

ADDRESS BY THE HONOURABLE DR. CHEDDI JAGAN, PREMIER OF BRITISH

GUIANA TO THE GREAT NECK FORUM

I have been deeply honoured by the presentation which you have made to me tonight, I can only say that I hope my work in the future will prove me worthy of your award. I have been especially honoured in that the presentation has the support of one of such eminence as Dr. DuBois. Dr. DuBois' work as a writer; as an educationist; as a classical scholar and research scientist; and by no means least as a fighter in the cause of his people, not only here in America but overseas, is known and respected in every country.

There is a sense in which I have once before been honoured by Dr. DuBois. In 1957 after four years of restricted freedom and personal indignity following the suspension of the British Guiana constitution, I was permitted to accept the invitation of Dr. Kwame Nkrumah to the independence celebrations of Ghana. Dr. DuBois had also been invited, but was not permitted to leave this country. So it turned out that on the special charter flight from London to Ghana I was given the seat which had been reserved for him. I was honoured to take the place of this great freedom fighter.

You have asked me tonight to speak on Latin America. I am glad to do so. There are few subjects which interest me more. Latin America is typical of the general world problem of under-development and backwardness, poverty and hunger. But it is an enormous subject. When I sat down first to consider the question it was not easy to know where to begin. I felt, at first, like the new vicar who was asked to give an hour's lecture on "Heaven, Hell and Eternity". Fortunately recent events provided me with an answer.

Sometimes a single event in an epoch illuminates and makes clear the tangled web of history. Such an event was the recent dramatic resignation of President Quadros and the efforts which were then made and which succeeded in preventing the succession of his Vice-President, Jango Goulart according to the forms of the existing constitution. Janio Quadros was the President of the largest country in Latin America. Only ten months before he had won a landslide electoral victory. Moreover, everyone agreed that this able and dedicated man had in the few short months in office done much to improve the administration of his country, to begin to wipe out corruption and to sketch out a plan for social and economic reform. Why then had Quadros been forced to resign, under pressure of what he called at the time "obscure forces" and who were these "obscure forces"? What had Quadros done to cause these forces to mobilise against him. He had done one thing which was an unpardonable sin in the eyes of the business community. He had sent a commercial delegation to Cuba. These businessmen and their counterparts throughout Latin America had seen in Quadros a threat to the economic isolation of Cuba. They had seen in him an apostle of reform. His political destruction therefore became to them absolutely necessary.

It is still not clear how the "obscure forces" forced him out of office. The machinery of pressure is widespread and pervasive and the evidence not always easily available. There is however one example which is well documented. It is the pressure from the Press. They control it either directly or through their advertisements. Thus in Caracas not so long ago a proprietor of a chain of newspapers threw open his columns to objective reports on Cuba. A few weeks later he summoned his editors and instructed them that from that day on there was not to be a line in favour of Castro, but that instead there must be continuous denunciation. Why had he so suddenly changed? The answer was simple. Business firms had threatened to withdraw their advertisements and without these advertisements the newspapers would have folded up. This is only one example of the machinery of pressure at work.

There are some remarkable parallels between the resignation of Quadros and the unconstitutional events which took place in Brazil

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afterwards, and the situation which ensued in British Guiana in 1953. As with Quadros I and my colleagues had been elected in 1953 by an overwhelming vote on a programme of social and economic reform. As with Quadros we too were forced out of office and the constitution of British Guiana suspended as a result of the pressures brought by vested interests who saw their positions of privilege threatened. There are also parallels between the British Guiana Press and the Latin American Press. The British Guiana press largely controlled by vested interest, has for years indulged in a campaign of abuse and slander which in no way reflects the opinions of the people of the country who have thrice elected us overwhelmingly to the Legislature. So dangerous do we find this that my Party has now embarked on a project to produce our own daily newspaper. These parallels put me in a better position to understand the Brazilian crisis than others further removed from the field of conflict.

To understand the chain of events which led to the resignation of Quadros one must consider both the history and the present day situation in Latin America and the rest of the world. The cruel fact of the contemporary world situation is that the rich countries of the world are today getting richer while the poor countries of the world are today getting poorer. Some years ago a United Nations expert told us that two-thirds of the world's income was earned by less than one-fifth of the world's population living in the rich industrialised countries of the West. Compare this with the less than a one-sixth of the world's income earned by two-thirds of the world's population living in the poor underdeveloped countries, like Asia, Africa, the Middle East and Latin America. The rich countries of the world had an income per head of the population of over nine hundred dollars per year while in the poor countries it was little over 54 dollars.

It is this economic gap and not the much better known missile gap which today poses the main threat to world peace. The truth of this is today increasingly being recognised. It was President Kennedy who focussed attention on this in a Senate speech in 1959. In this address he drew attention to the economic gap in these words: "The gap in living standards and income and hope for the future - the gap between the developed and the underdeveloped worlds - between, roughly speaking, the top half of our globe and the bottom half - between the stable, industrialised nations of the north, whether they are friends or foes, and the overpopulated, underinvested nations of the south, whether they are friends or neutrals". Later in his address Senator Kennedy as he then was, described the contemporary world as I have just done as one in which "the rich grow richer as the poor grow poorer - with less capital and more people and fewer hopes". "It is this kind of atmosphere," he went on, "which increase the appeal of a narrow nationalism and dictatorship....."

The situation in Latin America in a word is one in which the poor nations of that continent (and they are all poor) are growing poorer each day. Why is this so? On the face of it these countries have long been politically independent. Surely their Governments it might be said should have done something after all these years of independence to shake their people free from the grasp of poverty. Why are the countries of Latin America after all these years still caught in the vicious circle of poverty? It is because political independence alone is a worthless thing and a mirage if it is not accompanied by economic independence. Increasingly it is dawning on colonial and ex-colonial leaders that political independence is not enough - this is particularly true of Africa - that if there is to be social justice there must also be economic emancipation. Colonial leaders like myself are now increasingly aware that it is possible for an imperialist power to carry on the imperialist control and exploitation of an underdeveloped country without appearing to retain control by constitutional form or by making the territory into a direct and formal colony. At the March, 1961 All-People's African Conference, this phenomena was pinpointed. Neo-colonialism was defined as follows :

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the survival of the colonial system in spite of formal recognition of political independence in emerging countries which become the victims of an indirect and subtle form of domination by political, economic, social, military or technical measures, and which is the greatest threat to African countries that have newly won their independence or those approaching this status.

Whenever such machinations appear insufficient to hamper the combativity and determination of popular liberation movements, dying colonialism tries, under the cover of neo-colonialism or through the guided intervention of the United Nations, the balkanisation of newly independent states or the systematic divisions of political movements and trade unions, and in desperate cases like the Congo, to go as far as plots, repressive measures by army and police, and murder in cold blood.

The real answer to this question may be unpalatable to many of you. If I offend tonight I can only refer you to the definition of a friend which I recently came across. A friend it is said, is one who tells you unpleasant things to your face instead of behind your back.

The hard truth of the matter as to why Latin America and other similarly placed territories are getting poorer every day is because they are tied economically in an unfavourable partnership to the industrialised countries of the world. Imperialism has fashioned the economy of my country and of all Latin American countries in its own image as a raw material base, as a market for industrialised goods and as an area for the extraction of super profits. Unlike the developed countries of the West where after the war the bulk of America's private investment went into manufacturing industries for the home markets of those countries the bulk of American and indeed of European investments in the underdeveloped countries went into extractive industries or primary products for export. The economic statistics for Latin America bear this out. Latin America is in fact a classic example of a region dominated by imperialism where a circular constellation of forces tend to act and react on one another in such a way as to keep it in a perpetual state of poverty. The economy of practically every Latin American state is distorted and imbalanced, depending on one primary crop or one mineral. The following is the picture in detail:-

Tin	59% of Bolivia's exports
Coffee	86% of Colombia's exports 61% of Haiti's exports
Coffee	74% of Brazil's exports 51% of Nicaragua's exports
Coffee	84% of El Salvador's exports 82% of Guatemala's exports
Sugar	85% of Cuba's exports 50% of Dominican Republic's exports
Bananas	56% of Ecuador's exports 66% of Honduras' exports
Bananas	52% of Uruguay's exports 59% of Costa Rica's exports
Copper	63% of Chile's exports
Oil	94% of Venezuela's exports.

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In British Guiana more than 80% of our exports come from bauxite and sugar and its by-products. Although in the Caribbean and in Latin America we are predominantly agricultural, yet even foods have to be imported. Latifundia, large foreign land holdings and land idleness, result in terrific land hunger and poverty on a wide scale.

The effect of this unbalanced economy has been disastrous for Latin America in the last few years. To take only a few countries, Chile, Peru, Mexico and Bolivia have seen the export prices of their metals drop by about 40 to 50% during the last few years. At the same time the average price which Latin America pays for its imports from the U.S., has risen by about 11%. It is this increasingly adverse economic situation which is today sharpening the social tensions everywhere in Latin America.

Addressing the last conference in early 1961 of the Economic Commission for Latin America, Mr. Philippe DeSeynes, Under-Secretary for Economic and Social Affairs of the United Nations painted a gloomy picture. He said: "In whatever direction the present combination of circumstances may swing, there are serious grounds for believing that the principal forces which for many years have generated and maintained a noteworthy expansion of the Latin American economies are now partly dissipated. To whatever extent certain forecasts may be ventured, there is little reason to expect that exports of raw materials, whether agricultural or industrial - even if a systematic effort was made to secure a foothold in markets hitherto outside Latin America's trade orbit - can possibly develop at a pace approaching the predictable rate of increase of the population. Any attempt to conjecture the future movements of foreign capital is clearly the merest speculation; the least that can be said is that the considerable inflow in recent years has probably largely absorbed the most obvious and safest investment possibilities, and that at the present juncture there is no trace of any likelihood of a further contribution on the same scale".

What must be done? There is no doubt whatever that the solution is in the rapid execution of a programme of social and economic reform. The present economic and social structure is entirely unsuited to the needs of a population which now lives in poverty and is growing at an extraordinary rate. It would take me too far afield tonight to deal with the main features of the kind of programme which is required, but there are two sectors which require the most urgent attention - the agricultural sector and industrialisation. About half the active population of Latin America obtains less than a bare livelihood from the land. It is a well-known fact that the stagnation in the agricultural sector very frequently derives from the unsatisfactory distribution of land and income. The great majority of those who work the land are not the owners of the land, or else possess only small farms yielding at best a precarious living. This system must be changed so that the most modern techniques can be utilized. But agricultural and land tenure reforms cannot alone solve Latin America's problems unless they are accompanied by a rapidly developing programme of industrialisation. Industries must be available to absorb the redundant rural labour force, to provide an ever-widening market for agricultural products and to generate rapidly the economic surplus so necessary for self-sustaining growth. In an address to the Economic Commission for Latin America held last May in Chile and at which I represented British Guiana, Mr. Raul Prebisch, Executive Secretary of the Commission had this to say of the vital and dynamic role which industries must play in any programme of development:-

"Even in countries with a relatively high annual rate of industrial growth, it is quite obvious that this function of absorbing the rural labour force has been insufficient. This is attributable to two main factors. On the one hand, industry has had to absorb artisans and unskilled workers even in urban areas; on the other hand, because of the play of market forces our countries have had to assimilate technological forms used in the more advanced countries, where capital is largely invested to economise manpower rather than capital. If funds available for investment are scarce, as in our countries, capital /employed...

employed to economise manpower where there is insufficient capital to absorb it is simply a waste of resources. An adequate relationship between these two types of investment must be established. This raises one of the most delicate problems of economic development. The industrialisation drive must therefore be much more vigorous than it has been in the past so as to allow industry, apart from its intrinsic importance adequately to perform this function of absorbing manpower with a rising level of productivity. But here we come up against another structural obstacle to development. Industry has developed in accordance with the pattern of foreign trade which the nineteenth century left so deeply implanted as part of our legacy. It has developed inwards and we have continued with our traditional exports which are characterised by a slow rate of expansion. Industry has not grown outwards and there are no industrial exports on any sizable scale. This, as is well known, has entailed high costs and is bringing the countries which have advanced further as regards industrialisation and import substitution up against phenomena of bottlenecks and new forms of external vulnerability which add immeasurably to the difficulties of economic development. These phenomena cannot be avoided unless the structural pattern is resolutely transformed."

The need for widening the industrial base of Latin American countries is urgent and clear. But how must the programme of industrialisation be set on the way? The traditional answer has always been that this must be left to private enterprise. Thus Mr. Albert Powers the leader of the U.S. delegation to the International Industrial Exposition in Bogota in 1955 gave this answer on behalf of the U.S. Government: "It is the policy of my government," Mr. Powers said, "not to intervene in the financing of activity which should properly be promoted by private enterprise. It is up to you people to create business and industrial opportunities which will attract investment capital from the United States. Remember too," Mr. Powers continued, "that you must offer the possibilities of the greater profits than can be obtained at home." Reading this I am irresistibly reminded of an old cure for the toothache. You are directed to take a mouthful of water and then sit on a stone until the water boils.

That has been the traditional response of the American Government, to the urgent request of the peoples of Latin America for help with their programmes of industrialisation. But it is not an answer which in Latin America is today any longer acceptable. The example of a number of countries in Asia and African has shown that there are new ways of organising industry in which the profits from industrial development are shared more equitably and the initiative is not left to private enterprise. In countries such as Ghana, India, Guinea and Indonesia, governments are not prepared to sit around and wait for private foreign investors to come in their own good time and on their own terms to develop industries while people starve. The state is taking the initiative in setting up industries and is participating directly in almost every field of economic activity. Those are the ideas which inspire my own government which is solidly dedicated to the creation of a socialist economic system. Those are the ideas which today are beginning to sweep Latin America and are providing the inspiration for programmes of social and economic reform.

We need capital for industrialisation. We need markets and long-term trade agreements. We are looking for it from every possible source. We and all Latin American territories need massive aid if we are to struggle out of the stranglehold of poverty, if we are to move from threatening economic disaster with all of its overtones of political despair and disorder, to the economic take-off which would enable us to keep ahead of our exploding population, to stabilise our economies and to build a base for continuing development and growth. It will no longer be sufficient or indeed acceptable to us to give us aid which is limited to certain aspects of development and which leave our economies as unbalanced as before. We must be free to use aid for economic projects and for state industries as we consider necessary.

We and other leaders in Latin America have recently been encouraged to think that your government has at last begun to realise our needs and to meet them in a way acceptable to our people. Thus we were encouraged to learn that the Punta Del Este Conference which met two months ago to consider

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President Kennedy's Alliance for Progress aid programme predicted that aid would only be given on the basis of programmes of social and economic reform. But even this Alliance for Progress plan will not help if while your government appears to move in an increasingly liberal direction, certain business interests are determined to maintain the old order of privilege and exploitation.

We have already seen how in spite of the new approach of your government the forces of reaction drove Quadros from office. The situation is little better in Venezuela where the legislative programme of Romulo Betancourt has met at every turn with opposition from the business community. Such reactionary forces are embarked on a dangerous course. The count down to revolution has already begun. If the peoples of Latin America are not to be permitted to carry out by constitutional methods, urgent programmes of social and economic reform their growing discontent will topple over as certainly as the night follows day into revolution. The question for the American people at this moment in their history is--must other Latin American nations be forced into revolution such as already happened in Cuba. Must this be their only way? This is the question mark which hangs over Latin America tonight. The hour is late. The Latin American peoples will give their answer soon.

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