

French President François Mitterrand was concerned about the agenda for the negotiations and he also expressed the view that parallel talks on monetary reform should be commenced. He was supported by Jacques Delors, the president of the European Community's executive commission, who said "the worst thing we could possibly do is to embark on a new trade round ill-prepared, which would be a recipe for certain failure".

Third World issues

The problems of developing nations were also dealt with at some length in the final communiqué. Many representatives at the summit had raised Third World issues in their meetings.

For Prime Minister Brian Mulroney, Third World concerns were important and he wanted the other leaders to give higher priority to them. He said his concern increased during the meeting of Commonwealth Caribbean leaders in Jamaica in February.

"It was made very clear to me that the burden of debt and the lack of access, or flexible criteria, in lending institutions, the International Monetary Fund, the World Bank, and so on, are causing enormous hardships to developing countries," he said.

One of his proposals, a program called "the third window" was included in the final communiqué. The third window program would facilitate access for certain developing countries to debt financing from international agencies.

Finance Minister Michael Wilson said a number of developing countries have trouble getting money from the World Bank because



Peter Bregg photos

Seated at the conference table at the summit are: (from left clockwise) Ronald Reagan of the United States, Bettino Craxi of Italy, Brian Mulroney of Canada, François Mitterrand of France, Helmut Kohl of West Germany and Yasuhiro Nakasone of Japan.

they are neither major debtors, whose collapse would threaten the bank, nor the poorest of the poor, who get interest rate concessions. Instead, they are somewhere in the middle and they will not qualify for the special rates even though they need money because of plunging world commodity prices.

In the third window idea Canada proposed that the World Bank use about \$400 million of its profits over a three-year period to reduce the lending rate on about \$1.5 billion worth of loans. If \$400 million was devoted to this purpose, the bank could lend the \$1.5 billion at about 4.5 per cent, which is

half the regular World Bank rate.

To be eligible for the program, a country would have to have serious debt financing problems but would also have to demonstrate it was addressing structural problems within its economy.

Canada supported the proposal advanced at the summit by France for an action plan to combat famine and desertification in sub-Saharan Africa. A group of experts will examine ways and means of implementing proposals in the areas of food production, stockpiling and distribution, drought prediction and fighting desertification.

Environmental issues were also included in the final declaration. The leaders agreed to co-operate to help solve the pressing environmental problems such as acid deposition and air pollution.

The leaders also agreed that international co-operation in research and technology in major projects should be enhanced. Co-operation on the development and utilization of permanently manned space stations was scheduled for immediate discussion.

London visit

Prior to attending the Bonn Economic Summit, Mr. Mulroney made a four-day visit to Britain where he met with Prime Minister Thatcher, other government officials and businessmen. He also met with the Queen Mother and attended a lunch with the Queen.

In the meetings with Mrs. Thatcher, Mr. Mulroney emphasized that Canada's new government has a new view on trade and foreign investment. The two prime ministers also discussed common issues of con-



Prime Minister Brian Mulroney (left) was greeted by West German Chancellor Helmut Kohl, host of the economic summit in Bonn.