement of the DAU stands out as an inspiration in this regard. The dominant consideration, therefore, is cooperation between different regions and areas of the Third World - such as is reflected in our ACP Conference here this morning.

It is in this context that the Conference will perhaps permit me, on behalf of my Caribbean colleagues, to indicate merely as a statement of fact and without arrogance, the steps that have been taken and are currently being taken, related to our specific Caribbean circumstances, for economic integration among the Caribbean countries, expressed in the Caribbean Community established by Treaty a little more than a year ago in Trinidad. Agreement has already been reached among the countries concerned to marry the bauxite of Guyana and Jamaica with the natural gas of Trinidad and Tobago, through an aluminium smelter collectively owned by the three Governments. These Governments have further contemplated the development of an indigenous transportation network, initially by sea, to link together our countries and our economies, these facilities also to be collectively owned by the Government. A joint venture project in respect of cement between the Government of Barbados and Guyana is now being worked out. In respect of the Third World's recent public concern with the problem of fertiliser, in the context of the devastating drought and the famine conditions now being experienced by many Third World countries, Trinidad and Tobago is working on the development of proposals,

for the approval of our Caribbean colleagues, for an enormous increase in food production - particularly meat, milk and livestock feeds - designed to achieve the greatest possible measure of self-sufficiency in basic foods within the Caribbean region. Trinidad and Tobago's contribution will be specifically related to one of the most important aspects of agricultural development, an assured and reliable supply of quality fertilisers manufactured to meet Caribbean specifications. The project now being discussed involves the Trinidad and Tobago Government having majority participation in a joint venture with a major West European industrial entrepreneur.

This Caribbean integration, this Caribbean cooperation has developed over the past few years after much trial and error, after much hesitation, after much hemming and hawing - the inevitable by-products of our long heritage of disunity and fragmentation under metropolitan direction. It may well be that this experience, which includes a special regime for our less developed countries, can be of some interest to, or have some relevance for, our ACP colleagues from Africa and the Pacific present here this morning.

Over the centuries our countries have been consigned for the most part by the developed countries to a passive role in economic development and political self-determination. There can be no economic development and political stability in the future which is not based, in theory and in practice, on an active role for the passive participants of previous centuries. Our ACP countries present today, with the solidarity which they have been able to develop and to manifest over the past year, are ready to assume that active role. International conferences, for example, UNCTAD, are being held in developing countries as well as developed countries. One of our ACP colleagues present this morning, Kenya, has been selected as the headquarters of one of the important new United Nations agencies dealing with the environment. Our host today, Jamaica, which is preparing to receive the Commonwealth Prime Ministers next year, has staked its claim as the headquarters of yet another international authority, this one particularly crucial in respect of island states such as ours - the International Seabed Authority; Jamaica's bid has the unanimous support of all its Caribbean Community colleagues.

These are the thoughts that come to mind today, these are the potential developments that beckon us, these are the guidelines for our countries, as they emerge from the obscurity and subordination of the past. Let us continue our ACP cooperation and strengthen our solidarity in the days ahead, in this island where the European Economic Community is negotiating outside of Brussels with Third World countries. This is the best assurance for the success of our negotiations.

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