

CAPITALISM IN DEEP CRISIS

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Comrades, Chairman and fellow delegates,
We are living in trying times. The moribund world capitalist system is in a deep and ongoing general, structural and cyclical crisis. Dependent capitalism of the third world is in a deeper and more profound crisis.

The highly developed, industrialised Western states are faced with growing contradictions. They have been and are, trying to solve their crisis by exporting it to the underdeveloped countries of Asia, Africa, Latin America and the Caribbean.

The third world is caught in the price scissors of unequal international trade—buying dear and selling cheap—high interest rates, an escalating debt repayment problem and protectionism. It is the net exporter of brains and capital.

The plunder of the underdeveloped countries is over 200 billion US dollars annually. In the 1982-85 period, the net transfer of profits, principal and interest from Latin America and the Caribbean was 106 billion US dollars; the annual average for 1981-85 was 36 billion US dollars.

This plunder not only fuels the arms race, which threatens mankind and civilisation. It is also used to create tension spots around the globe.

Part of this plunder is used to bribe and corrupt, to divide and rule. This results in increasing pauperisation and dependency.

In 1980, in Latin America and the Caribbean, 10 per cent of the super-rich appropriated 40 per cent of the national income; 40 per cent of the poor at the bottom got only 8 per cent of goods and services produced.

A decade ago, a Caricom Summit noted that the region faced "unprecedented difficulties" including a 25 per cent inflation rate, a "scandalous" food importation bill of one billion dollars and the need for tens of thousands of jobs for full employment. A few years ago, the "Group of Wise Men" pointed to the growing and explosive unemployment and under-employment problems.

