

## Hemisphere's labor leaders ask debt meeting with Reagan

by Silvia Palacios

Forty-three labor leaders, whose unions represent more than 40 million workers from across Ibero-America and the United States, gathered in Mexico City from July 15 to 17 to map out a continental battle plan against the International Monetary Fund before their countries join Africa in becoming death camps of starvation and epidemics. The conference was called by the Labor Commission of the Schiller Institute, an organization founded by Helga Zepp-LaRouche in 1984.

The trade unionists, hailing from Argentina, Bolivia, Brazil, Colombia, Mexico, Panama, Peru, and the United States, endorsed an historic manifesto entitled, "Stop the IMF's Genocide! For the Integration and Development of Ibero-America." The manifesto commits the conference participants to mobilizing Ibero-America's population for the eradication of the drug trade, hunger, and disease, while converting the continent into a great economic power in its own right, taking as its program of action the proposals made by U.S. political figure Lyndon H. LaRouche in his 1982 study, *Operation Juárez*.

Among the eight resolutions passed by the attendees, one calls for a meeting with President Ronald Reagan as soon as possible "for the purpose of proposing and discussing the problem of the foreign debt of each country and the future development of Ibero-America as a whole."

The manifesto asserts that neither Kissinger, with his proposal for a new "Marshall Plan," nor Fidel Castro represent an option for sovereign republics; both defend the International Monetary Fund and other forms of colonialism. This was the conference's response to Cuba's Fidel, who tried in vain to sabotage the conference by calling a labor meeting in Havana for the same dates.

In May of this year, Fidel conducted aggressive diplo-

macy to try to pull the Ibero-American labor movement and governments into the Soviet orbit, dubbing himself the leader of the growing wave of discontent with the IMF's austerity programs. Castro's self-proclaimed role ironically emerged only recently, just at the point when the Schiller Institute's campaign to integrate the continent's labor unions began to achieve its goal.

### Unifying the labor movement

Since the 1950s, when General Juan Perón first issued his proposal for forging continental unity among nations through the integration of Ibero-America's organized labor movements, nothing even remotely similar has been heard or seen. Today, there is no doubt that the Schiller Institute, with its Mexico City labor meeting, has crystallized this fervent desire long held by Ibero-America's patriots.

On July 18, at the conclusion of the Schiller event, 12 labor leaders representing the national delegations that attended the conference held a press conference. Manuel Carulias of Argentina, one of the Schiller Labor Commission coordinators, responded to a question on whether it was premature, to think in terms of integration doing away with the IMF: "How can you say premature, when Benito Juárez in the last century, and Juan Perón in this century, already spoke of exactly this? How can you say premature, when our children are dying of hunger and cold in the streets, because they have nothing to eat nor a roof under which to sleep? How can you say premature when we can already see how our economies are being destroyed?" He emphasized: "We must face the future and know that we can reach the year 2000 in only one of two ways: united or subjugated."

The conference attendees are from the following labor

organizations: CGT of Argentina; unions of the CTM and CROC of Mexico; the CTC and UTC of Colombia; banking and metal workers unions of Brazil; CTRP and Fishing Workers Union of Peru; CONATO of Panama; and railroad and electric workers of Bolivia.

Among the resolutions adopted by the meeting is a call for forming a Nuremberg Tribunal to investigate and judge the crimes against humanity committed by the IMF. Excerpts of the resolution declare:

“WHEREAS it has been demonstrated to all the world that the mass death now occurring in Africa is wiping out entire populations through famine and disease, and

“WHEREAS the scale of such mass death conforms precisely to the description of genocide . . . defined in the . . . Nuremberg Tribunal after World War II as a crime against humanity, and

“WHEREAS the cause of this genocide is identifiable in the acts of economic and financial policy toward the nations of Africa, specifically, the manipulation of economic aid and credit . . . and

“WHEREAS it is conclusive that officials of the IMF and collaborators *know, or should have known*, that their credit policies would lead to . . . genocide,

“THEREFORE . . . as labor leaders of our respective nations and participants in the First Labor Conference of the Schiller Institute, we urge the heads of state of all sovereign nations . . . to immediately convene a Nuremberg Tribunal to hear testimony, and pass judgment, on the IMF’s crimes against humanity.”

The conference also supported the statements of Peru’s President-elect Alan García to “not pay the foreign debt with the hunger of the people,” nor make the debt problem an East-West conflict.

The conference expressed its full solidarity with the workers of Bolivia and condemned the drug-trafficking mafia of Bolivia which is seeking a comeback through Hugo Banzer. Another of the resolutions attacked “interventionism and any other vestiges of British colonialism in the American continent.”

### **Classical education for the working class**

Five huge portraits decorated the labor conference’s podium, with matching citations: Mexico’s Benito Juárez with his famous 1861 declaration of debt moratorium; Juan Domingo Perón of Argentina, with his quotes on economic integration; Pope John Paul II, attacking the injustice of today’s financial institutions; the German thinker Friedrich Schiller speaking of the dignity of man; and Esteban de Antunano, the renowned Mexican economist of the 19th century, speaking on industrialization.

In these five portraits was encapsulated the cultural inheritance of the continental movement the Schiller Institute is forging, a movement fundamentally opposed to worship of the bucolic, feudal world the Soviets revere.

In the session on defeating the drug trade, the director of

Mexico’s *War on Drugs* magazine, Carlos Méndez, singled out rock music as part of the counterculture associated with drug consumption. His remarks provoked an emotional discussion, which was given special impetus by a concert presented by the children’s chorus of the National Music School of Mexico, led by Mexico’s Schiller Institute president, Alfredo Mendoza.

Mendoza spoke of the necessity of encouraging classical culture on the part of the labor movement, so that citizens fully capable of facing the great moments of history—as Schiller said—are created. At the end of Mendoza’s presentation, Colombian labor leader Guillermo Pedraza asked for the floor to announce that his union would buy a piano so that members and their children could learn classical music.

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## **Manifesto**

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*The following is the full text of the Manifesto of the First Continental Conference of the Schiller Institute Labor Commission in Mexico City on July 15-17, 1985, titled, “Stop the IMF’s Genocide! For the Integration and Development of Ibero-America.”*

No, there are limits to the power of tyranny. . . . We are obliged to defend with force our most precious goods; we shall fight for our country, for our women and our children.—Friedrich Schiller, *Wilhelm Tell*

The situation confronting humanity is dramatic. It is not just that hunger and misery afflict us; our very Western, Judeo-Christian civilization, as we have known it from the period of the Golden Renaissance, is at stake.

The genocidal programs imposed on our economies by such supranational agencies as the International Monetary Fund, the World Bank, and the commercial banks, are generating an ecological-biological holocaust of such proportions that the pandemics and plagues already spreading on a world scale, may possibly cause more deaths than a thermonuclear war.

The famines which are now exterminating millions of human beings in Africa, are only a taste of what is beginning to emerge in Ibero-America. The systematic application of the IMF’s “adjustment programs” has generated a potential for the emergence of previously unknown diseases; new deserts have been created; even the climates and weather are changing in a dramatic way. The IMF is turning the nations of the Third World into the breeding ground for a new “Black Death,” like that which decimated Europe during the 14th century, killing half of its population.

The Ibero-American trade union movement must be equal to the demands of this historic moment. Thus, we, the representatives of the working class, are assuming the responsibility which some of our governments have not wanted

to take on. We commit ourselves to organizing the unity and integration of the Ibero-American peoples and nations to achieve the destruction of the IMF and of the oligarchic system it represents. We commit ourselves to mobilizing our bases, to force the construction of the large infrastructure projects which our continent requires to provide dignified employment, and appropriate cultural and living conditions for our populations. As of this moment, we declare a war to the death on the drug plague. The illegitimate foreign debt, imposed on us as a looting mechanism, cannot, and should not, be paid. We support all initiatives of governments, designed to free us from the foreign debt burden, and to guarantee the sovereign development of our nations. And we are going to competently train our brother trade unionists, to expose the opportunists and traitors.

As General Juan Perón said on November 11, 1953, when he complained of the failures of the "unity produced by governments," "Let us try, from another route which has never been tested, to see if, from below, we can come together in a decisive manner, so that this unity can be realized." Let it be clear, however: We do not intend to replace existing national and international trade union organizations, of which we form a part; on the contrary: We want to strengthen them with our programmatic proposals, and with our desire for unity. Democratic trade unionism will reaffirm itself with our ideas.

### Neither Kissinger nor Castro

During our continental trade union conference, held in Mexico City on July 15-17, 1985, we carefully scrutinized various alternatives to deal with the current economic crisis. We categorically reject as incompetent, and contrary to workers' interests, the proposals made by Henry Kissinger and Fidel Castro which, if implemented, would mean the destruction of the physical economies and populations in the Third World—including Ibero-America—as well as in the advanced sector.

Henry Kissinger has recently proposed what he calls a "Marshall Plan for Latin America"; similarly, Fidel Castro has jumped into the fray, proposing that the debt "not be paid." Both proposals have in common the idea of preserving the existence of the IMF and the usurious commercial banks. At the core of both proposals is the profound strategic commitment to handing our continent over to the Soviets. Should the IMF's programs continue, not only will democracy further deteriorate; our very nations shall disappear. The IMF is the primary promoter of class struggle and violence.

In his interview with *Folha de São Paulo*, published on June 2 of this year, Fidel Castro stated: "The IMF itself should be saved, as a forum for making governmental decisions. . . . Are bankruptcies a problem? Then let us save the banks. The Third World's unpayable debt would be paid by the governments of those countries where the banks reside,

with the approval of their congresses, in small installments through simple budgetary transmission." Castro and his Russian friends want to destroy the continent's defense capability, by opposing high-technology programs under the pretext of opposing "the arms race." Argentina's nuclear energy program is among the targets, both of the IMF and the Soviets. Nonetheless, after the Malvinas conflict, certain things have become clear.

Castro's proposal can be summarized as follows:

- 1) Do not pay the service on Ibero-America's foreign debt.
- 2) Save the IMF as an institution.
- 3) Save the creditor banks with funds from the U.S. defense budget.
- 4) Eliminate the United States' program for the development of beam weapons.
- 5) Cut Ibero-America's military budgets, thus eliminating the continent's defense capability.
- 6) Eliminate all of Ibero-America's nuclear, laser, and advanced technology programs, for their alleged ties to the "arms race."

Kissinger's proposal is no different from earlier ones: a mechanism that will guarantee some bridge loans, to prevent the explosion of the debt bomb at a point when Ibero-America has taken certain steps toward the creation of a debtors' cartel. Kissinger's only concern is that the debt be paid.

Anticipating that the financial bubble will explode at a given moment, Kissinger has been promoting debt repayment with nations' sovereign patrimony. That is, pay the debt with physical assets. This is a real threat to national sovereignty, which we reject, and against which we will fight.

Kissinger's proposal can be summarized as follows:

- 1) Create a Western Hemisphere development institution for the next 5 to 7 years.
- 2) Finance it through cuts in the U.S. defense budget, thus eliminating the Strategic Defense Initiative for the development of beam weapons.
- 3) Refinance Ibero-America's debt, reducing interest rates to between 2 and 4%.
- 4) Capitalize this interest, adding it to the total debt.
- 5) Pay a portion of Ibero-America's debt service with money from each country.
- 6) Use national currencies to purchase Ibero-American assets, equal to 20% of the total debt.
- 7) Continue imposing the IMF's adjustment programs, but with more subtlety.

Should Kissinger's program be implemented, within five years, the industrial production of Ibero-America will have

dropped by more than 50%. Castro's apparently very radical proposal will have the *same* impact on our economies.

### **Against epidemics and the drug trade**

The IMF's economic and financial policies have, and are, producing holocaust. The IMF, its controllers and collaborators, do not want to collect the debt, but rather want to use it as an instrument to reduce the world's population, through famine, plague, and pandemics. Famine, epidemics, and pandemics already exist in Africa, and could very quickly lead to another Black Death, such as that which wiped out half of Europe's population during the 14th century.

This is the affliction of Africa today; but tomorrow is *today*, because hunger is already stalking our continent.

The drug trade is the other plague which afflicts us, created and controlled by the same usurious parasites which stand behind the IMF and the international banks. While all other economic activity, including oil production, is collapsing, the drug trade expands. Today, the annual income from the international drug trade is \$450 billion, far greater than the total amount of Ibero-America's inflated debt. A portion of this income finances terrorism, destabilizations, and coups d'etat against democratic governments, while destroying our youth and our children with drug addiction.

There is sufficient public testimony to the fact that the IMF openly proposes that our economies become narco-economies to pay the foreign debt through drug export while our populations starve.

Furthermore, the international drug trade—with the help of the International Monetary Fund—has declared a third Opium War on Ibero-America, identical to that which England waged against China in the last century, with the same methods and the same objectives.

Thus, it is urgent that we battle the drug trade with the weapons and methods of war. There must be military, political, and legal agreements among the nations of Ibero-America, and, with full respect for national sovereignties, an Ibero-American anti-drug army should be formed; the national legislatures should reform their banking and financial laws to put an end to the laundering of drug money, and any relations with foreign banking or financial institutions whose complicity in the drug trade has been proven, should be prohibited outright.

We support the Quito, Ecuador agreement by several Ibero-American heads of state to declare the drug trade a crime against humanity.

We also demand the full cooperation of the United States, including the availability of its most advanced technology, in the war against an organized epidemic which seeks to destroy the North as well as the South.

The Ibero-American democratic trade unions are as determined to win the war against the drug trade as they are to achieve the economic and political integration of Ibero-

America. With our forces, our governments and our armies, we will soon defeat the drug trade.

Given the gravity of the crisis, dramatic, radical and immediate solutions are required, such as those indicated by U.S. economist Lyndon H. LaRouche in his study, *Operation Juárez*; these are solutions which would achieve the accelerated development of the economies of both the North and the South.

These measures are, in sum:

- 1) Reorganize the Ibero-American foreign debt through joint negotiation.
  - a) Declare a moratorium on the existing debt.
  - b) Issue new long-term Ibero-American bonds at 2 percent interest rates.
  - c) Shut down the IMF and the World Bank.
- 2) Form an Ibero-American common market.
  - a) Establish a customs union to encourage intra-Ibero-American trade.
  - b) Create an Ibero-American credit and development bank.
  - c) Establish a "golden peso," with new parities with respect to the dollar, protected by exchange controls.
  - d) Re-establish the real value of Ibero-American exports.
- 3) Launch great economic development projects in Ibero-America.
  - a) Physically integrate the continent with great infrastructure projects.
  - b) Emphasize advanced industrial technology, especially nuclear and laser technology.
  - c) Modernize agriculture.

By implementing these proposals of *Operation Juárez*, the industrial and agricultural production of Ibero-America could be increased by more than 50 percent in just five years, compared to a contraction by 50 percent, were the proposals of Kissinger and his twin Castro, to be adopted.

Such a rate of economic growth, at this stage in the crisis, is neither an option nor a luxury; it is an absolute necessity if we are to save our populations from the misery and genocide that looms.

We, labor leaders called together by the Schiller Institute's Labor Commission, accept the moral and political responsibility that history has imposed on us. We commit ourselves to forging the necessary continental unity to make this necessity a reality.

The great German thinker Friedrich Schiller, the Poet of Freedom, once said that unfortunately there have been great moments in history which have found a "little people." Before the public opinion of Ibero-America and the world, we pledge that this time it shall not be so. Our people will be equal to the great historical task that faces us.