

wasteful consumption patterns of some of the developed countries and the role played by transnational oil corporations has led to the squandering of hydrocarbons and noting the plundering role of transnational corporations, which have benefited from cheap energy supplies—which they have used irresponsibly—up until only recently. The transnationals have been exploiting both the producers and consumers and reaping unjustified windfall profits, while at the same time falsifying facts by shifting the blame for the present situation onto the developing countries exporters of oil.

Permit me to remind you that, in my opening address to the Conference, I pointed out the desperate situation of the nonoil-producing underdeveloped countries—especially the least developed ones—and expressed my confidence that the nonaligned oil-producing countries would find formulas for helping to alleviate the situation of those countries that are already hit by world inflation and unequal trade and have serious balance of payments deficits and sharp increases in their foreign debts. But this does not obviate the principal responsibility of the developed countries, their monopolies and their transnational corporations.

Adopting that approach, the Heads of State or Government emphasized that the international energy issue should be discussed in the context of global negotiations within the United Nations with the participation of all countries and in relation with such other issues as the problems of development of developing countries, financial and monetary reforms, world trade and raw materials, so as to make a comprehensive analysis of the aspects which have a bearing on the establishment of the New International Economic Order.

No review of the main problems that affect the developing countries in terms of the world economy would be complete without an analysis of the transnational corporations. Once again, the policies and practices of transnational corporations were declared unacceptable. It was charged that, in their desire for profits, they exhaust the resources, distort the economies and infringe the sovereignty of developing countries; infringe the peoples' right to self-determination; violate the principles of noninterference in the affairs of States; and frequently resort to bribery, corruption, and other undesirable practices through which they seek to and do subordinate the developing countries to the industrialized countries.

In view of the inadequate progress achieved in the work carried out within the United Nations to draw up a Code of Conduct to regulate the activities of transnational corporations, the Conference reaffirmed the urgency of early completion of the work on the Code in order to provide the international community with a legal instrument with which at least to control and regulate the activities of the transnational corporations

Two proponents of a new world economic order

In 1976, Lyndon LaRouche, the Democratic presidential candidate, issued the pamphlet, "How the International Development Bank will Work." The pamphlet detailed the practical and theoretical tasks associated with implementing his March, 1975 proposal for an "International Development Bank," "the only competent scheme," in LaRouche's words, "for replacing the bankrupt International Monetary Fund." The essentials of LaRouche's proposal are today incorporated in the objectives of the European Monetary System and Fund, and are the explicit objectives spelled out by the September summit of nonaligned nations in Havana, Cuba.

As a result, Fidel Castro's speech to the United Nations this week, reflecting not only his own views,

in accordance with the objectives and aspirations of the developing countries.

In setting forth all the overwhelming negative aspects in the economic situation of developing countries, the Sixth Summit Conference called special attention to the mounting problems of the least developed, disadvantaged, land-locked countries and isolated hinterland ones and asked that urgent steps for the implementation of special measures be taken to alleviate them.

This, Mr. Chairman and representatives, was the far from optimistic, rather somber and unencouraging panorama with which the members of the Movement of Nonaligned Countries meeting in Havana were faced.

Nevertheless, the nonaligned countries did not allow themselves to be carried into positions of frustration or exasperation, however understandable that might be. While drawing up strategic concepts for advancing their struggle, the Heads of State or Government reiterated their demands and defined their positions.

The first fundamental objective in our struggle consists of reducing and finally eliminating the unequal exchange that prevails today and that makes international trade a useful vehicle for the plundering of our wealth. Today, the product of one hour's work in the developed countries is exchanged for the product of ten hours' work in the underdeveloped countries.

The nonaligned countries demand that serious attention be paid to the Integrated Program for Com-

but officially reporting those views adopted as resolutions of the Havana summit, parallel closely the proposals introduced by Mr. LaRouche in 1975 and 1976. For example:

This week, Fidel declared:

"The international monetary system that prevails today is bankrupt and should be replaced ... The debts of the least developed countries ... should be cancelled ... indebtedness in the rest of the developed countries relieved.

"The developing countries—and on their behalf, the Movement of Nonaligned Countries—demand that a substantial part of the immense resources now being wasted by being poured into the arms race be used for development ... We must discuss and determine a strategy for the next development decade, which should include an additional contribution of no less than \$300 billion (1977 real value), to be invested in the underdeveloped countries ... This should be in the form of donations, and long-term, low-interest, soft credits ... Some may think this is asking too much, but I think it is still a modest figure."

In 1976, Mr. LaRouche declared:

"There must be a declaration of commitment to sweeping financial reorganization of the capitalist sector's world monetary system, involving an orderly process of debt moratoria and the establishment of an institution such as the proposed International Development Bank ...

"By 1979, the U.S. sector alone could readily—and should—export the equivalent (in 1973 dollars) of approximately \$200 billion annually in long-term development projects. The rest of the industrialized sector should add about \$100 billion to that total ... Considering the feasibility of eliminating military budgets under IDB "detente" arrangements, the amount proposed is obviously not 'horrendously large ...'

There would be no objective problem in issuing most of that credit as outright development grants ... If we succeed in bringing a major portion of the population of the developing sector up to a level of social productivity comparable to the advanced sector within 10-15 years ... the benefits of this result to the advanced sector are so enormous that we should then require no repayment for past aid."

modities—which, thus far, has been so manipulated that it has been buried in the so-called North-South negotiations. Likewise, they ask that the Common Fund, projected as a stabilization instrument to establish a permanent correspondence between the prices they receive for their products and those they pay for their imports—which has just begun to be integrated—be given a big boost. For the nonaligned countries, this correspondence—permanently linking the prices of their export items with prices of the basic equipment, industrial products and raw materials and technology that they import from the developed countries—constitutes an essential pivot for all future economic negotiations.

The developing countries demand—and will maintain their struggle to achieve this—that the industrial products of their incipient economies be given access to the markets of developed countries that; the vicious protectionism which has been re-introduced in the international economy and which threatens to lead us once again into an ominous economic war be eliminated; and that generalized and nonreciprocal tariff preferences be applied without deceptive falsehoods, so their young industries may develop without being crushed in the world market by the superior technological resources of the developed countries.

The underdeveloped countries now have a foreign debt of \$335 billion. It is estimated that around \$40 billion a year goes to servicing this foreign debt—more

than 20 percent of their exports. Moreover, average per capita income in the developed countries is now 14 times greater than in the underdeveloped countries. This situation is untenable.

A new monetary system

The developing countries need a new financial system to be established through which they can receive the necessary financial resources for the continuous and independent development of their economies. It should provide long-term, low-interest financing. These financial resources should be completely at the disposal of the developing countries, to enable them to establish priority system in their economies in accordance with their plans for industrial development and to prevent those funds from being absorbed, as is the case at present, by transnational corporations—which use alleged financial contributions for development to aggravate the deformations of our economies and reap maximum profits from the exploitation of countries' resources.

The developing countries—and, on their behalf, the Movement of Nonaligned Countries—demand that a substantial part of the immense resources now being wasted in the arms race be used for development—which would both contribute to reducing the danger of war and help improve the international situation.