



FIDEL CASTRO

Speaks to trade unionists

The U.S. WAR DRIVE and the WORLD ECONOMIC CRISIS



The U.S. War Drive and the World Economic Crisis

by Fidel Castro

Distinguished representatives of the international trade union movement:

This Tenth Congress of the World Federation of Trade Unions entails special significance. Under the difficult circumstances the workers and peoples of the world face, the success of a meeting of this type depends, to a large extent, on its nature and scope. Once Cuba was selected as its host, our trade union leadership greatly stressed — and we agreed — that we should all contribute to make this congress as broad as possible so that the various tendencies and main forces of the international trade union movement could be represented in it. And this regardless of distinctions, so as to be able to approach — exercising truly democratic methods, with the greatest freedom of discussion and opinion — the essential matters that so harshly affect and so deeply concern millions of workers throughout the world.

We must say that those hopes have been fulfilled beyond expectations. There are 135 nations and 351 trade union organizations comprising 260 million workers represented in this congress thus far. That, in itself, gives an idea of its magnitude and of the tremendous importance its resolutions may have. This constitutes the meeting's first major achievement. It should also be stressed that, of the organizations present, eighty are members of the World Federa-

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tion of Trade Unions [WFTU], that is, a little over 20 per cent.

There are organizations here that are members of other international trade union bodies as well as many that do not belong to any; although many are identified with the WFTU's objectives and actively take part in its struggles.

The interest shown in this congress and the high level of participation we have referred to are concrete expressions of the community of interests being seen with ever greater strength, among all workers of the world. We can state that the congress we feel so pleased in opening today is the congress of the overwhelming majority of the organized trade union movement throughout the world.

For the first time, a congress of this nature is being held outside Europe. The fact that it takes place in Cuba, a country struggling for development in the midst of constant threats, slanderous campaigns, and a rigid economic blockade, a country whose enemies have vainly attempted to isolate and separate it from the remaining peoples of the world, invests the congress with a meaning of deep solidarity for which our people and government wish to express their profound gratitude. (APPLAUSE)

Of course, we are not unaware of the heterogeneous political, philosophical, and religious positions gathered in this hall; the differences in opinion among the many organizations meeting here; nor the fact that the peculiarity of this congress lies in that it is comprised of trade union leaders from socialist countries and trade union leaders who function in capitalist countries, labor leaders who operate in highly industrialized nations and leaders from the large underdeveloped and economically backward areas of the world. There is a wide range of circumstances and views.

Will it be possible, under these conditions, to find a common language? We believe it is possible, necessary, and what is more, indispensable. Contradictions may be many and at times serious. But the very fact of our gathering here proves that there is a more powerful and pressing

contradiction: with those who intend to drag humanity along the path of war, with those who try to profit in the midst of the disastrous situation the world economy is going through and unload the ominous consequences of the crisis on the workers' shoulders.

In this difficult and dangerous juncture, we should aim at what unites us and not at what may separate us. (APPLAUSE) We are convinced that, without anyone necessarily having to abandon his position, the world's trade union movement can move toward dialogue, toward the search for paths of unity, and toward concrete steps for common action, based on the supreme objective which defines trade unions on all continents: the defense of the interests of the workers and of their peoples.

The defense of the workers' and of the peoples' interests means a lot under the present circumstances. It means defending their right to live, work, and eat; the right to a safe, honorable, and just existence.

We are certain that at present the most urgent and unpostponable task is the struggle for peace and safeguarding mankind from destruction caused by nuclear holocaust. But, as we have underlined before, this battle is inseparably linked to the problems of development and to the efforts of the exploited peoples and workers to secure more just and equitable living conditions. Neither can we be schematic and ignore the inequalities posed by situations prevailing in different countries.

Workers are not only interested in living; they are also deeply concerned about the conditions under which they will live. It is logical for workers throughout the world to express interest in the battle for peace and international détente. But, in large areas of the world, there are huge masses of workers for whom life is so uncertain, subsistence so harsh, and prospects so discouraging, that the slogans of struggle for peace as such do not have a direct meaning. Thus, we are deeply convinced that, if we wish to develop a true worldwide mass movement, the banners of the struggle for peace and the banners of the urgent and

immediate claims the workers make must march side by side. (APPLAUSE)

We are convinced that at present it is necessary to multiply actions for peace while redoubling actions in favor of the economic and social demands raised by the workers against those who exploit and oppress them.

Responsible political leaders of the world recognize that at present humanity is living through the most complex and serious situation since World War II. In his time, Hitler aimed at conquering the world and imposing the yoke of fascism on it for a thousand years.

During that long war, he tried to destroy entire peoples and committed all sorts of crimes. At present, only a few minutes would suffice for humanity, all fruits of man's work and intelligence, to be annihilated and destroyed forever. If we are realistic, we cannot close our eyes to this threat. An awareness of this growing threat constitutes the basic condition to denounce it, fight against it, and resolutely mobilize ourselves before it.

The most detached analysis and the most objective thinking clearly indicates that the possibility of a thermonuclear war, which might have seemed improbable or distant years ago, has lately attained an ever more tangible and undeniable nature. Some irresponsible politicians, headed by the U.S. rulers, try to lead public opinion into accepting this prospect as something natural, creating the illusion that it would be possible to wage a "limited nuclear war." They raise the idea of a preventive nuclear strike for demonstration purposes in European territory, or even the possibility of winning in the event of a generalized conflict on a worldwide scale. The game of war is thus dangerously being played, while they advance along a path which may become irreversible.

The responsibility for the increase of international tensions rests fully on the present U.S. administration and some of its allies. In our view, no attempt to try to make the countries of the socialist community share in this responsibility withstands the most elementary analysis.

The facts that prove how the present perils of war emerge from the irrational attempt of the U.S. rulers to replace the policy of détente by one of confrontation and cold war are obvious. They intend to stop the progress of all revolutionary, national liberation, or simply progressive processes by applying the false and ridiculous criterion that they are produced by alleged Soviet "interference" or "expansionism." They encourage the unattainable objective of disrupting the strategic balance of forces, by achieving military superiority and conducting political negotiations from positions of strength, based on blackmail and pressure. In trying to attain those goals, they have unleashed the most incredible arms race history has ever recorded. No propaganda campaign, nor distortion of reality, could conceal these essential truths.

Such a policy has greatly obscured and complicated communication and serene analysis and discussion with the socialist community about the most important world problems. Pressures and threats have been placed before constructive dialogue. Objective debate and analysis have been replaced by interference, subversion, and hostile propaganda campaigns. The policy of peaceful coexistence has been diverted toward a reactionary and warmongering path. The ideals of normal relations and cooperation among states have been seriously affected by the insolent attitude, the provocations and retaliations in the economic, technological, commercial, and cultural fields practiced by the U.S. government.

The present policy of hostility, of economic and political aggressions, the atmosphere of threats, the brazen interference in the internal affairs of socialist countries, the counterrevolutionary propaganda, the encouragement of subversion, and attempts to negotiate from positions of strength cannot be, now or ever, grounds for the constructive, judicious, and prudent dialogue the world needs at present. (APPLAUSE)

This deeply reactionary and aggressive path is to a large

extent backed by the interests and profits of the big transnational consortia, the main beneficiaries of that policy. The corporations that make up the so-called military-industrial complex, whose boom and benefits already place them among the most powerful U.S. monopolies, together with the great interests of the oil and chemical industries, see their profits multiplying tremendously. This is the direct result of a policy whose most pernicious effects are brought to bear on the huge masses of workers in the developed Western countries themselves, in the form of a remarkable worsening of living conditions, unemployment, inflation, serious cuts in social security, instability, and poverty.

On the other hand, and in a much greater magnitude and with even more serious and dramatic consequences, that policy implies incredible levels of poverty, squalor, lack of culture, and hunger for the oppressed and impoverished masses of Third World workers.

As a result of these schemes, Europe has become a center of growing confrontation and danger. In its relations with its Western allies, the United States has followed the line of constant pressure, trying to make them accept a considerable increase in military budgets while dragging them into a policy of greater hostility and harshness against the USSR and all other socialist countries. These intentions have been so unrealistic and violent that not all U.S. allies have joined the economic and trade blockade, nor have they allowed themselves to be dragged into the most reactionary positions.

By stirring up the alleged danger of communist aggression, the U.S. rulers try to impose the establishment of a new nuclear missile system on European soil. This poses a considerable disruption of the strategic balance and thus increases the climate of tension in the area to unprecedented levels. The "zero option," launched as a counterproposal to the Soviet appeal for a just and harmonious missile balance in the European scenario as a whole, is, in

essence, nothing but a hypocritical and clumsy propaganda measure. Its intention is to maintain nuclear superiority in Europe with thousands of atomic weapons deployed on bombers, aircraft carriers, submarines, and ballistic missiles, all aimed against the countries of the socialist community.

The elimination of all nuclear arms from Europe and the rest of the world and the end of the U.S. international fascist policy is the true zero option humanity demands. (AP-PLAUSE)

These imperialist measures seriously endanger world peace. The risks they imply are so obvious that the peoples of Western Europe are fully justified in their concern. Millions of workers, employees, intellectuals, and students, men and women, young and old, have taken to the streets to express their condemnation of that policy through the largest and most militant demonstrations and protests seen since the end of World War II.

Of course, workers are not concerned only about the perils of war. What is ominous in this imperialist policy is that it also affects the most direct and immediate interests of the workers. At the same time, the workers' interests are not limited only to salaries, working conditions, and living standards.

The ultrareactionary line of the present U.S. administration has been a booster for the most repressive, antipopular, and antiworker regimes in the world.

As a result of such a line, new hotbeds of tension have emerged and the already existing ones have worsened. When racist violence exacts countless victims in South Africa and Namibia, when South African aggressors criminally attack southern Angola and other sovereign states in the area, the main victims are the poor workers. When Israel launches a surprise attack against Iraq and brutally annexes Arab territories occupied by force, as in the recent case of the Golan Heights, when it massacres Palestinians in Southern Lebanon, those who fall as a result of that pol-

icy are workers. When the imperialist allies in Asia relentlessly harass Vietnam or encourage the genocidal elements ousted from power in Kampuchea, the ones who shed their blood as a result of that policy are also workers.

When patriots of many countries subjected to fascist regimes in South America are persecuted, tortured, murdered, or disappear, the victims of the imperialist backing to these bloodthirsty regimes are also workers. When in Central America, the people of Nicaragua are forced to mobilize in the face of threats of aggression and mercenary bands, when internationalist Cuban teachers are cowardly assassinated by counterrevolutionaries operating in that country, it is the workers who die as a result of Yankee policy.

When thousands and thousands of workers, peasants, intellectuals, women, and even children succumb in El Salvador and Guatemala, the victims of repulsive tyrannies shamelessly armed and bolstered by U.S. imperialism, it is once again the people and the workers who pay with their sacrifice and their lives for the lofty aspiration of achieving freedom and blazing the path towards a decorous and honorable existence for the exploited and oppressed majorities.

This congress, meeting precisely in the Central American and Caribbean area, will certainly not remain silent vis-à-vis the interference, the threats of direct military intervention, and the demagogic maneuvers of those who attempt to annihilate at all costs the Salvadoran and Guatemalan peoples and crush their heroic and admirable rebelliousness.

The arms race unleashed by the United States entails an immediate and direct threat to the very survival of humanity. But it is not solely this reality which confers upon it a tragically painful nature. To this must be added the monstrous squandering of resources in a world now facing the most serious economic crisis of the past fifty years.

The human mind is filled with indignation at the

thought that many of the distressing problems that afflict most of the world population — hunger, lack of culture and health care, shortage of housing and jobs — could be greatly alleviated if only a portion of the fabulous resources allotted to the arms race and military expenditures were applied to the just cause of the peoples' well-being and progress.

The United States at present possesses 2,112 nuclear delivery weapons, comprising launching platforms for intercontinental ballistic missiles, strategic bombers, and submarines. One single discharge of all these means could trigger off, at one stroke, 10,000 nuclear charges, their yields ranging between fifty kilotons and ten megatons each.

In addition to this staggering destructive capability, the United States has nearly 4 million men in arms; 200 tactical-operational missile delivery vehicles, which may be fitted to nuclear weapons; over 11,000 tanks; 12,000 field artillery, including atomic howitzers; more than 20,000 air force units of various kinds and 848 naval units, among them seventy-nine nuclear submarines and twenty aircraft carriers. The United States has over 300 major military bases scattered over all continents, and more than half a million soldiers permanently stationed abroad. This colossal development of offensive means, whose implementation dates back to the end of World War II, has forced the socialist countries to make an enormous defensive effort to ensure their own survival.

We might ask ourselves, "Is the United States actually threatened by anyone? Is any power getting ready to make war on it? Can the skyrocketing increases in military expenditures adopted by that country be justified by threats against its national security?"

We are fully convinced that the answer is no, and that the only possible explanation for this military, war-mongering path is the aspiration of the most bellicose and right-wing Yankee imperialist circles, in their all-out at-

tempt to prop up the United States's role of gendarme of world reaction and to erect a barrier before the irrepressible struggle of the workers and the peoples the world over.

In economic terms, this frenzied arms craze implies a fabulous increase in the U.S. military budget in the next four years, so that in 1986 it will amount to the hallucinating figure of \$373 billion, 36 percent of the country's overall budget for that year. Between 1982 and 1986, U.S. military expenditures are estimated at \$1.5 trillion.

The nuclear weapons stockpiled now are more than enough for the total destruction of the world several times over. The explosive capability of the present nuclear arsenal is estimated at nearly one and a half million times that of the Hiroshima bomb. In conventional terms, that power is equivalent to more than 15 billion tons of TNT. This means that each of the inhabitants of this planet, including women, old people, children, has been granted the sinister privilege of being allotted over three tons of explosives.

In the prevailing conditions, the modernizing of any of these weapons triggers off a reaction which brings about new developments in the arms systems and the casting aside of former means of war as obsolete. With each passing day, the cost of these means becomes higher and their effectiveness more ephemeral. This is the absurd and irrational logic of the arms spiral.

Man's most elementary common sense should suffice to realize that it is aimless to spur on this mad race, as is clearly evidenced by the experience accrued from the last postwar period. Trying to achieve greater security by resorting to this method is but a dangerous mirage. Instead, the power that embarks upon new arms race rounds will end up with just the opposite. The deployment of ever more sophisticated and destructive means multiplies risks and increases the likelihood of a nuclear catastrophe being unleashed by irresponsible and rash actions.

The arms race clearly embraces the two world systems and its negative effects are felt both on capitalist and so-

cialist economies. But an attempt to place similar responsibilities on the two systems in this phenomenon is, in our view, a flagrant injustice. In all honesty and objectivity, we must acknowledge that in the past forty years the initiative to create or produce new types of strategic weapons has never come from the socialist community. History shows that the socialist countries have been compelled to incur considerable military expenditures to safeguard their integrity and their sovereignty in the face of their enemies' aggressive policy and threats.

Socialism, as a social regime of a new type, is totally alien to the ambitions of encroaching upon the sources of raw materials, of conquering markets, dominating strategic areas, and exploiting the labor and resources of other peoples, these being the past and present causes of militarism and warmongering. After the October revolution, the Soviet people experienced the intervention of imperialist powers, diplomatic isolation, and economic blockade policies, and hardly twenty years had elapsed before the fascist onslaught claimed the lives of 20 million of their best sons and daughters.

Since the establishment of the first socialist state in history, who have been the aggressors and who the victims?

In promoting the arms race, the United States and its allies seek military superiority as an instrument for political pressure and, eventually, as a means for the forcible destruction of socialism and of the revolutionary movements of the world. They also seek to hamper the development of the socialist community and force these countries — reconstructed with enormous sacrifice after the last war — to incur considerable defense expenditures and sacrifice to that end resources which would otherwise be used for economic and social development or for cooperation with other peoples in greater need.

But there is still another side to this question. After World War II the weight of the military budget in public expenditure made the militarization of the economy one of the main instruments of economic policy of major capital-

ist states. For a few years during the postwar period, military expenditures tended temporarily to step up the rate of economic growth in some countries which, like the United States, were not using their full production potential and had a surplus of material resources.

The 1974-75 economic crisis, however, showed that military expenditures, like other economic policy instruments, were no longer able to cushion the impact of the crisis, let alone provoke, albeit artificially, a significant economic recovery. Moreover, their intrinsically unproductive and inflationary nature became manifest, since they increase money supply and commodity demands, without a compensating increase in the production of consumer goods. Moreover, military expenditures absorb high-quality material and human resources from the civilian industry, thus retarding its development and restraining the growth of labor productivity.

Likewise, military expenditures reduce employment possibilities. In this sense, U.S. scientists have shown that expenditure of \$1 billion only generates 76,000 jobs in the military, when compared with 112,000 in the civilian sector, that is, 36,000 fewer jobs.

In 1980, more than \$500 billion was dedicated to military expenditures, including arms production. Even if the rate of growth of military expenditures remained the same, disregarding the unrestrained thrust Reagan's arms program will give rise to, in the year 2000 this figure would amount to a staggering \$940 billion at 1980 values.

What do these colossal figures represent for humanity in concrete terms? Here are some objective facts:

Half the resources at present allocated to military expenditures in one day would suffice to finance a program for the total eradication of malaria, a disease which affects sixty-six countries where one-fourth of humanity lives, and which kills over a million children a year in Africa alone.

In five hours, the world's military expenditures are the equivalent of the overall UNICEF [United Nations Chil-

dren's Fund] yearly budget for child care programs.

The number of people working in the military sphere, including armed forces staff, is today twice the total number of teachers, physicians, and nurses in the world.

Approximately 25 percent of the world's scientific personnel is engaged in military activities. It is estimated that 60 percent of overall scientific research expenditures is absorbed by military programs. The volume of such research projects is five times greater than that of the projects devoted to health protection.

However, what makes the current situation even more worrisome is the fact that the tense international atmosphere resulting from imperialism's aggressive policy; the regional conflicts, on many occasions fanned and promoted by neocolonial interests; the atmosphere of violence generated by the actions of some states that play the role of reactionary regional gendarmes; and, in other instances, the pressure on the exploited and oppressed peoples struggling for their liberation, have forced the same underdeveloped countries to join in the arms race and double their military expenditures during the past decade.

What is the result of this phenomenon given a reality of poverty, hunger, ignorance, squalor, and shortage of resources in the so-called Third World? Let us again give some examples based on reliable data:

The countries in Asia, Africa, and Latin America allocate 5.9 percent of their Gross National Product to weapons and military expenditures, whereas they devote only 1 percent to public health and 2.8 percent to education.

One percent of the developed countries' military budgets would overcome the existing deficit in international assistance for financing an increase in food production and creating emergency reserves.

The cost of one modern tank would pay for the construction of 1,000 classrooms for 30,000 children in underdeveloped countries.

The price of a single Trident nuclear submarine — the United States is planning to build thirteen of them before

1990 — equals the cost of keeping 16 million children from the underdeveloped world in school for a year, the construction of 400,000 dwellings for 2 million people, or more than the total value of grains imported by Africa in a year.

The expenditures for military activities in a year during the mid-1970s would have financed, among many other things, a vaccination program against infectious diseases for all the children in the world, a program for the eradication of adult illiteracy in the entire world before the year 2000, a supplementary food program for 60 million pregnant women, and a classroom increase for over 100 million pupils.

Endless examples could be offered to show the absurd and criminal nature of this huge squandering of resources.

The arms race not only seriously jeopardizes world peace by increasing the risks of a war which may do away with humanity, but also creates unstable and rarefied circumstances where the tragic and burdensome problems stemming from underdevelopment cannot be offset, where no progress can be achieved in securing the rights and demands to which all workers in industrialized countries aspire.

The arms race makes all the more unbearable the profound economic crisis the capitalist system is currently going through. The negative impact of the crisis falls on the world economy as a whole, and with particular intensity on the working masses.

The very documents of this congress offer ample information on this topic. There is a veritable avalanche of statistical data which illustrate how instability and crisis have become chronic phenomena in capitalist economies since the sharp drop in 1974-75. Even the most optimistic theoreticians of this system cannot envisage a way out of the drop in investments and production, the unrestrained rate of inflation, increasing unemployment, disruption in the monetary system, the wave of bankruptcies which fall upon industrialized countries and whose amplified effects are transmitted to the weak and precarious economies of

backward or less developed countries.

What's more it is undeniable that the present crisis is intimately related to phenomena that further complicate and aggravate it. These include the rise of the price of energy and the prospect of depletion of its conventional sources in a relatively short time, the growing shortage of basic raw materials, the endemic deficit world food production is reaching, the distressing outlook of an exaggerated population growth in the world's poorest and most neglected areas, and the destruction of farmlands, water, forests, and other irreplaceable resources for humanity's own reproduction.

As in the past, the monopolies' reaction to crisis has been to curtail production, cut back investments, underutilize production capacity, and lay off tens of millions of workers. The monopolies and large transnationals, taking advantage of the progress of the scientific-technical revolution, use the crisis to intensify the exploitation of workers and to worsen working conditions through mechanisms which have caused unprecedented exhaustion — mainly of the nervous system — in the working masses.

In the last five decades, unemployment has reached unprecedented limits. In the developed capitalist countries that belong to the Organization for Economic Cooperation and Development, the 1981 official unemployment figure was 25 million, that is, 4 million more than in 1980 and 10 million more than during the 1974-75 crisis. It is estimated that the rate will reach over 28 million in 1982. Although these are dramatic figures, they nevertheless do not reflect the actual extent of unemployment, since statistics in the countries affected are used in different ways to deceitfully conceal it.

Meanwhile, how does unemployment behave in the underdeveloped countries? According to International Labor Organization (ILO) data, in 1980 there were some 455 million unemployed or underemployed workers in the Third World, representing over 43 percent of the working age population. During that same year, 46 percent of the labor

force in Latin America was affected by open unemployment or underemployment, and, since then, the situation has deteriorated remarkably.

On the other hand, as a paradoxical absurdity, in 1979, there were 75 million children under fifteen years of age working in the world, especially in underdeveloped countries, in many instances doing exhausting and always underpaid jobs, and having no rights.

And, what about the working woman in general? According to ILO estimates, there are 575 million women who work, that is, 35 percent of the world's labor force. But, although they represent a little over one-third of the total labor force, they receive only one-tenth of the world's revenue. The scourge of unemployment and the antilabor offensive waged by the exploiters in these times of crisis particularly affect women.

The principle of equal pay for equal work is acknowledged through legislation in many capitalist states, but in real terms, remuneration differences between women and men range between 20 and 50 percent. In enterprises that the transnationals have transferred from developed capitalist countries to underdeveloped countries, female nationals are shockingly underpaid, their average wage being even one-tenth of what they are paid in developed countries.

The World Health Organization has pointed out that among the workers in capitalist countries women are most afflicted by certain occupational diseases, especially in enterprises that manufacture goods from toxic components, such as asbestos, zinc, and lead. Labor intensification and harmful working conditions not only jeopardize women's health but also endanger their fundamental biological function.

Other victims of the present situation who deserve special attention from the international labor movement are the large masses of migrant workers. Cornered by unemployment and poverty in their own countries, they turn to countries with greater industrial development in order to

sell their labor under precarious conditions, taking on the hardest and worst paid jobs. They are deprived of their basic rights and, in many cases, suffer from the most loathsome forms of racial discrimination.

But the Third World is likewise stripped of its most skilled labor through the so-called brain drain. This constitutes an extremely harmful form of looting and pillage of human resources whose training is so costly and difficult in underdeveloped countries. UN Conference on Trade and Development surveys indicate that in the past fifteen years the plunder of university graduates and highly trained specialists from Third World countries reached the 300,000 mark. In the United States, between 25 and 50 percent of the doctors that begin to practice yearly, between 15 and 25 percent of the technicians, and almost 10 percent of the scientists are immigrants from underdeveloped countries.

In 1979, the rate of growth of the developed capitalist countries' Gross National Product averaged 3.7 percent, dropping in 1980 to 1.2 percent and remaining at that low level during 1981. On the other hand, industrial production growth dropped from 4.7 percent in 1979 to under 0.5 percent in 1980, and to 0.2 percent growth in 1981. In 1979, the inflation rate reached 9.8 percent, while during 1980 and 1981 it remained above 10 percent on average.

The crisis, as some bourgeois economists presumptuously declared at times of bonanza, has not been curbed. Far from it, it burgeons with implacable strength, taking on new features to the bafflement of the bourgeoisie, such as the combination of economic stagnation and inflation that has done away with traditional formulas of postwar economic policies.

Several bourgeois governments hypocritically present the phenomenon of inflation as public enemy number one, to be fought against by the whole nation, by all social classes alike, and to that end they especially call for moderation in workers' wage demands and even wage cuts.

But the truth is that the inflationary process unleashed

since the end of World War II, and that has lately become uncontrollable, is a legitimate product of monopoly capitalism and of the interconnecting interests of large monopolies and the state acting as an economic agent through monetary and fiscal policies.

It has not been by chance that during the past thirty-five years the governments of developed capitalist countries have applied the policy of increasing circulating monetary stocks, nor can it be explained solely in technical terms. It essentially resulted from the policy of price increases stimulated by the monopolies, and from imperialist wars, such as that of Vietnam, when tens of billions of dollars were issued in order to finance that criminal, genocidal, inhuman venture.

The economic crisis of capitalism is today reflected more severely than ever in the countries of the underdeveloped world, aggravated by the poor overall development of the productive forces in those countries and the malformation of their economic structures.

Figures show that the rate of growth of the underdeveloped countries' Gross National Product, as a whole, dropped from 4.8 percent in 1979 to 3.8 percent in 1980, and to 3.2 percent in 1981. But these figures do not show the entire truth. Suffice it to recall that the annual rate of growth of the lowest-income countries in the underdeveloped world during the 1960s was only 1.8 percent and 0.8 percent during the 1970s.

From another point of view, these figures mean that the lowest-income countries — representing one-fourth of the world's population — would require some 400 to 500 years to reach the present per capita income levels of the most developed capitalist countries at the present rates of economic growth. That is a graphic representation of the outrageous gap separating the richest from the poorest nations.

The share of underdeveloped countries in world exports — excluding fuels — was reduced from about 25 percent in 1950 to less than 12 percent in 1980. The continuing dete-

rioration in trade relations between basic products and manufactured goods, sharpened by the increase in oil prices, has likewise contributed to the emergence of a huge, chronic deficit in the balance of payments of oil-importing underdeveloped countries, amounting to some \$53 billion in 1980.

The most significant result of this situation from the economic point of view is the monstrous indebtedness of the underdeveloped countries. In 1981 the foreign debt of the so-called Third World was estimated to have reached the enormous figure of over \$524 billion. The tendency points to a continued increase, in a brutal, vicious circle of debt service payments with growing interest rates, and more debts. Of course, the overwhelming majority of underdeveloped countries will never be able to settle this colossal debt.

The present capitalist crisis, added to the accelerated population growth in underdeveloped countries, stagnation or regression in their agricultural production, plus a general lack of industrial and technical development, has placed the entire underdeveloped world in the most acute and difficult economic situation in its history. It will only lead toward its gradual indebtedness, growing impoverishment, greater dependence, financial paralysis, and total economic asphyxia.

Socially, this crisis is reflected in the tragic and desperate situation in which more than one-fourth of humanity lives today, a situation that can be summarized in very few words: hunger, ignorance, squalor, poverty, unemployment, lack of opportunities, lack of security, despair, inequality.

Some 800 million human beings go hungry or are underfed in the underdeveloped world.

Per capita food production, which increased by 9 percent between 1970 and 1980 in developed capitalist countries, remained practically at a standstill during that same period in the underdeveloped world. Between 1971 and 1980, per capita food production decreased in fifty-two under-

developed countries, many of them regarded as among the world's poorest. Considering the case of Africa separately, data show a 15 percent decrease in this respect with the resulting decrease in availability of food resources for that continent's population. Sixty percent of Africans suffer from chronic hunger.

Per capita calorie intake in underdeveloped countries is currently more than 33 percent lower than that of developed countries, considering each of the two sets of countries as a whole. Average per capita animal protein consumption in underdeveloped countries as a whole is almost 80 percent lower than that of developed countries. The average inhabitant of that underdeveloped world has 3.5 less fats available for his daily nourishment than the population of the developed world.

Between a fourth and a half of children under five years of age suffer from malnutrition in countries regarded by the UN Food and Agriculture Organization as the most seriously affected by food problems. UNICEF estimates that 100 million children went hungry in 1981. Ninety-five percent of the children delivered throughout the world whose weight is under the normal minimum limit are generally born of poorly fed mothers in underdeveloped countries. The World Health Organization estimates that some 100,000 children under five go blind every year in those countries due to inadequate diets.

Over 1.5 billion people drink contaminated water.

A total of almost 800 million illiterates raise the illiteracy rate in the Third World as a whole to 48 percent. Over 200 million children lack schools or the means and possibilities of attending them.

The average infant mortality rate in underdeveloped countries is six times higher than in developed countries, and as much as ten times higher in the poorest countries. Over 15 million children under five years of age die there every year.

The UNICEF executive director has recently published a report in which he states that 1981 has been another

year of silent emergency: 40,000 children have silently died every day; 10 million children have silently become mentally or physically handicapped; 200 million children in the six to eleven age bracket have silently watched other children attend school; that is, one-fifth of the world's population has silently struggled for mere survival.

The workers and the workers' children are the ones that go hungry, the ones that lack schools, the ones that die without medical care.

The cause of this disastrous situation lies in imperialist policy, its selfish, warmongering, and aggressive nature, and the ruinous economic and social heritage that the capitalist system of production — first through colonialism and later through neocolonialism — has bequeathed the world, with its characteristic consequences: wars, bloodshed, social injustice, and the exploitation of classes and nations.

We would have very little faith in the enormous fighting capabilities of the exploited masses, both in underdeveloped and in developed capitalist countries, and very little confidence in humanity's capabilities of progress, if we did not firmly believe that humanity can and must solve these problems. In that struggle workers must play a leading role. It is they — the most revolutionary class in society — who must undertake in the first place the historic task of transforming the unjust and merciless social order that has given rise to these appalling realities. (APPLAUSE)

The huge capitalist propaganda machine continuously stresses the alleged virtues of its system. It refers to wealth and affluence, to its economic indicators, its technology, and its consumer goods. Furthermore, it extols its social model, seeking to oppose it to the socialist society. It speaks of democracy, rights, and equal opportunities.

In the United States, a country seeking to present itself as a model, unemployment — which in 1981 reached 8.9 percent representing 9.5 million jobless people — was recorded as follows: white population, 7.8 percent; Black population, 17.4 percent; white youth, 19 percent; Black and

Hispanic youth, 42.9 percent.

While 8.7 percent of the white population was reported at poverty levels, the Hispanic population below the poverty line reached 21.6 percent and the Black population 30.6 percent.

Educational opportunities for the various sectors of the U.S. population also show the huge social differences that prevail.

The health programs launched in the 1960s as a way to solve the enormous differences in access to high-quality health services for the poorest strata of the population, have undergone major cuts because of their astronomic costs. In 1981, cuts in these programs amounted to \$16.4 billion and \$17.2 billion in 1982. These cuts affect 24 million people, 7 million of whom are children. While the infant mortality rate in 1977 was 12.3 per 1,000 live births for whites, it was 21.7 for Blacks and minorities.

Today, there are 27 million people under twenty years of age in the United States. One-third of them suffer from instability, dissatisfaction, rejection of society, big personal conflicts, and depression, accompanied by sharp family crisis. Every year, one million teenagers leave home. The suicide rate among young people increases every year.

Eleven percent of students in grades seven to nine and 15 percent in grades ten to twelve suffer severe problems of alcoholism. According to data from the Social Research Institute of the University of Michigan, 72 percent of students in senior high school drink, 34 percent smoke marijuana, 12 percent take stimulating drugs, and 5 percent consume cocaine.

According to the FBI itself, every two seconds a crime is committed in the United States; larceny is committed every four seconds, assault and robbery every eight seconds, car robbery every twenty-eight seconds, assault and battery every forty-eight seconds, holdups every fifty-eight seconds, rape every six minutes, murder every twenty-three minutes.

In 1980, declared rape cases rose to 82,000; half a mil-

lion people were robbed; 650,000 were held up; and 23,000 murders were committed. Is this a society to be taken as a model? (APPLAUSE)

During the last quarter of 1981, U.S. industrial production went down 5.6 percent revealing a sharp downturn. The trade balance was negative, totaling \$40 billion, which reflects a growing decrease in its competitive capabilities. The budget deficit, which Reagan promised to reduce to \$54 billion, this fiscal year is estimated to reach \$109 billion. The promise of attaining a balanced budget in 1984 is already part of the discarded illusions of demagogues; the deficit is estimated to reach the astronomic figure of \$162 billion this year. All this is a total and shameful failure for the illustrious president of the United States, elected by only 26 percent of the citizens with the right to vote in that country.

The U.S. Labor Department acknowledges a current unemployment rate of 8.9 percent already and it is believed that it will rise to over 10 percent in 1982.

The brutal cuts in social security expenditures have made the situation still more desperate for the jobless workers in that country, especially women, youths, Blacks, and the superexploited national minorities.

In the United States today, there is a larger number of poor, unemployed, discriminated against, marginalized, and exploited people than during the whole post-World War II period. Today, the already waning social benefits of the aged, the ill, the handicapped, the pensioners, the lower-income families, have also been reduced as never before.

From the start, Mr. Reagan's government has been marked by a deeply antipopular and antilabor attitude. He flung air traffic controllers out of their jobs with unheard-of harshness. And he has revived the most turbulent periods of trade union repression, resorting to the entire arsenal of legal measures, the use of the army, the banning of trade union activities, fines, the imprisonment of workers, and police brutality. His economic program is the living

expression of the reactionary monopolistic policy, and, as many of his own countrymen have declared, it is aimed at making the poor poorer and the rich richer.

Nevertheless, that same government, on the occasion of the unfortunate events in Poland, an unquestionable result of serious mistakes made during the process of building socialism in the fraternal country as well as of the action of the imperialist enemy, shamelessly affects demagogic attitudes and promotes the most vile propaganda campaigns, posing as a defender of the interests of the workers and people of Poland. That same government — whose hands are tainted by the blood of tens of thousands of workers and peasants foully murdered by the genocidal regimes in El Salvador and Guatemala; which sponsors plans of aggression against Nicaragua and Grenada; which keeps up a hysterical campaign of threats and provocations against the Cuban people, while tightening even more the criminal and total economic blockade imposed for more than twenty years against our country; which backs Israeli massacres against Palestinians and Lebanese; which is a bosom friend of South Africa, where 20 million Africans are discriminated against, exploited, and brutally oppressed; which is an accomplice of all reactionary tyrannies, fascist or racist regimes on earth — that government can never be the defender of the workers' interests in any part of the world. (PROLONGED APPLAUSE)

We cherish the great hope that, in spite of Reagan, his demagogy, his blockades, and economic aggressions, our sister Poland will, by itself and with the fraternal and solidary cooperation of all progressive forces in the world, be able to overcome its difficulties without a civil war or bloodshed and will continue to march successfully on the path of socialism.

The capitalist economic crisis has assumed such dimensions that its effects are also being felt by the economies of socialist countries, although the latter, by the very nature of their social system, do not generate them and are in a better position to counteract their negative consequences.

For more than a century, imperialism and the oppressors have followed the tactics of dividing, opposing, isolating, and weakening the workers' actions. In our increasingly smaller and interrelated world of today, the universal nature of the problems is such, and the presence of monopolies in economic life so intense, that the community of interests of all workers is more forcefully enhanced, and demands an increasingly unanimous and international response.

Peoples and events are no longer shut up within their frontiers. Proof of this is the activities of transnational consortia, which on transferring entire industries and plants to countries that have a lower living standard, have sought to create rivalries among the workers of the different countries, multiply their own profits, and ignore, often with the backing of repressive and bloody regimes, the just demands of the working class.

Charges have been made that transnationals are thus paying, in some countries, salaries twenty-seven times lower than those paid in highly industrialized nations.

But, despite these and other maneuvers, today we find that growing solidarity is forcing its way among the workers and trade unions in different areas of the world. An awareness of unity is developing and strikes, demonstrations, and protests which express the struggles of the working class for its legitimate and unrenounceable rights become ever greater.

The world's labor movement is growing, not only in numbers, but also in scope and depth. The interrelation between economic problems and the most vital aspirations of a political nature becomes ever more manifest. If a few years ago wage demands were the basic motivation of labor strikers, today, on the other hand, they evince the struggle for employment, against layoffs, in favor of trade union rights, for the sovereignty and independence of their respective countries, against imperialist intervention, for denouncing the arms race, for transforming the war industry into a peace industry, for détente, disarmament, and

peaceful understanding in international life.

Half a million U.S. workers came together to protest against the domestic and foreign policy of the Reagan administration, and millions more have thundered down the streets of the major European capitals, demanding jobs, security, and peace. We do not doubt that in the future the workers' resistance to the policy of the cold war, the arms race, and the perils of war will be increasingly staunch and determined.

In our socialist society as well, trade unions occupy a major position. In our opinion, they too are called upon to be ever more active and efficient in carrying out their tasks.

This congress will give you the opportunity of learning about our trade unions and how they operate. We revolutionary Cubans are, by nature, unsatisfied with and critical of our own work; we do not believe we have reached the ideal in trade union development. Socialism, as a burgeoning political system, is not devoid of difficulties, inefficiencies, quests, and mistakes. But we have worked in all honesty and loyalty to foster a revolutionary and democratic trade union movement, with a strong class awareness, capable of aiming at and attaining great objectives on its own.

Our trade unions defend the revolution and defend and represent the interests and the rights of all workers and of all workers' collectives. The purest practice of proletarian democracy sustains them. Our trade union leaders are workers promoted by their fellow workers from the grass roots to the highest responsibilities. As worthy heirs of the legacy of the extraordinary master of trade union cadres, the unforgettable Comrade Lázaro Peña, (APPLAUSE) our workers' leaders operate closely and permanently linked to the masses. They educate the workers in the love for their country and in the feeling of solidarity with all the peoples of the world. Tens of thousands of Cuban workers today give their devoted internationalist cooperation to the development of over thirty sister countries. Our labor movement is more vigorous and powerful than

ever. Its functions and role within society are increasingly important and decisive.

Thanks to the efforts of our workers and to our socialist regime, illiteracy was banished years ago from our country, the minimum educational level has been raised to sixth grade and is moving towards ninth grade. Our health indicators can compare with those of developed countries; the scourge of unemployment has been done away with; and racial discrimination, prostitution, gambling, begging, and drug addiction do not exist. (APPLAUSE) Our example shows that the most serious social problems of underdeveloped countries can be solved.

With the support of the workers and the backing of international solidarity, our country has overcome the hardest trials; we have reached this point, and will continue forward, shaping our future, and no power will be able to subjugate us, intimidate us, or force us to give up a single one of our principles.

Cuba continues to be seriously threatened. The danger of new imperialist aggressions looms over our revolutionary people. It is being cynically reported that new steps are under way to make the economic blockade as stringent as possible. At the same time, it has been announced with a certain degree of expectation that Reagan will soon make an important statement on Cuba, and there have been leaks in the U.S. press that it will be a harsh, aggressive, and threatening one. Some U.S. publicity media even mention aggressive plans and possible ultimatums in connection with the weapons our country received last year to build up its defense in the face of the reiterated and increasing threats of the present U.S. administration against our people, allegedly because some of the planes our country has lately purchased are offensive and thus break the agreements entered upon at the time of the October Crisis in 1962. Such statements are false from beginning to end.

Apart from the fact that our country has never acknowledged, nor will it ever acknowledge, any constraint on its

sovereign prerogative to purchase the weapons it deems necessary for its defense — a right all countries in the world exercise (APPLAUSE) — Cuba has not received any type of plane which is in any way different from the ones it has been receiving in past years, all of which are tactical, and none strategic. This is thus a gross, clumsy, and cynical pretext imperialism has been using of late to provoke tensions and justify cowardly aggressions.

Let it be a resolute warning that no threat, no blackmail, no ultimatum will ever be accepted. (APPLAUSE)

Our enemies do not frighten us by rattling their weapons, with their arrogant declarations and gross, slanderous campaigns. They will never bring us to our knees by any means, and if they dare attack us, they will find here a strong people, ready and willing to fight in every house, in every factory, and to defend every single inch of our territory with Spartan courage. (PROLONGED APPLAUSE)

Nor are we thinking solely of the risks that may await Cuba. We are part of humanity and we have thrown in our lot with the peoples, the workers, and the poor of the earth.

The challenge the world faces today is unprecedented.

For the first time in mankind's age-old history, we are confronted with the actual possibility of annihilation of everything created by the peoples' intelligence and labor, of the disappearance of humanity, and with it, of the dreams and noble hopes of attaining the highest goals of justice, well-being, and happiness.

If past experiences are to be of any use to us, we must all become aware that this time we would have no second opportunity to amend our own mistakes.

Over and above any philosophical, religious, or political differences, that which unites the workers is far greater than that which separates them.

We are united by humanity's vital interest in peace; the determined struggle against the insane arms race; the aspiration of all the workers of the world to a better, worthier, more equitable, reliable, and just life; the right of the peoples to economic and political independence; the strug-

gle against colonialism, racism, and fascism; the combat against the exploitation of the oligarchies and neocolonial plunder; the universal struggle for a new and more just international economic order; the feeling of solidarity for the peoples still struggling for their liberation!

History unites us, our destiny unites us, our future unites us!

Let us struggle with all our might for mankind's survival and for a future truly worthy of being called human!

For this reason, allow me to repeat here the noble slogan of those who were the immortal and unforgettable champions of the workers: Workers of the world, unite!

¡Patria o muerte!

¡Venceremos! (OVATION)

Further Reading

- America's Road to Socialism**
By James P. Cannon \$3.45
- The Communist Manifesto**
By Karl Marx and Frederick Engels .95
- El Salvador: Why the U.S. Government
Hides the Truth**
By Fred Murphy .95
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