

porary Studies (IDEC), with a grant from CIPE of \$96,000 a year; the Center for Studies on Liberty (CESL), with a grant of \$34,000 a year and the Federation of Argentine Business and Professional Women, which receives \$9,600 a year. The head of IDEC, Marcos Victorica, chaired the first panel with de Soto.

In Mexico, CIPE works closely with the Mexican Employers' Confederation (Coparmex), which receives \$40,000 annually from CIPE; the Center for Economic and Education Studies, \$33,000 a year from CIPE, and the Businessmen's Coordinating Council, which get \$100,000 a year, according to CIPE's 1986 annual report made available at the conference.

Coparmex has been denounced by this publication as the business front for the National Action Party (PAN), the main opposition party of Mexico promoting chaos and the secession of Mexico's northern states. A Coparmex leader in the north of Mexico was caught in the past storing large amounts of drugs.

In Venezuela, CIPE has recently opened shop. The Institute for Liberty and Democracy-Venezuela was set up in 1985. Jesús Eduardo Rodríguez, its vice president, spoke at the event. From Panama, the oligarchical Civic Crusade sent Rafael Zuniga, executive director of the Chamber of Commerce of Panama, the base of operations of the subversive campaign to overthrow Panama's constitutional government.

There were also representatives from Bolivia, Brazil, Chile, Colombia, Dominican Republic, Ecuador, Guatemala, Honduras, Paraguay, and Uruguay. Also delegations from Taiwan, South Africa, Thailand, Tunisia, Egypt, and India, among others.

The U.S. participants included Carl Gershman, president of NED, about 50 mission directors and staff personnel from AID, large groups from the Chamber of Commerce, Department of Commerce, the State Department, and from NED's National Democratic Institute and National Republican Institute for International Affairs.

U.N. Secretary General Javier Pérez de Cuéllar, a Peruvian oligarch like de Soto, sent a letter to CIPE apologizing for not being able to attend and expressing his "admiration" for de Soto's "brilliant" work.

At the conclusion, CIPE's vice president Archy announced that it will issue a quarterly report on the informal sector throughout the world to expose the "system of governments and other obstacles that prevent that energy from realizing" itself.

Whether Reagan knows it or not, by promoting the "underground economy," the Reagan administration is not only advocating the legalization of drugs, condemning millions of Americans to destruction and millions more in the Third World to perennial backwardness, but it is setting up the conditions for Moscow's narco-terrorist troops to overthrow stable governments throughout the developing sector.

'Development, not a right': Reagan

In his speech before the 42nd General Assembly of the United Nations in New York on Sept. 27, President Ronald Reagan sent shockwaves throughout the developing sector when he asserted that "development is not itself a right." Following are excerpts of the speech.

There has been much talk in the halls of this building about the "right to development." But more and more the evidence is clear that development is not itself a right. It is the product of rights—the right to own property; the right to buy and sell freely; the right to contract; the right to be free of excessive taxation and regulation, of burdensome government. There have been studies that determined that countries with low tax rates have greater growth than those with high rates.

We're all familiar with the phenomenon of the "underground economy." The scholar, Hernando de Soto, and his colleagues have examined the situation of one country, Peru, and described an economy of the poor that bypasses crushing taxation and stifling regulation. This "informal economy," as the researchers call it, is the principal supplier of many goods and services and often the only ladder for upward mobility. In the capital city, it accounts for almost all public transportation and most street markets. And the researchers concluded that, thanks to the informal economy, "the poor can work, travel, and have roof over their heads." They might have added that, by becoming underground entrepreneurs themselves or by working for them, the poor have become less poor and the nation itself richer.

. . . The free market is the other path to development and the one true path. And, unlike many other paths, it leads somewhere. It works. So this is where I believe we can find the map to the world's future—in the hearts of ordinary people; in their hopes for themselves and their children. . . . These people are the giants of the Earth, the true builders of the world and shapers of the centuries to come. And if indeed they triumph, as I believe they will, we will at last know a world of peace and freedom, opportunity and hope, and, yes, of democracy—a world in which the spirit of mankind at last conquers the old, familiar enemies of famine, disease, tyranny, and war.