

## Comecon Meet in Cuba Opens Trade Offensive to Latin America

The events surrounding this week's 79th Executive Committee meeting of the Comecon in Havana mark the beginning of a coordinated diplomatic and trade effort by the leading Caribbean government's to integrate Latin America into the trade system now established between OPEC, the European Economic Community and the Comecon.

In his opening address to the conference, Cuban Premier Fidel Castro explicitly cited Cuban development as an example for other Latin American nations. "With the Comecon," stated Castro, "Cuba moves forward confidently toward increasing equality with the levels of development of the other member countries." Latin America, which faces "a depression similar to 1929," he pointed out, can now turn to the "advantages of this type of relations being promoted by the Comecon with the Third World."

In a nationally broadcast address on Jan. 19, Jamaican Prime Minister Michael Manley announced that a "formal agreement" is being reached whereby the Comecon will purchase bauxite from Jamaica, the largest supplier of bauxite to the United States. Manley also implied the advantages of the Comecon as a credit source for the Third World when he charged that existing international financial institutions, "especially the IMF," pressure borrowing countries to "give up their programs of domestic socio-economic development."

At the same time, Guyana's development minister, Desmond Hoyte, who attended the Havana meeting, declared that "Guyana will have the closest ties with the Comecon of any Latin American country" besides Cuba. "We consider the work of the Comecon essential for the most rapid and orderly development," he added.

The timing of the meeting, the first such session in the Western Hemisphere, coincides with a renewed effort by the Soviets to publicize the proposed transfer ruble as an alternate source of international credit. However, as Carlos Rafael Rodriguez, the vice president of Cuba's State Council, explained last week, the choice of Cuba as the site for the Executive Committee meeting should not merely be viewed as a sign of Comecon interest in Latin America. It is also the result, he said, of overtures toward the Comecon by members of the Andean Pact and SELA, the Latin American Economic System. Jamaica and Guyana are particularly interested in establishing "contact" with the Comecon, Rodriguez said, and Castro, in his speech, announced that negotiations are already underway to "formalize" these relations.

Castro's address emphasized that when Cuba joined the Comecon in 1972, it did so as "a socialist country, an underdeveloped country, and a Latin American country." "These factors," he said, make Cuba "a natural link between the Comecon and the so-called Third World."

He continued by pointing out the essential feature of Comecon credits: they are oriented strictly toward development. "The members of the Comecon have provided the developing countries with long-term credits at low interest totaling more than 11 billion rubles," Castro said. "There is not a single onerous demand, nor search for raw materials, nor extraction of financial profits. These characteristics represent the great difference that distinguishes Comecon policy toward the Third World from the economic practices of the developed capitalist countries, which are today censured in all international forums."

Castro also affirmed that "the new international economic order has become the common denominator of those countries fighting to abandon backwardness."

The final communique of the Comecon meeting called for the full support of all member nations behind the rapid development of Cuba's economy, particularly its nickel producing capacity. With such support, the Executive Committee statement predicted Cuba has the immediate capability of producing 130,000 tons of nickel annually — one fourth of the world's yearly production.

### *Venezuelan Link*

In conjunction with the Comecon meeting, similar developments are taking shape involving Venezuela, the key non-socialist government in the region. As a member of OPEC, the Andean Pact, and the Caribbean Development Bank, Venezuela is strategically situated as the pivotal point for connecting the rest of the continent with the de facto new economic order. The German Democratic Republic recently established a special trade office in Caracas to provide a "special impetus to economic relations" between the two nations. The office has announced that the GDR is interested in buying Venezuelan iron ore and oil for the first time, and will send a technical mission to Caracas next month to discuss means of expanding Venezuela's port facilities.

Venezuelan President Carlos Andres Perez has embarked on a policy of expanded trade and development that clearly breaks with the deindustrialization policies of the IMF and related institution described by Manley. In this endeavor he has the support of the national businessmen's federation, Fedecamaras, on the central issue that distinguishes real development from so-called Brazil Miracle-type projects: the development of the mental powers of the labor force. (See the Executive Intelligence Review, Vol. IV, No.3) The Fedecamaras statement exemplifies the increasing awareness of industrialists throughout the continent of the fact that adherence to the economic policies of the World Bank, the Brookings Institution, etc., can only lead to the destruction of labor power. Increased East-West trade, also endorsed by Fedecamaras, is the alternative.