

just as a single currency is used and a single precious metal, gold, so has another precious metal, silver, been stripped of its right to be considered a reserve currency for our countries. . . . So, despite having our Andes in Mexico and in Peru, with a womb full of silver, we are not rich. We are poor by a decision of the IMF, because silver is not a precious metal. And if we had gold, I am certain that another type of metal would be sought, so that the minerals of the poor countries of the earth could be declared not precious metals. Therefore, we can say to the Fund, you want us to pay you? We will pay in our precious metal, which is silver. . . .

All of these demands boil down to a nationalist, decisive attitude. If the price of that nationalist attitude is, as they say, isolation, I know that it is an isolation with respect to the world centers of power . . . but I also know that there is not isolation but close identification with the countries of Latin America, and if some don't understand or watch passively what is happening in Peru now, well they should know that tomorrow it will be the peoples who will unite, not with Peru, but with the historic will of the entire continent, to make true what our heroes and founding fathers, from the Rio Grande to the tip of Chile, left us as a mandate: independence made through unity; independence made through integration.

'There is nothing to fear'

I greet you and thank you for this gesture of solidarity, which is the principle of democracy. Solidarity is the proof of democracy, because while speeches and successes can be applauded over and over again, what is important to me is to see in my Peruvian people and in the continent not applause, but solidarity in difficult moments. That's when one knows one's friends; that's when one finds if the votes were truly cast, not merely as another option, without putting one's responsibility and life on the line.

And now, today, Aug. 15, as Peru surely suffers already the consequences of its decision, it is very important that you are here. And I tell you, and through you the Peruvian people, that there is nothing to fear. The theories, the threats, the declarations, are all paper tigers. When a people understands and knows its destiny, when a people has no fear, when a people knows that so much wealth has left here and that more wealth can be generated by its efforts, by its solidarity, without expecting everything in a single day, then the economy of Peru and of other countries will be saved.

There is nothing to fear, and if the President of Peru, in the name of the Peruvians, makes a decision and sticks to it in spite of any declaration, you should know that nothing can be done historically to harm the country. Rather, we are opening the doors to another situation and another possibility, to leave a better situation and a better society, without violence and with greater justice, for our children.

I thank you all for your presence and your words, and I want you to know that this house and all of Peru are Latin American territory at your service.

Colombia needs a new labor federation

On Aug. 16, former Colombian labor minister Jorge Carrillo addressed representatives of 400 Colombian unions at a Bogota meeting to organize a new unified labor federation. Excerpts follow:

. . . Yesterday, the usurious international banks represented by the International Monetary Fund declared the sister republic of Peru ineligible for future loans. In other words, they said that Peru would remain isolated from the international financial sector.

Having just returned from Lima yesterday, I am witness to the fact that the Peruvian people received the bankers' decision with delight, because it allows them to continue a policy of defense of their national sovereignty, of frontal battle against imperialism and for improvement of the living standards of the Peruvian people.

The President of the Republic had declared: "It's fine that no more loans are coming, if the loans are conditioned such that they go to paying the bankers their debts, if the loans condition the national sovereignty such that it be the bankers who decide what kinds of wage increases the workers should get, such that it be the bankers who decide what rate of devaluation the national currency should have, such that it be the bankers who say which areas of production should be reactivated, and which not.

"The decision of the bankers is welcome, because it allows Peru to use its own resources, its own foreign exchange—which is the soul and blood of nations—so that there be health, education, and food for the Peruvian people instead of handing dollars over to the international banks. . . ."

As the Peruvian President said, we don't deny that we have a debt, but we are going to pay solely in accord with our possibilities. What is Colombia going to do in allocating more than 40% of its exports to payment of the debt? Is it going to cut back expenditures to meet this obligation? Is the rate of cutbacks going to increase? . . .

It has been said that public investment will be spent on the poorest, the neediest, and this is good, that there be state-financed health for indigents. . . . But it must be stated where the money is going to come from for these expenditures. It's

fine for there to be education, for there to be public works. But, where will the money come from?

In our case, it has been said that the money will come out of workers' social benefits, from the "oligarchy in overalls" which would now have to give up its "privileges," that trade unionism is the obstacle to the country's development, that unionism is the danger, that unionism is what is behind the seizure of power, that unionism is strangling businesses with collective bargaining agreements, severance pay, and other benefits.

Whoever said this meant, in other words, that the workers' movement should be wiped out. The workers' movement, which alone could oppose the designs of foreign capital against our nations. And the best way for that annihilation to occur, is by reducing the workers' movement to anarchy, dividing it, creating quarrels among its leaders, diverting it from its objectives, getting it to fight for little things, while what the international banks have designed for Colombia and for the rest of the countries becomes a reality. . . .

The unemployment crisis

Let nobody be fooled. In Colombia they now want to abolish the most sacred rights of the working class. The argument used is that of unemployment. We have a million and a half unemployed in Colombia, and this is a grave problem which must be begun to be solved. But who created this problem? Where did Colombia's unemployment problem come from? We all know that it began with the implementation of anti-national economic policies. If the state, which is the great employer, has to cut health investments, there will be no opportunities for employment in the health area. . . . And if national industry is prostrate, as indeed it is, working only to meet interest payments, there there will be no employment possibilities in the productive sector.

Where, then, does the unemployment problem come from? What causes it? Workers' social benefits? The unions? No! Next year Colombia will have to pay in interest on the foreign debt alone, about \$1.8 billion. With that sum, translated into pesos, we could solve the most pressing problems we have in the country, with just one year of grace on payment of that sum.

And another thing about that debt, about Latin America's \$400 billion, Colombia's more than \$12 billion: It is illegitimate; we have already paid it. Why is it illegitimate? Because they unilaterally increased interest rates, and thus increased Latin America's debt by more than \$60 billion. Because the terms of trade have made Latin America lose, through the sale of its products at a much lower price and through the devaluation of our currencies by more than \$100 billion.

And by the incentives to capital flight, which have made more than \$100 billion leave Latin America. How paradoxical! Peru is closed off from credit, but Latin America has

handed the international banks more than \$100 billion through capital flight. Thus, on the bottom line, after these sums are subtracted, we would have a tiny, easily manageable debt.

Thus His Holiness John Paul II has raised his deepest protest, has most energetically condemned the situation, and has said that there is no solution other than the solidarity of all countries, to confront the catastrophe approaching us. These adjustment policies, brothers, have caused infant mortality to increase. Colombia is at the top, as far as child mortality is concerned—because of malnutrition in the majority of cases. This has caused the reappearance of epidemics of diseases which we all thought had disappeared. . . .

These challenges have been making people, working people, conscious that the only way to defeat the national and foreign oligarchy is by uniting the workers with bands of steel around concrete objectives. The division of the working class is the only thing which has let the usurious banks rapidly achieve their fatal designs. We have kept divided for more than 40 years, ostensibly because of ideological problems, although everybody without exception is united for the defense of our country, for the defense of our people, for the defense of democracy, for the defense of liberty.

Therefore, I say that the conditions are present right now for the workers to unite in a great, broad, democratic, pluralist, and non-leftist workers' confederation, whose social goal would be the struggle against the International Monetary Fund, the struggle to defend what workers have won, respect for the working class and that obligation which all democratic states have for the working class to play its due role in a democratic society, that the working class intervene in economic questions, in the decisions which affect it, in social programs and—why not—for the united working class to become its own great political force in the country.

In this great crusade for unity, nobody is going to give up a comma, in so far as ideological principles are concerned. It's not a question of ideological principles, but of unity of action on concrete themes. Because every time someone speaks of unity, those of us who bring up the subject are immediately labeled communists, leftists, enemies of the nation, enemies of democracy. . . .

I know that the attacks are just beginning, especially against me, and that they are going to get worse in the future, that the professional slanderers are going to try to disorient the workers. This is not a question of one person, but a steamroller movement which moves upward from the grass roots. This is an unbreakable decision of the workers to unite. . . .

The challenge to which we Colombian workers are called has tremendous significance. The future of several generations is at stake. . . . We have a historic commitment, all of us, thousands and thousands of workers must do their part. And I believe we will not fall short of this historic commitment. . . .