

In reality Underdeveloped World Financing Developed World — Fidel Castro

(Speech delivered at the UN Summit for Social Development in Copenhagen on March 11, 1995)

Now there is talk about social problems, about the problem of unemployment, poverty, illiteracy, and lack of healthcare that exist in much of the world. There is much talk about social development in a world where social development is in total contradiction to reality. The truth is that part of the world is very wealthy, very developed, increasingly wealthy and developed, yet the big majority of humanity lives in poverty, increasing poverty, and underdevelopment. The terminology of the United Nations uses the word "developing countries." That's a kind word, because they don't like the word "underdevelopment." We're talking about economic underdevelopment, of course. That's why they call them developing or emerging countries, because the difference, the notorious gap between the underdeveloped and developed countries, is getting bigger, not

19th Memorial Day of Mao Zedong Observed

9th September, on which falls the 19th anniversary of the passing away of Mao Tsetung, the great Marxist leader and architect of Chinese revolution, was observed in all solemnity on that very day at the Salt Lake Party Commune, Calcutta. Comrade Nihar Mukherjee, our beloved General Secretary, placed wreath at the portrait of Mao Tsetung in the presence of the Central Committee members of our party. Party activists of the local area also were present in the memorial celebration. After placing the wreath Comrade Nihar Mukherjee himself raised slogans, "Red Salute, Comrade Mao Tsetung", "Long Live Communism", "Long Live Proletarian Internationalism", which were vigorously responded by all comrades present there.

At the end, the *Internationale* was sung in unison.

smaller. It's true that the developed countries have many problems; different countries have many different kinds of problems. One of the most serious problems in the developed world is unemployment, which is proof of the inability of this model to solve certain problems.

Unequal terms of Trade

Now capitalists talk about solving the problems of underdevelopment, which is truly a giant contradiction. Looking at the Third World we see problems that aren't even taken up in the declaration, in the action programme of this summit conference. It talks about the struggle against poverty and so forth, but it doesn't mention the problem of unequal terms of trade, where the prices Third World countries get for their exports keep going down, while the prices of products purchased from the developed world keep rising. And here it analyzes what has occurred since the Second World War, but the purchasing power of basic products is not even 30 per cent of what it used to be. In fact, countries are exporting more and more while importing fewer and fewer commodities. There is no mention of capital flight. In reality, the underdeveloped world is financing the developed world. The amount of money leaving those countries every year is greater than the amount entering them. How can there be development? How can they eradicate poverty? At this conference they don't talk about the foreign debt, or they speak in terms of forgiving the debt of the poorest nations by an inadequate amount — but the (Third World) foreign debt is now more than \$1.5 trillion (nearly Rs. 4,50,000 crores). And each year it grows. How can there be social development? Everyone expected that with the end of the Cold War, resources used for arms could be used for development. There are resources for arms spending — arms spending is about \$1 trillion (nearly Rs. 3,00,000 crores) a year. Why and what for, now that Cold War is over? With these resources there could be economic development in the Third World and social development in the entire world. Why do

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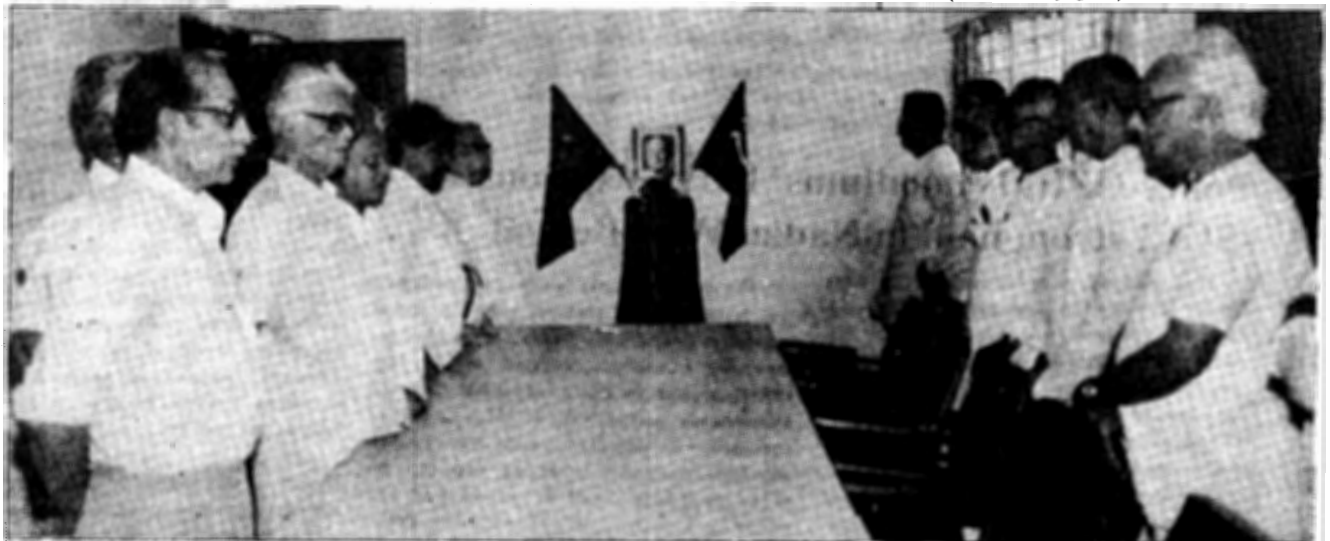
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SUCI condemns French nuclear test

Comrade Nihar Mukherjee, General Secretary of our party in course of a statement on 6th September '95 strongly condemned the nuclear explosion carried out by the French government in the South Pacific, in total disregard of the world public opinion. Characterising these tests as nothing but clear indication of the French imperialists' engagement in nuclear war preparation, Comrade Mukherjee demanded that the French government must stop these nuclear tests. He called upon the people of the Asia-Pacific region, especially of India, to build up powerful movement to force the French imperialists to refrain from this dangerous game of nuclear arms build up.

they maintain these policies? These are the realities. These are the realities that they talk about — fighting poverty, fighting for development. Well, speculative capital, speculative investment is not productive investment. And now it is starting to produce catastrophes in some countries. In the last few days, in fact, there has been a big panic in Europe over monetary problems due to the devaluation of the dollar and several other currencies. With those

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Comrade Nihar Mukherjee and other Central Committee members are paying homage to Comrade Mao Zedong on his 19th memorial day at Salt Lake Party Commune, Calcutta.

Anti-Obscenity Convention in Bangalore Crowned with Success

Women of Karnataka are in the midst of a militant movement against obscenity. An anti-obscenity convention was organized in Bangalore with great enthusiasm on 23rd August last. Before the convention, on 21st August about 100 women tore and burnt obscene posters in different areas, and gave a deputation to the corporation authority. The Commissioner of the corporation was, as a result, compelled to issue an order to the Revenue Officer (Advt.) and Assistant Revenue Officer (Advt) to take immediate steps with the help of all Assistant Executive Engineers to remove obscene posters on a war footing within a week's time.

Karnataka State Committee of All India Mahila Sanskritik Sangathane (AIMSS) and Karnataka Mahila Sangha Samsthegala Samanvaya Vedike (KMSSSV) jointly organized this anti-obscenity convention at Rabindra Kala Kshetra on 23rd August 1995. Thousands of girls students, housewives, activists of Mahila Mandals and officials participated in the convention. Justice M.N. Venkatchalaiah, former Chief Justice, Supreme Court of India, inaugurated the convention. Dr.H.G.Jayalakshmi, State Secretary, AIMSS, and convenor of KMSSSV presided over the meeting while Comrade Chhaya Mukherjee, General Secretary, AIMSS was the chief guest.

In his inaugural speech Justice Venkatchalaiah, being overwhelmed by the huge gathering of women commented that this convention was the hope in a society facing total moral depravity. He said that today in the name of individual right, obscenity and vulgarity were encouraged. Lamenting that the western decadent culture of permissiveness was entering the country polluting the society, he said by that values were thus given a go-by. He condemned the obscene films, movies and posters and called upon the people to come forward to stem the rot.

In her speech as chief guest, Comrade Chhaya Mukherjee said that today obscenity and vulgarity were spreading fast, crime and sex have become the sole subject matter of films. She said that this in turn was developing criminal tendency leading to various crimes like rapes, stealing, killing, etc. She continued that movies, instead of developing finer feelings and higher values, were destroying and shaking the very moral foundation of society. She stressed the necessity of understanding deeply the root cause of the problem and the solution of it. She continued that the present-day capitalism had become out and out reactionary creating degeneration in all fields, moral and cultural including. She asserted that only socialism was able to provide freedom and equal rights to women, and her dignity and

self-respect could be restored in that system alone. She called upon all to fight the evils of obscenity and organize to initiate struggle for changing the social system.

Dr. Sudha Kamath, State President, AIMSS gave an introductory speech and Comrade Susheela Vasudeva Rao, Jt. Convenor, KMSSSV welcomed the audience.

The meeting paid homage to the departed poet Shree S.R. Ekkundi, who breathed his last very recently.

A resolution supporting the on-going movement of the nurses against the distorted portrayal of nurses in the TV serial, "Deel Ka doctor" was unanimously accepted in the meeting.

After the convention a memorandum was submitted to Chief Minister of Karnataka demanding of him issuance of direction to the municipalities, corporations and the Home Ministry for taking strict measures to eliminate the menace of obscenity and to punish the concerned publishers, printers and distributors.



A part of the gathering of Anti-Obscenity Convention in Bangalore. Seen on dais are former Supreme Court Chief Justice Mr. Venkatchalaiah and Dr. Sudha Kamath, Dr. Jayalakshmi and Comrade Chhaya Mukherjee.

Police-CPI(M) hoodlums' bid to wipe out SUCI stronghold in Nadia, West Bengal

Kulgachhi village in Nadia district of West Bengal has of late witnessed a horrifying example of how barbarous can be the administrative wrath of Left Front government's police and to what extent the loathsome vengeance of the ruling CPI(M) with the naked backing of the local police can go. It is a sordid trail of loot, rape and murder.

The local police force and the band of CPI(M)-hoodlums unleashed a reign of terror and sustained form of assault on the villagers of Kulgachhi in Tehatta police station of Nadia since the last panchayat elections.

The police-CPI(M) hoodlums' vandalism was reported in our previous issue. In protest against police-CPI(M) vandalism, a 24-hour successful bandh was observed on 13th July 1995 throughout the district of Nadia. Comrade Devaprosad Sarkar, SUCI MLA tried to personally visit the village but the district police authority intervened informing him that no police protection would be provided to him during his visit there. In a memorandum to the Chief Minister Sri Jyoti Basu, on July 21, Comrade Sarkar apprised him of the whole incidents and demanded of him necessary

arrangement and protection for home-coming of the 175 evicted and ransacked families who are being constantly prevented to return by the police and the CPI(M) hoodlums and immediate arrest of the O.C. Satya Chaki and other police men for loot, arson, murder and indignities to women. But as apprehended, it was not to any avail. And in the most despicable act of revenge for giving shelter to the wife and sister of Comrade Giasuddin Mondal after he was murdered, Mrs. Hasina Bibi was gangraped on August 22 and threatened by the said Satya Chaki, O.C. with murder if she complained. However, she lodged a case after she was released from hospital at Krishnanagar naming two of the miscreants. But they are still freely and openly moving about.

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Imperialist Conspiracy Through Fund-Bank — An Expose

[*Global impoverishment*, an article by Michel Chossudovsky, Professor of Economics, Faculty of Social Sciences, University of Ottawa, Canada, was published in *Frontline* on August 12, 1994. In this article the writer depicted a grim picture of global impoverishment through the IMF-World Bank prescription. Being broadly in agreement with the writer about his analysis, we are reproducing below the same. —Editor, *Proletarian Era*.]

There is little to rejoice as the international community celebrates the 50th anniversary of the Bretton Woods Conference which led to the establishment of the Washington-based international financial institutions. Since the early 1980's, the 'macro-economic stabilization' and 'structural adjustment' programmes (SAPs) imposed by the IMF and the World Bank on developing countries (as a condition for the renegotiation of their external debt) have led to the impoverishment of hundreds of millions of people.

Contrary to the spirit of the Bretton Woods agreement which was predicated on 'economic reconstruction' and the stability of major exchange rates, the adjustment programme has largely contributed to destabilizing national currencies and ruining the economies of developing countries. Internal purchasing power has collapsed, famines have erupted, health clinics and schools have been closed down, millions of children have been denied the right to primary education. In several regions of the developing world, the reforms have been conducive to a resurgence of infectious diseases including tuberculosis, malaria and cholera. Since the late 1980's, the IMF-World Bank 'economic medicine' has been imposed on Eastern Europe, Yugoslavia and the former Soviet Union with devastating economic and social consequences.

Since the mid-1980's, the impact of structural adjustment including the derogation of the social rights of women and the detrimental environmental consequences of economic reform have been amply documented. While the Bretton Woods institutions have acknowledged 'the social impact of adjustment', no shift in policy direction is in sight. In fact, since the late-1980's, the IMF-World Bank policy prescriptions (now imposed in the name of 'poverty alleviation') have become increasingly harsh and unyielding. Moreover, these reforms — when applied simultaneously in more than one hundred countries — are conducive to a 'globalization of poverty' a process which undermines human livelihood and destroys civil society in the South, the East and the North.

THE IMF MENU

The same 'menu' of budgetary austerity, trade liberalization and privatization is applied simultaneously in more than hundred indebted countries. ... Countries which do not conform to the IMF's 'performance targets' are blacklisted. While adopted in the name of 'democracy' and 'governance', the SAP requires the strengthening of the internal security apparatus: political repression — with the collusion of Third World elites — supports a parallel process of 'economic repression'.

So-called 'governance' and the holding of multi-party elections are added conditions

imposed by the donors and creditors, yet the very nature of the economic reforms precludes a genuine democratization — that is, their implementation invariably requires (contrary to the "spirit of Anglo-Saxon liberalism") the backing of the military and of the authoritarian state. Structural adjustment promotes bogus institutions and a fake parliamentary democracy, which in turn supports the process of economic restructuring.

Throughout the Third World, the situation is one of social desperation and hopelessness of a population impoverished by the interplay of market forces, and anti-SAP riots and popular uprisings are brutally repressed:

- **Caracas, 1989** : President Carlos Andres Perez, after having rhetorically denounced the IMF for practising "an economic totalitarianism which kills not with bullets but with famine", declares a state of emergency and sends regular units of the infantry and the marines into the slum areas (*barrios de ranchos*) on the hills overlooking the capital. The Caracas anti-IMF riots had been sparked off as a result of a 200% increase in the price of bread. Men, women and children were fired upon indiscriminately. "The Caracas morgue was reported to have up to 200 bodies of people killed in the first 3 days ... and warned that it was running out of coffins". Unofficially, more than a thousand people were killed;
- **Tunis, January 1984**: The bread riots largely instigated by unemployed youth protesting the rise of food prices;
- **Nigeria, 1989** : The anti-SAP student riots lead to the closing of 6 of the country's universities by the Armed Forces Ruling Council;
- **Morocco, 1990** : A general strike and a popular uprising against the Government's IMF sponsored reforms;
- **1993** : The insurrection of the Chiapas Indians in southern Mexico, protest movements in the Russian Federation and the storming of the Russian Parliament, and so on. The list is long

Economic Genocide

Structural adjustment is conducive to a form of 'economic genocide' which is carried out through the deliberate manipulation of market forces. When compared to genocide in various periods of colonial history (for example, forced labour and slavery), its impact is devastating. Structural adjustment programmes directly affect the livelihood of more than 4 billion people. The application of SAP in a large number of individual debtor-countries favours the 'internationalization' of macroeconomic policy under the direct control of the IMF and the World Bank acting on behalf of powerful financial and political interests (for example, the Paris and London Clubs, the G-7). This new form of economic and political domination — a form of 'market colonialism' — subordinates people and governments through the seemingly neutral interplay of market forces. The Washington-based international bureaucracy is entrusted by the international creditors and multinational corporations with the execution of a global economic design which affects the

livelihood of more than 80% of the world's population. At no time in history has the 'free' market — through the instruments of macroeconomics operating at a world level — played such an important role in shaping the destiny of 'sovereign' nations. The restructuring of the world economy under the guidance of the Washington-based financial institutions increasingly denies individual Third World countries the possibility of building a national economy; the internationalization of economic policy transforms countries into open economic territories and national economies into 'reserves' of cheap labour and natural resources. The application of the IMF economic medicine tends to depress world commodity prices further because it forces individual countries to gear simultaneously their national economies towards a shrinking world market.

Parallel with this 'remoulding' of the global and national economies, the dominant economic discourse has, since the early 1980's, reinforced its clutch in academic and research institutions throughout the world; critical analysis is strongly discouraged, the dominant economic dogma admits neither dissent nor discussion of its main theoretical paradigm. Similarly, Third World intellectuals are increasingly enlisted in support of the neo-liberal paradigm, the internationalization of economic 'science' unreservedly supports the process of global economic restructuring. Moreover, whereas the IMF-World Bank sponsored reforms accentuate social and income disparities between and within nations, the realities of world poverty are increasingly concealed by the blatant manipulation of income statistics. The World Bank 'estimates', for instance, that in Latin America and the Caribbean only 19 per cent of the population is 'poor': a gross distortion when we know for a fact that in the United States (with an annual per capita income of \$20,000) one American in five is defined (by the Bureau of the Census) to be below the poverty line.

Policing Countries Through Loan 'Conditionalities'

Because countries are indebted, the IMF and the World Bank can oblige them through the so-called 'conditionalities' attached to the loan agreements to redirect "appropriately" their macroeconomic policy in accordance with the interests of the international creditors. The objective consists in enforcing the legitimacy of the debt servicing relationship while maintaining debtor-nations in a straitjacket which prevents them from embarking upon an independent national economic policy. While the circumstances of the 'adjusting' countries differ markedly, the same economic recipe is applied worldwide. The adoption of the Fund's prescriptions under the economic stabilization package is not only conditional for obtaining loans from multilateral institutions, it also gives 'the green light' to the Paris and London Clubs, foreign investors, commercial banking institutions and bilateral donors. The evidence suggests that countries which refuse to accept the Fund's corrective policy measures face serious difficulties in rescheduling their debt and/or obtaining new development loans and international assistance. The IMF also has the

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Global Impoverishment

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means of seriously disrupting a national economy by blocking short-term credit in support of commodity trade.

Invariably, substantial reforms will be required *prior* to the negotiation of a structural adjustment loan. The government has to provide evidence to the IMF that it is 'seriously committed to economic reform' prior to the holding of actual loan negotiations. This process is often carried out in the context of a so-called 'IMF Shadow Programme' in which the IMF provides policy guidelines and 'technical advice' to a government without any formal loan support. The Shadow Programme applies to countries whose economic reforms are considered (in IMF jargon) 'not to be on track' (for example, Peru under Alberto Fujimori (1990-91) or Brazil under Fernando Collor de Mello and Itamar Franco (1990-94). 'Satisfactory performance' under the Shadow Programme is considered necessary, prior to the formal negotiation of a loan agreement. Once the loan has been granted, policy performance is rightly monitored on a quarterly basis by the Washington institutions. The disbursements can be interrupted at any time if the reforms are not 'on track', in which case the country is 'back on the black list' with the danger of reprisals in the area of trade and capital flows.

In many indebted countries, the 'sovereign government' is obliged under its agreement with the Washington-based institutions to outline its priorities in a so-called 'policy framework paper' (PFP). Although officially a government document determined by the country, the PFP is written under the close supervision of the IMF and the World Bank according to a standard, pre-set format. There is, in this context, a clear division of tasks between the two sister organizations. The IMF is involved in key policy negotiations with regard to the exchange rate and the budget deficit. The monitoring of a country's economic performance by the IMF provides the basis of so-called 'IMF surveillance activities' over members' economic policies. The World Bank, on the other hand, is far more involved in the actual reform process through its country-level representative office and its numerous technical missions. Moreover, the World Bank is also present in most of the line ministries; the reforms in health, education, industry, agriculture, transportation, the environment, and so on are under its jurisdiction. Moreover, since the late-1980's, the World Bank closely monitors the structure of public expenditure through the so-called Public Expenditure Review (PER). The composition of expenditure in each of the ministries is under its supervision.

Destroying A Nation's Currency

Destroying the national currency is a key objective of IMF-World Bank intervention: currency devaluation ordered by the IMF is conducive to abrupt price hikes and a dramatic compression of real earnings while at the same time dramatically depressing the cost of labour (expressed in dollars). The currency devaluation is usually demanded (as a precondition) prior to the negotiation of a structural adjustment loan. In sub-Saharan Africa, the devaluation of the CFA

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Intensive preparations are on to make the anti-imperialist convention a success. Propaganda also is picking up. Here some of the graffiti in Calcutta are shown.

Global Impoverishment

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franc imposed by the IMF and the French treasury in early 1994, rather than constituting "a means of eradicating rural poverty" as claimed by the donor community, compressed (with the stroke of a pen) the real value of wages and government expenditure (expressed in hard currency) by 50 per cent while massively redirecting state revenues towards debt servicing ... The impact of devaluation was brutal and immediate: the domestic prices of food staples, essential drugs, equipment, and so on, have sky-rocketed. It is worth recalling that in Nigeria in the 1980's, the steep price rise of soap which resulted from the devaluation of the naira was the cause of a high incidence of certain types of skin disease....

While the devaluation triggers inflation and the 'dollarization' of domestic prices, the IMF obliges the government to adopt a so-called 'anti-inflationary programme'. The latter is predicated 'on a contraction of demand' instrumented through the dismissal of public employees, drastic cuts in social sector programmes and the deindexation of wages. To achieve this objective, strikes are outlawed and trade union leaders are arrested. (The levels of wages in indebted countries are as much as 70 times lower than in the countries of the Organization for Economic Cooperation and Development (OECD).

Engineering the Collapse of State Investment

The reforms also trigger the collapse of public investment. Precise 'ceilings' are placed on all categories of expenditure, the state is no longer permitted to mobilize its own resources for the building of public infrastructure, roads or hospitals, and so on. That is, the creditors not only become the 'brokers' of all major public investment projects, they also decide in the context of the 'Public Investment Programme' (PIP), established under the technical auspices of the World Bank, on what type of public infrastructure should or should not be funded by the 'donor community'. The control of public investment by the donors not only contributes to the demobilization of domestic resources but also to the enlargement of the external debt through the system of international tender (and 'competitive bidding') which allocates the entire execution of public works projects to international construction and engineering firms. Large amounts of money are skimmed off into a variety of consulting and management fees ... Local construction companies (whether public or private) tend to be excluded from the tendering process although much of the actual construction work will be undertaken by local companies (using local labour at very low wages) in separate sub-contracting deals reached with the transnationals ...

The World Bank 'Helps The Poor'

The Bretton Woods institutions claim to be firmly committed to poverty alleviation. The so-called 'targeted programmes' earmarked "to help the poor" combined with 'cost recovery' and the 'privatization' of health and educational services are said to constitute 'a more efficient' way of delivering social programmes. So-called 'sustainable poverty reduction' under World

Bank guidance is predicated on slashing social sector budgets and redirecting expenditure on a selective and token basis; "in favour of the poor." The state withdraws many programmes under the jurisdiction of line ministries will henceforth be managed by the organizations of civil society under the umbrella of the Social Emergency Fund (SEF). The latter also finances the 'social safety net' — for example, severance payments and/or minimum employment projects earmarked for public sector workers laid off as a result of the adjustment programme. An entirely separate and parallel organizational structure unfolds, various non-governmental organizations (NGOs) funded by international 'aid programmes' have gradually taken over many of the functions of local level governments whose funds have been frozen as a result of the structural adjustment programme.

Small scale production and handicraft projects, sub-contracting for export processing firms, community based training and employment programmes, and so on, are set up under the umbrella of the 'social safety net'. A meagre survival of local-level communities is ensured while at the same time containing the risk of social upheaval. The 'social emergency fund' (established on the Bolivia-Ghana model) constitutes an institutional mechanism for 'the management of poverty', while at the same time dismantling the state's public finances. The SEF constitutes a useful policy framework for 'managing poverty' and attenuating social unrest at minimal cost to the creditors.

In sub-Saharan Africa, 'targeting' in favour of the so-called 'vulnerable groups' has largely been responsible for the collapse of schools, health clinics and hospitals, while providing a semblance of legitimacy to the Washington-based institutions. Freezing the number of graduates of the teacher training colleges and increasing the number of pupils per teacher are explicit conditions of World Bank social sector adjustment loans. The educational budget is curtailed, the number of contact-hours spent by children in school is cut down and a 'double shift system' is installed: one teacher now does the work of two, the remaining teachers are laid off and the resulting saving to the treasury are funnelled towards the Paris Club of official creditors ... These initiatives (implemented in the name of 'poverty alleviation'), however, are still considered to be incomplete: in sub-Saharan Africa, the donor community has recently proposed a new imaginative ('cost-effective') formula which consists in eliminating the teachers' meagre salary altogether (in some countries as low as \$15-20 a month) while granting small loans to enable unemployed teachers to set up their own informal 'private schools' in rural backyards and urban slums. Under this scheme, the Ministry of Education would nonetheless still be responsible for monitoring 'the quality' of teaching ...

A similar approach prevails in the area of health. State subsidies to health are said to create undesirable 'market distortions' which "benefit the rich." Moreover, according to the World Bank's most recent 'estimate' (contained in its 1993 World Development Report entitled *Investing in Health*), an expenditure of \$8 per person per annum is in any event amply sufficient to meet acceptable standards of clinical services,

Moreover, user fees for primary health care to impoverished rural communities should be exacted both on the grounds of 'greater equity' and 'efficiency.' These communities should also participate in the running of the primary health care units by substituting the qualified nurse or medical auxiliary (hitherto paid by the Ministry of Health) by an untrained and semi-illiterate health volunteer ... The results: with the exception of a small number of externally funded 'show pieces', health establishments in sub-Saharan Africa have *de facto* become sources of disease and infection. The shortage of funds allocated to medical supplies including disposable syringes, as well as the price hikes (recommended by the World Bank) in electricity, water and fuel (for example, required to sterilize needles) increase the incidence of infection (including HIV transmission) ... Whereas the World Bank concedes that the communicable disease control programmes of developing countries for diarrhoea, malaria and acute respiratory infections have deteriorated, the proposed 'solutions' consist in the 'commercialization' (and commodification) of public health as well as the massive lay off of doctors and health workers.

The IMF-World Bank reforms brutally dismantle the social sectors of developing countries, undoing the efforts and struggles of the post-colonial period and reversing "with the stroke of the pen" the fulfilment of past progress. Throughout the developing world, there is a consistent and coherent pattern: the IMF-World Bank reform package constitutes a coherent programme of economic and social collapse. The austerity measures lead to the disintegration of the state, the national economy is remoulded, production for the domestic market is destroyed through the compression of real earnings, domestic production is redirected towards the world market. These measures go far beyond the phasing out of import substituting industries, they destroy the entire fabric of domestic economy ...

Fifty years is enough! The world community must take cognizance of the 'deadly' impact of macroeconomic policy, applied in over 100 developing countries by the Bretton Woods institutions ...

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A delegation from the West Bengal State Committee of A.I.M.S.S. with Mrs Hasina Bibi tried to meet the Chief Minister and in his absence a memorandum demanding, inter alia, immediate arrest of the O.C. of Tehatta P.S on the charge of loot and arson and making arrangement for returning of the 175 families evicted from Kulgachhi was handed over to another minister, Ms. Bilasibala Sahis.

Again on this issue, Comrade Debaprosad Sarkar failing to meet the Chief Minister met the State Information and Culture Minister and the Director General of Police, who only assured him of taking proper steps. Lastly Comrade Sarkar personally met the Chief Minister on September 4 and in accordance with discussion with Comrade Sarkar the Chief Minister issued instructions to the district police authority for helping Comrade Sarkar and other SUCI leaders in escorting the evicted villagers to their home on September 6. But the said O.C. Satya Chaki flouting every instructions from the Chief Minister prevented the return of the villagers and utterly misbehave with Comrade Sarkar. The villagers are still to return to their homes.

Sanctions and Blockades — Imperialist Weapons of Mass Destruction

The International Commission of Enquiry on Economic Sanctions is striving to arouse public opinion on the deleterious effects of economic sanctions on the common people of countries in which such sanctions have been applied.

The Commission has an honorary presidium constituted by eminent world citizens like Ahmed Ben Bella, the first Algerian president; Karmenu Mifsud Bonnice, former premier of Malta; Morad Ghalib, former Egyptian foreign minister, Daniel Ortega, former president of Nicaragua; Ramsey Clark, former attorney general of the USA; Tony Benn, British Labour MP and others.

An international conference was organized by the Commission in London which took the form of a public hearing and heard testimony from lawyers, medical practitioners and common people regarding sanctions.

Before organizing the convention the legal committee of the commission issued an appeal which appraised the common people about the true nature of the sanctions.

The appeal showed that from among the ten instances of imposition of economic sanctions in the fifty years of UN as many as 8 have been during the 1990s which include arms embargo against Yugoslavia (1991), Somalia (1992) and Liberia (1992); arms and air embargo and freezing of assets against Libya (1992); arms and oil embargo against Haiti (1993) and the comprehensive package of economic sanctions against Iraq from 1990. The targets of all these sanctions, it should be borne in mind, are exclusively less developed countries. These sanctions have transgressed the recognized human rights and freedoms, namely, the rights to life, liberty and security; the right not to be subjected to cruel, inhuman or degrading treatment or punishments; the right to freedom of movement; the right to family life; the right to own property; the right to manifest one's religion or belief in teaching, practice, worship and otherwise; the right to realization of the economic, social and cultural rights indispensable for the dignity and free development of personality; the right to a standard of living adequate for the health and well-being of individuals and their families, including food, medical care, and necessary social services, the right to education, etc.

Ironically, these rights and freedoms are enshrined in the Universal Declaration of Human Rights (1948), and subsequently reiterated and confirmed by numerous international and regional instruments.

Moreover, the imposition of these sanctions violates international humanitarian norms as expounded in the international conventions including the Geneva Conventions of 1949, all of which outlaw collective punishment and reprisals affecting innocent civilians. Since these norms have to be observed in wartime, then it must be even more so in conditions of peace. But even though no hostilities have existed at all in the case of Libya and in the case of Iraq they ceased in early 1991, such sanctions are still continuing with impunity.

The universal principle of 'innocent until proved guilty' though recognized in the systems

of law of the various individual states as well as in the jurisprudence of the International Court of Justice and other competent International Tribunals, the Security Council has blatantly violated this principle in its repeated demand made on Libya (e.g. in Resolutions 731 and 748) to make reparations to US, UK and France for alleged terrorist actions prior to any judicial determination whatsoever.

The Security Council's acute double standards in law enforcement in the context of international terrorism is blatant.

The Commission observed that these violations of human rights, as demonstrated in the most extreme form in the case of Iraq, do not stop short of the deliberate creation of a new zone of death and destitution, with thousands of deaths monthly, widespread hunger, malnutrition, dehydration, organ failure, and pain without relief, permanent physical or mental disability, and generalised shortening of life.

The Commission also noted the alarming signs that the same developments are beginning to result in the case of Libya as well, where the air embargo has made it impossible to maintain hospital services or fly out patients in cases of urgent medical need, has led to road congestion and accidents, and has disrupted the economic and cultural development of a whole generation of the country's inhabitants, with particularly deleterious effects on the old, the young and the sick.

The Commission considered that the imposition of these sanctions is renewed periodically exclusively on the basis of recommendations from the Sanctions Committee of the Security Council, which is not an independent body, its membership being composed of representatives of the Security Council countries, thus making it effectively one and the same body as the Security Council itself.

The Convention was convinced that these sanctions have increasingly become an instrument for the imposition of the foreign policy of a small number of Big Powers rather than an instrument for the peaceful settlement of international disputes, and being in this respect a continuation of the policy of unilateral sanctions imposed by the US, notably its embargo on Cuba which has continued for over 30 years and the undeclared embargo to which North Korea has in effect been subjected by the US since 1953.

(We reproduce an abridged report of the London Conference published in the *New Worker*, London, a weekly newspaper of the New Communist Party of Britain.)

The atom bomb dropped on Hiroshima on 6 August 1945 killed around 250,000 people. But the United Nation's economic sanctions against Iraq since the Gulf War in 1992, had, by the end of last December, resulted in the deaths of over 500,000 Iraqi children from lack of food or medicines.

This is what former United States Attorney General Ramsey Clark told a public meeting, which packed London's Conway Hall to the gallery last Saturday.

He was addressing a meeting called to draw

attention to the effects of blockades and sanctions on less developed countries.

The meeting was part of a two-day conference called by the International Commission of Inquiry on Economic Sanctions and it gave an opportunity for people from Iraq, Libya, Cuba and other victimized countries - and for journalists, medical workers, peace activists and archeologists to give eye-witness reports on the effects of sanctions.

Ramsey Clark described the use of sanctions and blockades as "a weapon of mass destruction with enormous impact on the whole population." He was followed by dozens of speakers who testified to the effects of sanctions on every aspect of life in those countries subject to sanctions and blockades - but especially on the life expectancy of the very young and old.

Nurse Peggy Preston, who worked in Iraq in 1992, explained that all the children crowding Baghdad's hospitals are suffering the effects of the sanctions and from the destructions of the city's infrastructure, which had been "bombed back to the middle ages".

"There is no electricity, so no scans, no radiography for those with cancers, no refrigeration for storing medicines and no clean water."

Journalist Felicity Arbuthnot described how she had witnessed the death of an otherwise fit new born baby who needed just a small length of plastic tubing and a little oxygen to ventilate his lungs.

The UN sanctions veto the import of toys, pencils, school materials and even shoe aces. In theory, medicines and foods are exempt from the sanctions, but in practice, extensive bureaucracy cuts off these essentials as well.

Anaesthetics are ruled out, as are hypodermic needles — because they are not medicines in themselves.

So children are forced to endure very painful conditions without even the most basic relief. And many children now are falling ill from radiation-linked conditions after the bombing of Iraq's nuclear power stations.

US journalist Sarah Flounders warned the meeting that the US government is again sabre-rattling and threatening another attack on Iraq, on the trumed-up excuse that "Iraq is planning to invade Saudi Arabia".

"The people have not been consulted over this," she said. "The ceasefire was not a ceasefire but the start of an unending siege, affecting just about every country in the gulf region."

And she described the sanctions as "a weapon of famine". ...

Libyan writer Ahmed Al Fiqak told of how sanctions had stifled artistic and cultural life in the country. All journals and newspapers coming into the country, which used to arrive within a day, now take many days because they have to come by surface transport and not air. Many Libyan publications have been forced to close.

German Archeologist writer Peter Priskil testified to the looting of antiquities inflicted on Basra by American soldiers after the ancient Iraqi town had been bombed. And he explained that the sanctions are preventing urgent repair works to Bronze-age buildings. ...

Teresa Gutierrez for the *United States Peace*

(Contd. on page 7)

Structural Adjustment — A Failure

(Dr. Walden Bello worked in Washington D.C. as a campaigner for democratic rights in the Philippines. He taught at the University of California. Currently Executive Director, Institute for Food and Development Policy (Food First) in Oakland, California, he is also a research associate for the Centre for South East Asian Studies of the University of California at Berkeley. Below are reproduced excerpts from an interview given by him and published in *Frontline*, September 9, 1994.)

The IMF and the World Bank are considered some kind of dispassionate vendors of economic wisdom by Third World bureaucrats, opinion-makers and politicians. How far is this true?

I have been looking at these institutions for the past twenty years and find that there is a way through their technocratic language of neo-classical economics that questions of power translate into seemingly scientific issues of efficiency, rationality and productivity. The language they use is a sort of filter that obfuscates the realities of power. Many World Bank-IMF people are themselves not aware of the ideological implications of this language and hence cannot really be called conscious "agents" of those who currently hold international economic power. But while these technocrats may fool themselves about their neutrality, there is no doubt that these two institutions primarily serve Northern, and particularly US, capital. The US Treasury Department is very clear that they must serve US interests. In 1982, when some right wing US politicians wanted to stop funding for the IMF because it was serving the interest of state-oriented Third World regimes, the US Treasury Department came up with a series of case studies that showed how the IMF and the World Bank were specifically benefiting US interests.

What has been the performance record of the World Bank and the IMF, especially vis-a-vis their structural adjustment programmes (SAPs)?

There are no success stories of the SAP to date. Mexico, Chile, Ghana and Thailand are often cited by World Bank and IMF officials, but a closer look at each of these countries reveals the true nature of development there. In Thailand, which was under SAP during the early and the mid-1980s, for example, it was the massive influx of Japanese capital that was the main engine of growth. In other countries in Africa and Latin America, which underwent the SAP, after facing a total cut off of commercial credit, there was no such inflow of investment capital resulting in severe crisis for their economies. In Mexico, again, the explosive political developments during the past few months have revealed the tremendous inequities fostered there by the SAP despite some growth. The SAP has, in fact, succeeded in preparing Mexico for a political revolution, which I am sure was not exactly what the IMF and the World Bank had in mind! (The crash of Mexican economy in December 1994 and its cascading effect on the capital market the world over happened after the interview was taken, - Ed. P. Era)

Chile has been under SAP since 1973 and there is considerable evidence to show that the growth rate there was higher under the earlier import substitution-oriented state capitalist

regimes of the 1960s. During the 'free marketeering' days of General (Augusto) Pinochet there was a decline in the living standards of over 40 per cent of the population. Any programme that marginalizes vast section of the population on this scale is not really a success. In Ghana the SAP has had a destabilizing impact on the country's environment with the free-market policies imposed under it resulting in the sale of the forests. Unemployment is as serious as it was prior to the adoption of the SAP, while Ghana's external debt is now the same or even slightly higher than before. So it is really difficult for IMF and the World Bank people to talk of these countries as "success stories". But then again one must understand that SAPs were never meant to promote real economic growth in countries of the South.

But the "tiger" economies of South East Asia are often held up by the IMF and the World Bank as successful examples of their theories of private and foreign capital-driven, export-oriented growth.

South East Asia's newly industrialized countries (NICs) are in fact an open contradiction of the radical free market policies advocated by Bank and Fund economists. The NICs used state assistance to move capitalism forward and there is a pronounced correlation between the activist role of the state and economic development in this region. The highest growth rates have been recorded where the degree of state intervention has also been the highest.

This is something the US strategists also know, which is precisely why they have begun a war on the state mechanism in South Korea, Taiwan and Thailand. The US is demanding that they open up their economies, cut government subsidies and lower protection for domestic industry. The US clearly does not want these countries to become another "Japan" and is out to resubordinate them. The idea that the NICs are models of free market capitalism, the US upholds is not true any more.

In the case of Japan itself, the US is complaining of "structural impediments" to foreign competition in the Japanese economy and pressing them to "get their government out of their economy." The US, in fact, is pushing Japan to adopt the Anglo-American model of capitalism, which is driven largely by big corporate capital, and attempting to delegitimise the Japanese and even German variants of capitalism, which are much more state-oriented.

What have really been the objectives of structural adjustment programmes?

Ostensibly, SAPs were supposed to rectify the external imbalances of a country's economy and create conditions for efficient production and expansion of the market mechanism. In reality, SAPs were guided by the objective of dismantling the state sector. Looking at it historically, after the end of the Second World War, Third World leaders across the ideological spectrum, from conservatives to Communists, used the state to develop their economies, giving them a leverage against multinationals and Northern capital. With the strengthening of their national sovereignty they went on to demand a New International Economic Order to redistribute wealth globally. SAPs were meant to destroy the "activist state" that had given these countries this measure of

self-reliance and "roll back" the entire South from the gains it had made in the post-War period.

The debt crisis was made use of by the US to push through this key strategic objective. Most Third World economies have become so weak due to their debt problems that it has not been possible for them to resist the economic establishment of the North and the imposition of the SAPs.

The great global conflict of the past few decades was "East vs West". In the 1980s the principal point of cleavage has been "North vs South". SAPs, the World Bank and the IMF have to be seen in this context of global struggle for power and dominance.

In many Third World countries, though the state sector has been an engine of growth, it is also perceived by the public as bureaucratic, inefficient and often corrupt monopolies.

There is a lot of justification in the public's negative perception of the state sector, but that is no reason for throwing the baby out with the bath water. The World Bank and the IMF have seized upon this public discontent and used it as a strategic weapon to deny the state any meaningful role whatsoever in the economy. Many Third World people simply want to reform their state sector and not hand it over to the corporate world which, after all, is also full of problems of inefficiency, fraud and monopolistic practices.

Is there a way out of what seems to be the institutionalization of Third World poverty? What future do you see for the Third World?

As of now the great global economic counter-revolution seems to be continuing. Forcing the Third World to accept SAPs is the first phase. The second phase will be to "roll back" the newly industrialized economies of South East Asia and subordinate their role within the world economy. The 1990s are likely to see a continuation of these trends. But you will also have more and more people rebelling against these adjustment policies. Many of the ruling elites in the South countries have lost their legitimacy because they have become identified with SAPs. ...

Imperialist Conspiracy

(Contd. from page 6)

for Cuba Appeal explained the work of her organization in lobbying and raising funds and collections of essentials for Cuba. In doing so, members risked arrest or loss of their jobs for opposing the US government policy.

She explained that Cuba's chief crime was being an example to other Latin American countries. ...

Ramsey Clark wound up the meeting with a reminder of the power of the media. "During the Vietnam war," he said, "reports appeared in the press everyday.

"But in the 20 years since there have been no reports at all on the continuing sanctions and their effects. War is over but the sanctions go on all day every day and have resulted in more deaths than the thirty years of war ...

Finally, a statement condemning sanctions as a brutal instrument of foreign policy was read out and endorsed by the meeting.

Blockade due to hatred of ideas that Cuba represents

(Contd. from page 1)

problems there won't be any resources for development. At this conference there is no mention of the self-determination of peoples. There is no talk of national sovereignty, yet there is a strong tendency toward intervention and gutting the principles of independence and national sovereignty. Now they also talk about ecological clauses for the Third World countries. That doesn't mean concern for the environment. In fact, the biggest ecological violation is hunger, which kills nearly 14 million children every year. Two billion people are illiterate; 2.2 billion live in poverty, absolute poverty; millions of children suffer from malnutrition; 1.5 billion people do not have access to healthcare. It is truly a human disaster. But when they talk about ecological clauses, what they have in mind is protectionist measures to block access to the markets for certain countries. There is talk about social clauses, but it's a pretext to block the Third World's products from the markets of the

developed countries. There is talk about political clauses. After a hard fight, and by sweetening some words, it was possible to achieve some kind of statement against the blockade [imposed by Washington on Cuba]. Blockades have become a weapon to combat ideas. In the case of our country, there has been a thirty-five-year-long blockade by the most powerful country on earth with the most economic resources — aimed at destroying the economy and the revolution in a small country like Cuba, which they have always wanted to take over. With neoliberalism there can be no social development, because wherever neoliberalism has been imposed, funding for education, healthcare, social security, and construction of hospitals and schools has been eliminated. I shouldn't take too much time telling you about the things we have done and have been able to maintain even under the terrible conditions in which we are living, in the middle of an increasingly cruel blockade, after the

disappearance of the socialist camp and the USSR, when we lost 70 per cent of our imports. Not a single teacher has been left jobless. Just the opposite, every day there are more teachers. Not a single doctor has been left jobless, there are more and more doctors. Not a single hospital, school, or childcare centre has been closed.

Why Do They Blockade Cuba ?

Cuba is blockaded. Why ? What country has done more for the people than Cuba ? Not just for its own country. The revolution has sent teachers, doctors, and workers to dozens of Third World countries without charging a penny. It shed its own blood fighting colonialism, fighting apartheid, and fascism. The revolution forged a consciousness of solidarity — solidarity not only with its own compatriots but with other peoples. At one point we had 25,000 Third World students studying on scholarships. We still have many scholarship students from Africa and other countries. In addition, our country has treated more children who were victims of the Chernobyl tragedy than all other countries put together. More than 13,000 children from Chernobyl have been treated and continue to be treated despite the huge difficulties in our country. They don't talk about that, and that's why they blockade us — the country with the most teachers per capita of all countries in the world, including developed countries. The country with the most doctors per capita of all countries; there is one doctor — and a good doctor — for every 214 inhabitants in our country. The country with the most art instructors per capita of all countries in the world. The country with the most sports instructors in the world. That gives you an idea of the effort involved. A country where life expectancy is more than seventy-five years. Why are they blockading Cuba ? Because no other country has done more for its people. It's the hatred of the ideas that Cuba represents. It's the hatred of the resistance it has been able to put up. For us, international solidarity has extraordinary value. We know that for almost thirty years, Nordic brigades have visited our country, working very hard and sharing our sacrifices and our hopes. You are showing us that we are not alone or isolated, that there are many people like you everywhere. Our commitment, our combativeness, our hopes grow. The hopes of all men and women will grow. And let no one doubt that we shall build a better world.

West Bengal AIKKMS' March to Writers' Buildings



On 12th September West Bengal State Committee of KKMS organised a March to the Writers' Buildings on various demands like issuing official documents as agricultural workers, work round the year, proper irrigation facilities etc. A section of the massive rally is seen above. On the dais Comrade Probohd Purkai, MLA is seen addressing the gathering.

A communist seeks exchange of Ideas

Militant Communist aged 45 years who will attend 30 years of militantism in September seeks to correspond with the comrades — men and women — of all countries — irrespective of age — for exchange of ideas, documents, books, journals, gifts, etc.

Unfortunately, I speak only in French but with a little desire and effort it will be possible for you to understand it. Please coordinate in the following address :

DURIGNEUX ALAIN
4, RUE DE BEAU SEJOUR
6560 ERQUELINAES
BELGIQUE

FAX : International Code Plus 71556198

EDITOR-IN-CHIEF : NIHAR MUKHERJEE

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