

# Bankers want to wipe Peru off the map

by Cynthia R. Rush

The draconian economic shock policy announced by Peruvian President Alberto Fujimori on Aug. 8 will quickly achieve what Citibank chairman John Reed predicted in an interview with Brazil's *Veja* magazine last July, when he threatened any nation that might consider fighting usury. "If you look at a map of the world economy," Reed said, "you'll see that there are countries that have disappeared. . . . Peru and Bolivia will also disappear."

Fujimori's program, backed by the International Monetary Fund (IMF) and the United Nations, is intended to reduce this impoverished nation to African levels of existence, with subhuman living conditions, rampant epidemic disease, and chaos. The only beneficiaries of this policy will be the assassins of the Shining Path and MRTA terrorist groups, who have been able to use popular anger over economic shock policy to launch renewed violence around the country.

On Aug. 25, the Lima daily *La República* reported that the poverty index had doubled in the three-week period following the announced measures, from 7.5 million to 12 million people, out of a total population of 21.8 million. An econometrics firm reported that during August, the cost of living went up 412%, transport by 1,428%, rents 1,035%, and health care 648%. Government services were eliminated. Living standards have been thrown back to below what they were in 1966, when Peru was just starting to industrialize.

Small-business leader Francisco Martinetti noted that the price of shoes has gone from 2-3 million intis to 10-15 million. "Who is going to buy them when the monthly minimum wage is 16 million, and that is only enough for a worker's bus fare and 20 small rolls a day?"

Yet shortly after Fujimori announced his program, the U.S. State Department fired off a telegram stating that "the United States congratulates President Fujimori for having acted courageously to reestablish the stability of the Peruvian economy. . . . We hope that these steps, which bring sacrifices, will . . . once again permit Peru to benefit from integration with the world economic community."

## U.N. oversees genocide

Shortly after Fujimori's election in June, U.N. Secretary General Javier Pérez de Cuéllar pulled together an advisory committee of international bankers which demanded that the

President-elect adopt the IMF's austerity regime. Fujimori at first "rejected" their demands, only to turn around once in office and do exactly what they wanted. Now a number of U.N.-sponsored experts, many of whom have engineered programs for starving African nations, are reportedly in Lima to devise similar programs for Peru's poor; they are proposing that people can survive on a monthly "minimum diet" worth \$20. With such "assistance," U.N. and affiliated international agencies will begin to implement population control policies, by controlling the food supply, not unlike the "iron rice bowl" policies of communist China.

The government's social assistance program intends to provide the poor with 1,010 calories and 26.6 grams of protein per day, not much more than in Hitler's concentration camps. The Aug. 21 edition of *La República* reported economist Manuel Lajo's statements that the government policy of restricting wages "will not only cause an industrial recession, but will produce physical and irreversible damage to a new generation of children that will not have anything to eat." Lajo charged that the current minimum wage of 16 million intis "is a robbery of real buying power. . . . Based on official inflation figures, the minimum wage would need to be 29,700,000 intis."

Rosa Ballon of the Caritas charity warned Aug. 26 of the "explosive incidence" of tuberculosis among young people under the age of 25, weakened by malnutrition. "The sick ask for help, but cannot continue their treatment due to the high costs of medicine," she stated. "We cannot do much." The basic anti-tubercular medicines cost 16 million intis—equal to a month's minimum wage. The Health Ministry has just cut the weekly food ration for the patients of a tuberculosis hospital in Lima.

According to Mrs. Elena María Delgado, second vice president of the Committee of Small Industries, the government's measures have already forced 40% of Peru's industry to shut down, forcing more than 300,000 workers to look for work elsewhere.

Much of Peru's political leadership is clinging to the fantasy that the IMF will actually give the country something, if Fujimori does as he is told. In anticipation of a visit from an IMF delegation, spokesmen from virtually all the political parties issued statements on how important the visit would be for Peru's future. Senator Alberto Borea of the Popular Christian Party blindly remarked that "we hope the IMF will recognize the extraordinary effort we Peruvians are all making to emerge from this crisis, and show its human face."

Human face? Prime Minister Carlos Hurtado Miller told Peru's Congress Aug. 28 that the government will not change the course of its current economic policy, and will undertake no new development projects for the next few years. "We can do nothing else," he whined. Industry Minister Guido Pennano, an advocate of using revenues from the drug trade to finance development, admitted on Sept. 2 that the economic shock "in some cases may have gotten out of hand."