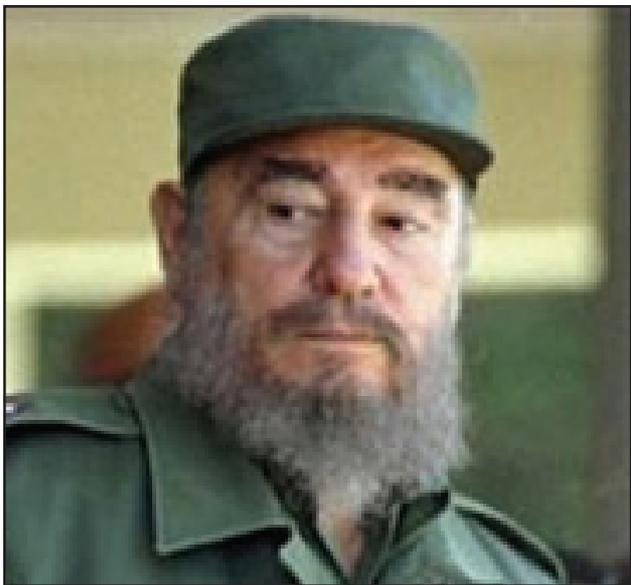


TO DEFEND AND THE HOPE TO CONTINUE MOVING FORWARD

Reflections by Comrade Fidel Castro Ruz

A JUST CAUSE TO DEFEND AND THE HOPE TO CONTINUE MOVING FORWARD



Comrade Fidel Castro Ruz

During recent weeks, the current president of the United States has insisted in demonstrating that the crisis is abating as a result of his efforts to confront the serious problem that the United States and the world inherited from his predecessor. Almost every econo-

mist refers to the economic crisis that began in October of 1929. The one before had happened at the end of the nineteenth century. One tendency that has become widespread among US politicians is that of believing that just as soon as the banks have enough money to

grease the wheels of the production apparatus machinery, everything will march onwards to an idyllic and never dreamed of world. The differences between the so-called economic crisis of the 1930s and the one today are many, but I will focus only on one of the most important ones. From the close of World War I, the dollar, based on the gold standard, substituted the British pound sterling due to the huge quantities of gold that Great Britain had spent on the war. The great economic crisis emerged in the United States hardly 12 years after that war. Franklin D. Roosevelt, a Democrat, succeeded largely because he was aided by the crisis, just as Obama is by today's crisis. Following the Keynesian theory, Roosevelt pumped money into circulation, launched public works programmes such as the building of highways, dams and other projects of undeniable benefits, which increased spending, demand for products, jobs and GNP rates for years. But he didn't get the

funds by printing more paper money; he got them through taxes and by using part of the money deposited in the banks.

He sold US bonds with guaranteed interests, which made them very attractive for buyers. In 1929 the price of a troy ounce was 20 dollars and Roosevelt increased it to 35 dollars as a domestic guarantee for the US dollar bills.

In July, 1944, based on this physical gold guarantee, the Bretton Woods Agreement was reached, authorizing the powerful country the privilege of printing hard currency while the rest of the world was in bankruptcy. The US owned more than 80% of the world's gold. I don't have to remind you of what came next, from the atomic bombs dropped over Hiroshima and Nagasaki - we have just commemorated 64 years of that genocide - up to the coup d'état in Honduras and the seven military bases that the US government intends to set up in Colombia.

The fact is that in 1971, under the Nixon administration, the gold standard was suppressed and the unlimited printing of dollars became the greatest swindle of humanity. By virtue of the privilege granted by the Bretton Woods Agreement, the US unilaterally has suppressed convertibility and pays with paper for the goods and services it acquires in the world. While it is true that, in exchange for dol-

lars, it also offers goods and services, it is also a fact that since the gold standard was suppressed, the dollar bills of that country which were quoted at a rate of 35 dollars for a troy ounce, have lost almost 30 times their value and 48 times the value they had in 1929.

The rest of the world has had to bear the losses; their natural resources and their money have paid for rearmament and have largely defrayed the cost of the wars launched by the empire. Suffice it to point out that the quantity of bonds supplied to other countries, according to conservative estimates, exceeds the figure of 3 trillion dollars, and the public debt, which continues to grow, exceeds the figure of 11 trillions. The empire and its capitalist allies, while competing among themselves, have made us believe that the anti-crisis measures are the right formulas leading to salvation.

But Europe, Russia, Japan, Korea, China and India do not increase their funds by selling Treasury bonds or printing paper money; instead they apply other formulas to protect their currencies and their markets, often times with great austerity for their peoples. The overwhelming majority of developing countries in Asia, Africa and Latin America is the one that pays the consequences, by supplying non-renewable natural resources and the sweat and lives of their peoples.

NAFTA is the clearest example of what could happen to a developing country that falls into the jaws of the wolf: at the last Summit, Mexico could neither find a solution for its immigrants in the US nor get a visa waiver from Canada.

However, in the midst of the present crisis, the greatest FTA in the world acquires full validity: the World Trade Organization, which was founded to the tune of neo-liberalism, at a time when the world finances and idyllic dreams were in full swing. On the other hand, yesterday, August 11, BBC World reported that a thousand UN officials meeting in Bonn, Germany, declared that they were searching for a path to reach an agreement on climate change by December this year, but that time was running out. Ivo de Boer, the top-ranking

UN climate change official, said that there were only 119 days until the Summit and that they had an enormous number of diverging interests, little time for discussion, a complex document on the table (two hundred pages long) and funding problems. He further added that developing nations insisted that most of the greenhouse gases came from the industrialized world.

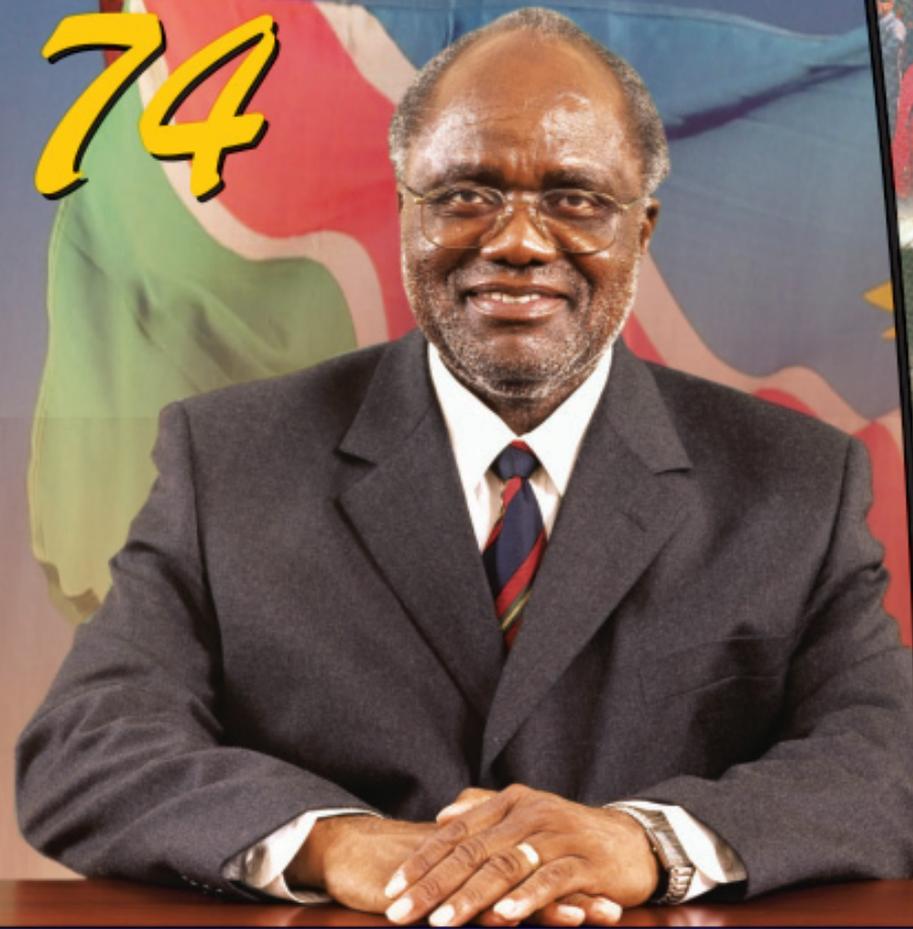
The developing world has stated the necessity for financial aid in order to cope with climate change. UN Secretary General Ban Ki-Moon expressed that if urgent measures are not taken to combat climate change, this could lead to mass violence and upheavals throughout the planet. He said that climate change will intensify droughts, flooding and other natural disasters; that the water shortages will affect hundreds of millions of people and malnutrition will devastate a great number of developing countries. In an article published by the The New York Times on August 9 last, it was explained that: "Analysts see climate change as a threat to national security." "Such climate-induced crises - the article goes on - could topple governments, feed terrorist movements and destabilize entire regions, say the analysts and experts at the Pentagon and intelligence agencies who for the first time are taking a serious look at the national security implications of climate change." "It gets real complicated real quickly," said Amanda J. Dory, the Deputy Assistant Secretary of Defense for Strategy, who is working with a Pentagon group assigned to incorporate climate change into national security strategy planning." From the The New York Times article we can deduce that in the Senate not everyone is convinced that this is a real problem, totally ignored until now by the US government ever since it was approved in Kyoto ten years ago.

There are some who say that the economic crisis marks the end of imperialism; maybe we should wonder whether or not this is something worse for our species. In my opinion, the best thing will always be to have a just cause to defend and the hope to continue moving forward.



MINISTRY OF VETERANS AFFAIRS

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Happy Birthday

The Minister, Special Advisor to the Minister, Permanent Secretary, staff members and veterans of the liberation struggle of Namibia proudly salute **His Excellency, President Hifikepunye Pohamba**, on the occasion of his 74th birthday. May you continue to be blessed with vision, wisdom and good health as well as dedication in navigating the Namibian nation to peace and prosperity.



Sudan makes proposals on Fatah-Hamas dialogue

KHARTOUM— The Sudanese government has made proposals aimed at activating the dialogue between rival Palestinian movements of Fatah and Hamas, a Sudanese official said on Thursday. "We have made specific proposals for Abu Mazen, and he has responded positively to them. We will convey these proposals to the brothers in the Hamas movement," Sudanese Presidential Adviser Mustafa Osman Ismail told reporters after a meeting with visiting Palestinian President Mahmoud Abbas.

"We hope that these proposals will constitute the process of building confidence between the parties for the success of the Cairo meeting" scheduled for Aug. 28, he added. The Sudanese official reiterated his country's position of supporting the Palestinian cause, saying Sudan will continue its efforts to promote the Palestinian national unity. He termed the dispute between Fatah and Hamas as an obstacle for the Arab and Islamic efforts to support the Palestinians in safeguarding their legitimate rights.

"The dissensions between the Palestinian ranks have affected the Arab and Muslim positions, and we must intensify efforts to end the rifts," the Sudanese official said. Abbas arrived in Khartoum on Wednesday on a two-day official visit to Sudan, during which he held a meeting with Sudanese President Omar al-Bashir on bilateral relations and the situation in the Palestinian territories. (Xinhua)