

manner that it leads to the adoption of coordinated measures favouring the reactivation of development. They noted the progress achieved recently in the meetings held in New York with respect to the global negotiations and expressed their hope that it may form the basis for a political agreement on their early launching.

22. The President and the Prime Minister examined the situation in Latin America. They noted that there have been gratifying political developments in several countries and that there exists a common will to overcome economic difficulties together. Nevertheless, a new continental relationship guaranteeing effective political communication and effective economic cooperation is required. Appropriate domestic economic policies are important but must be complemented by increased access to export markets and financial flows in order to renew economic growth in Latin America and to strengthen the capacity to repay its external debt. In particular, they discussed the urgent need for the adoption of measures to facilitate access for Latin America products to North American markets.

23. On examining the Central American situation, President de la Madrid and Prime Minister Trudeau observed that their respective policies are based on the firm belief that conflict and unrest originate in the economic and social conditions which have historically shaped these countries. As a result, they acknowledged the importance of promoting the social and economic development of the Central American countries without discrimination and without political pre-conditions. Prime Minister Trudeau applauded the initiative to establish CADESCA (The Action Committee for the Economic and Social Development of Central